REDtone
DIGITAL BERHAD

Registration No. 200201028701 (596364-U)



30 YEARS OF EXCELLENCE
Celebrating Innovation and Growth

ANNUAL REPORT 2026



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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Fourth Annual General Meeting of **REDtone Digital Berhad** ("**Company**") ("**Meeting**") will be held physically at Perdana Ballroom, Bukit Jalil Golf & Country Resort, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur, Wilayah Persekutuan on Tuesday, 1 December 2026 at 10:00 a.m. for the following purposes:-

A G E N D A

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 June 2026 together with the Reports of the Directors and the Auditors thereon. — **Please refer to Explanatory Note (i)**

2. To approve the payment of Directors' fees for an aggregate amount of up to RM1,350,000/- payable to the Non-Executive Directors of the Company on a monthly basis from 2 December 2026 until the next Annual General Meeting of the Company to be held in year 2027. — **Ordinary Resolution 1**

3. To approve the payment of Directors' benefits for an amount of up to RM130,000/- payable to the Directors of the Company from 2 December 2026 until the next Annual General Meeting of the Company to be held in year 2027. — **Ordinary Resolution 2**

4. To re-elect the following Directors who retire in accordance with Clause 117 of the Company's Constitution and being eligible, have offered themselves for re-election:-

   (i) YAM Tunku Tun Aminah binti Sultan Ibrahim Ismail; and — **Ordinary Resolution 3**
   (ii) Puan Sabarina binti Harun. — **Ordinary Resolution 4**

5. To re-appoint Ernst & Young PLT as Auditors of the Company for the ensuing year and to authorise the Board of Directors to fix their remuneration. — **Ordinary Resolution 5**

AS SPECIAL BUSINESS

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

6. **Ordinary Resolution** — **Ordinary Resolution 6**
   Authority to Issue Shares pursuant to the Companies Act 2016

   "**THAT** subject always to the Companies Act 2016, the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered pursuant to the Companies Act 2016, to issue and allot shares in the capital of the Company from time to time at such price and to such persons, upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided always that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company ("**New Shares**") for the time being, without first offering the New Shares to the existing shareholders of the Company;

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

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

7. Ordinary Resolution **Ordinary Resolution 7**

Proposed Renewal of and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with Persons Connected with Tan Sri Dato' Seri Vincent Tan Chee Yioun and/or Berjaya Corporation Berhad

"**THAT** subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Company and its subsidiary companies ("**Group**"), to enter into recurrent related party transactions of a revenue or trading nature with persons connected with Tan Sri Dato' Seri Vincent Tan Chee Yioun and/or Berjaya Corporation Berhad as specified in Section 2.3 of the Circular to Shareholders dated 22 October 2026 ("**Proposed Mandate I**"), which are necessary for the day-to-day operations and/or in the ordinary course of business of the Group on terms 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 and 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 AGM at which such ordinary resolution for the Proposed Mandate I was passed, at which time it will lapse, unless by ordinary resolution passed at that AGM, the authority is renewed;

(b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("**Act**") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

(c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier;

AND FURTHER THAT authority be and is hereby given to the Directors of the Company and its subsidiary companies to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or deem fit and in the best interest of the Group to give effect to such transactions as authorised by this resolution."

8. Ordinary Resolution **Ordinary Resolution 8**

Proposed Renewal of and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with Companies in which Tan Sri Dato' Seri Vincent Tan Chee Yioun, Berjaya Corporation Berhad and/or KDYMM Seri Paduka Baginda Yang Di-Pertuan Agong Sultan Ibrahim are major shareholders

"**THAT** subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Company and its subsidiary companies ("**Group**"), to enter into recurrent related party transactions of a revenue or trading nature with companies in which Tan Sri Dato' Seri Vincent Tan Chee Yioun, Berjaya Corporation Berhad and/or KDYMM Seri Paduka Baginda Yang Di-Pertuan Agong Sultan Ibrahim are major shareholders as specified in Section 2.3 of the Circular to Shareholders dated 22 October 2026 ("**Proposed Mandate II**"), which are necessary for the day-to-day operations and/or in the ordinary course of business of the Group on terms 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 and 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 AGM at which such ordinary resolution for the Proposed Mandate II was passed, at which time it will lapse, unless by ordinary resolution passed at that AGM, the authority is renewed;

(b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("**Act**") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

(c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier;

AND FURTHER THAT authority be and is hereby given to the Directors of the Company and its subsidiary companies to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or deem fit and in the best interest of the Group to give effect to such transactions as authorised by this resolution."

9. Ordinary Resolution **Ordinary Resolution 9**

Proposed Renewal of and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with a company in which KDYMM Seri Paduka Baginda Yang Di-Pertuan Agong Sultan Ibrahim is a major shareholder

"**THAT** subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Company and its subsidiary companies ("**Group**"), to enter into recurrent related party transactions of a revenue or trading nature with a company in which KDYMM Seri Paduka Baginda Yang Di-Pertuan Agong Sultan Ibrahim is a major shareholder as specified in Section 2.3 of the Circular to Shareholders dated 22 October 2026 ("**Proposed Mandate III**"), which are necessary for the day-to-day operations and/or in the ordinary course of business of the Group on terms 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 and 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 AGM at which such ordinary resolution for the Proposed Mandate III was passed, at which time it will lapse, unless by ordinary resolution passed at that AGM, the authority is renewed;

(b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("**Act**") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

(c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier;

AND FURTHER THAT authority be and is hereby given to the Directors of the Company and its subsidiary companies to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or deem fit and in the best interest of the Group to give effect to such transactions as authorised by this resolution."

10. Ordinary Resolution **Ordinary Resolution 10**

Proposed Renewal of Authority for the Company to Purchase its Own Shares ("Proposed Share Buy-Back")

"**THAT** subject always to the Companies Act 2016 ("**Act**"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Exchange**") and the requirements of any other relevant authority, the Directors of the Company be and are hereby authorised to purchase such number of ordinary shares in the Company ("**REDtone Shares**") through the Exchange and to take all such steps as are necessary (including the opening and maintaining of a central depositories account under the Securities Industry (Central Depositories) Act, 1991) and enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time and to do all such acts and things in the best interests of the Company, subject further to the following:-

(a) the maximum number of ordinary shares which may be purchased and held by the Company shall be equivalent to ten per centum (10%) of the total number of issued shares of the Company;

(b) the maximum funds to be allocated by the Company for the purpose of purchasing the ordinary shares shall not exceed the total retained profits of the Company; and

(c) the authority shall commence immediately upon passing of this ordinary resolution until:-

(i) the conclusion of the next Annual General Meeting ("**AGM**") of the Company following the AGM at which such ordinary resolution was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed, either unconditionally or subject to conditions; or

(ii) the expiration of the period within which the next AGM after that date it is required by law to be held; or

(iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first;

AND THAT upon completion of the purchase(s) of the REDtone Shares or any part thereof by the Company, the Directors of the Company be and are hereby authorised to deal with any REDtone Shares so purchased by the Company in the following manner:-

(a) cancel all the REDtone Shares so purchased; or

(b) retain all the REDtone Shares as treasury shares (of which may be dealt with in accordance with Section 127(7) of the Act); or

(c) retain part thereof as treasury shares and subsequently cancelling the balance; or

(d) in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of the Exchange and any other relevant authority for the time being in force."

11. To transact any other ordinary business of which due notice shall have been given.

By order of the Board

CHUA SIEW CHUAN (SSM PC NO. 201908002648) (MAICSA 0777689)
TAN LEY THENG (SSM PC NO. 201908001685) (MAICSA 7030358)
Company Secretaries

Kuala Lumpur
Dated: 22 October 2026

NOTES:

1. Only members whose names appear in the Record of Depositors of the Company as at 24 November 2026 shall be eligible to attend, participate, speak and vote at the Meeting or appoint proxy(ies) to attend, participate, speak and vote in his/her stead.

2. A member entitled to attend and vote at the Meeting, may appoint more than one (1) proxy to attend, participate, speak and vote in his/her stead. Where a member appoints more than one (1) proxy to attend, participate, speak and vote at the same Meeting, such appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy. A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to attend, participate, speak and vote at the Meeting.

3. The instrument appointing a proxy shall be in writing under the hand of the member or of his/her attorney duly authorised in writing or, if the member is a corporation, shall either be executed under the corporation's common seal or under the hand of its officer or attorney duly authorised.

4. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint more than one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. Where such member appoints more than one (1) proxy, the appointment shall be invalid unless the proportion of shareholdings to be represented by each proxy is specified in the instrument appointing the proxies.

5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

6. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a duly notarised certified copy of that power or authority, must be deposited at the office of the poll administrator, Boardroom Share Registrars Sdn. Bhd. ("**Boardroom**") at 11th Floor, Menara Symphony, No. 5 Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia OR alternatively, the Form of Proxy may be submitted to Boardroom electronically via Boardroom Smart Investor Portal at https://investor.boardroomlimited.com, not less than forty-eight (48) hours before the time set for holding the Meeting or at any adjournment thereof. The lodging of the Form of Proxy does not preclude you from attending, participating, speaking and voting in person at the Meeting should you subsequently wish to do so. Please follow the procedures provided in the Administrative Guide for the Meeting for further details.

7. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this Notice will be put to vote by way of poll. Independent Scrutineers will be appointed to validate the results of the poll.

Notice of Annual General Meeting

(Cont'd)

Explanatory Notes to Ordinary and Special Business

(i) Audited Financial Statements for the financial year ended 30 June 2026

This Agenda item is meant for discussion only, as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

(ii) Payment of Directors' fees

Section 230(1) of the Companies Act 2016 provides, amongst others, that the fees of the Directors and any benefits payable to the Directors of a listed company shall be approved at a general meeting.

The proposed Ordinary Resolution 1 is to facilitate the payment of Directors' fees for an aggregate amount of up to RM1,350,000/- to the Non-Executive Directors of the Company on a monthly basis from 2 December 2026 until the next Annual General Meeting ("**AGM**") of the Company to be held in year 2027.

In the event that the proposed Directors' fees payable are insufficient due to the enlarged size of the Board of Directors ("**Board**"), approval will be sought at the next AGM for additional Directors' fees to meet the shortfall.

(iii) Payment of Directors' benefits

The proposed Ordinary Resolution 2 is to facilitate the payment of Directors' benefits for an amount of up to RM130,000/-, calculated based on the current Board size and the estimated number of meetings of the Board and Board Committees from 2 December 2026 until the next AGM of the Company to be held in year 2027.

The Directors' benefits are essentially meeting allowance for attendance at Board meetings and Board Committee meetings. In the event that the proposed Directors' benefits payable are insufficient due to an increase in frequency of meetings or enlarged Board size, approval will be sought at the next AGM for additional Directors' benefits to meet the shortfall.

(iv) Re-election of Directors

The following Directors who retire in accordance with Clause 117 of the Company's Constitution and being eligible, have offered themselves for re-election at the forthcoming Twenty-Fourth AGM:-

(i) YAM Tunku Tun Aminah binti Sultan Ibrahim Ismail; and
(ii) Puan Sabarina binti Harun.

The retiring Directors had provided the fit and proper declarations and the Board had through the Nomination Committee ("**NC**"), carried out the assessment on the retiring Directors and agreed that they met the criteria as prescribed by Paragraph 2.20A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad on character, experience, integrity, competence and time to effectively discharge their role as Directors, and are eligible to stand for re-election.

The retiring Directors had abstained from deliberations and decisions on their own eligibility to stand for re-election at the relevant Board meeting.

The profiles of the retiring Directors are set out in the Annual Report in respect of the financial year ended 30 June 2026.

(v) Re-appointment of Auditors

The Audit Committee had assessed the suitability and independence of the External Auditors and recommended the re-appointment of Ernst & Young PLT as External Auditors of the Company for the financial year ending 30 June 2027 at the Twenty-Fourth AGM of the Company.

The Board, at the recommendation of the Audit Committee, endorsed the re-appointment of Ernst & Young PLT as External Auditors of the Company for the financial year ending 30 June 2027, to be presented to the shareholders for approval.

Explanatory Notes to Ordinary and Special Business (Cont'd)

(vi) Authority to Issue Shares

The proposed Ordinary Resolution 6 is intended to renew the authority granted to the Directors of the Company at the Twenty-Third AGM of the Company held on 2 December 2025 ("**Previous Mandate**") to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being ("**New Shares**").

The proposed Ordinary Resolution 6, if passed, will provide flexibility to the Directors of the Company to undertake any possible fund-raising activities, including but not limited to placement of shares for the purpose of funding the Company's current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or such other purposes as the Directors may deem fit, without having to convene a general meeting, provided that the aggregate number of the shares issued pursuant to the general mandate does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company.

In accordance with Clause 13 of the Constitution of the Company, the proposed Ordinary Resolution 6, if passed, shall be taken as the members' agreement for the New Shares to be issued to such persons as the Directors may deem fit without first being offered to the existing shareholders.

As at the date of this Notice, the Company has not issued any new ordinary shares pursuant to the Previous Mandate granted by the shareholders and hence no proceeds were raised therefrom.

(vii) Proposed Renewal of and New Shareholders' Mandates

The proposed Ordinary Resolutions 7 to 9, if passed, will give mandates to the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature, details of which are set out in Section 2.3 of the Circular to Shareholders dated 22 October 2026.

The aforesaid mandates from shareholders are on an annual basis and are subject to renewal at the next AGM of the Company.

The details of the proposals are set out in the Circular/Statement to Shareholders dated 22 October 2026.

(viii) Proposed Share Buy-Back

The proposed Ordinary Resolution 10, if passed, will enable the Company to purchase its own shares of up to ten per centum (10%) of the total number of issued shares of the Company at any time within the time period stipulated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Unless revoked or varied by the Company in a general meeting, this authority will expire at the conclusion of the next AGM of the Company.

The details of the proposal are set out in the Circular/Statement to Shareholders dated 22 October 2026.

Notice of Annual General Meeting
(Cont'd)

Personal Data Privacy

By (i) submitting an instrument appointing proxy(ies) and/or representative(s) to participate and vote at the Twenty-Fourth Annual General Meeting of the Company ("**24th AGM**") and/or any adjournment thereof, and/or (ii) submitting questions relating to resolutions to be tabled at the 24th AGM, a shareholder of the Company (i) consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxy(ies) and representative(s) appointed for the 24th AGM (including any adjournment thereof), the preparation and compilation of the attendance lists and other documents relating to the 24th AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing requirements, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the shareholder discloses the personal data of the shareholder's proxy(ies) and/or representative(s) to the Company (or its agents), the shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) of the Main 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)

No individual is standing for election as a Director of the Company at the Twenty-Fourth Annual General Meeting of the Company.

2. A statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

The details on the authority to issue and allot shares in the Company pursuant to the Companies Act 2016 are set out in Explanatory Note (vi) of the Notice of the Twenty-Fourth Annual General Meeting of the Company.

CORPORATE INFORMATION



Board of Directors

- **YAM Tunku Tun Aminah Binti Sultan Ibrahim Ismail**
  Chairman/ Non-Independent Non-Executive Director
- **Syed Ali Shahul Hameed**
  Deputy Chairman / Non-Independent Non-Executive Director
- **Lau Bik Soon**
  Group Chief Executive Officer
- **Kua Choo Kai**
  Independent Non-Executive Director
- **Loh Paik Yoong**
  Non-Independent Non-Executive Director
- **Sabarina Binti Harun**
  Independent Non-Executive Director

Audit Committee

Chairman
Kua Choo Kai

Members
Loh Paik Yoong
Sabarina Binti Harun

Nomination Committee

Chairman
Kua Choo Kai

Members
Loh Paik Yoong
Sabarina Binti Harun

Remuneration Committee

Chairman
Kua Choo Kai

Members
Loh Paik Yoong
Sabarina Binti Harun

Head Office

Suites 22-30, 5th Floor
IOI Business Park
47100 Puchong
Selangor Darul Ehsan

Tel : 03-8084 8888
Website : www.redtone.com
Email : support@redtone.com

Registered Office

Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan

Tel : 03-2084 9000
Email : info@sshsb.com.my

Share Registrar

Berjaya Registration Services Sdn Bhd
09-27 Level 9
Berjaya Times Square
No. 1, Jalan Imbi
55100 Kuala Lumpur
Wilayah Persekutuan

Tel : 03-2145 0533
Fax : 03-2145 9702
Email : shareg@berjayareg.com.my

Company Secretaries

Chua Siew Chuan
(SSM PC NO. 201908002648)
(MAICSA 0777689)

Tan Ley Theng
(SSM PC NO. 201908001685)
(MAICSA 7030358)

Auditors

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

Principal Bankers

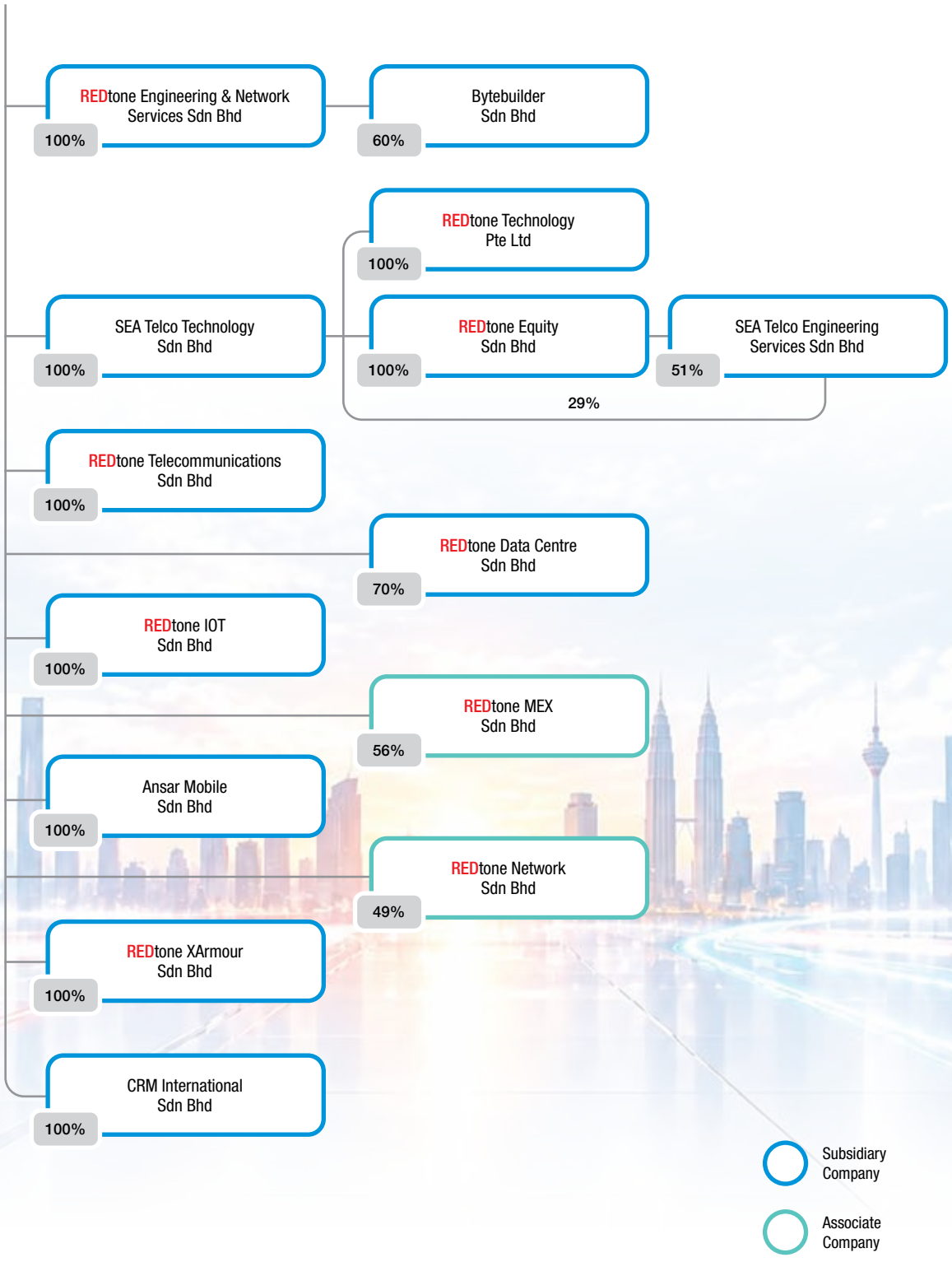
Bank Islam Malaysia Berhad
Standard Chartered Bank (M) Berhad
Malayan Banking Berhad

Stock Exchange Listing

Main Market of Bursa Malaysia Securities Berhad
Stock Name : **REDTONE**
Stock Code : **0032**

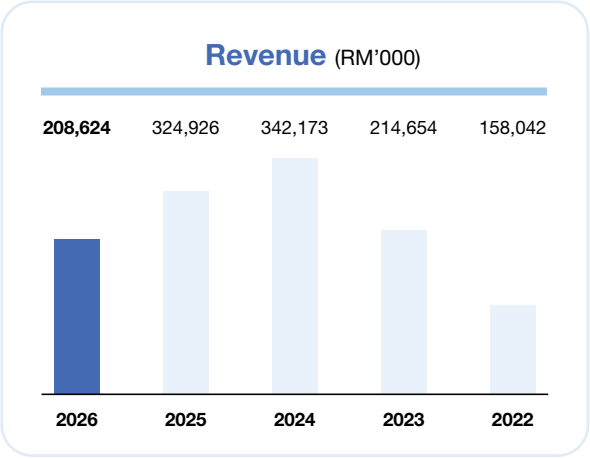
CORPORATE STRUCTURE
as at 25 September 2026

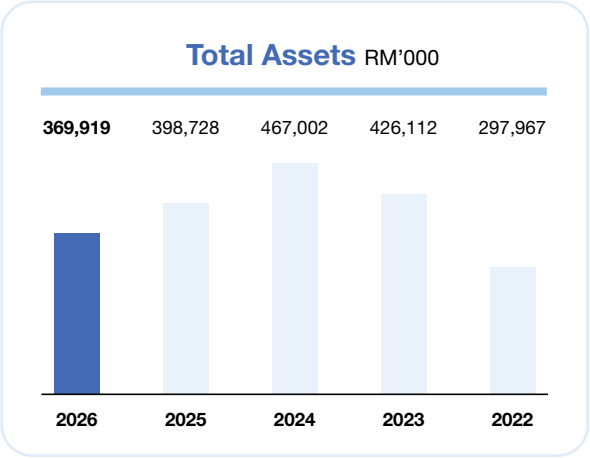
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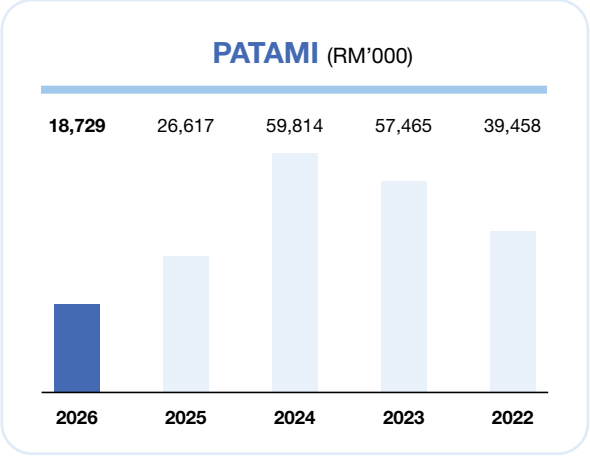


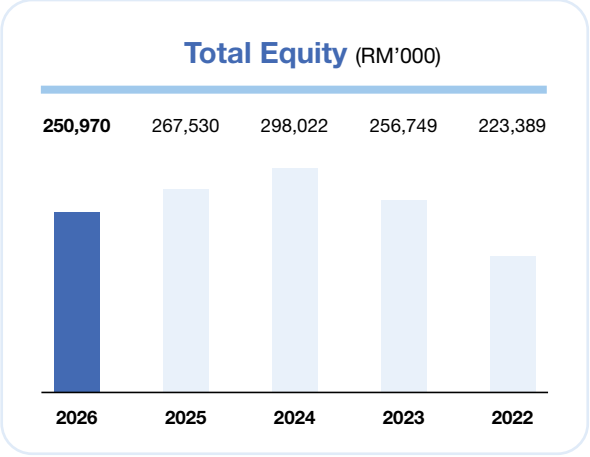
GROUP FINANCIAL SUMMARY

	FY 2026	FY 2025	FY 2024	FY 2023	FY 2022
Financial Results (RM'000)					
Revenue	**208,624**	324,926	342,173	214,654	158,042
Profit Before Tax	**27,029**	35,581	83,164	74,993	56,468
Profit After Tax	**18,507**	26,725	60,082	55,179	40,476
Profit Attributable To Shareholders ("PATAMI")	**18,729**	26,617	59,814	57,465	39,458
Financial Positions (RM'000)					
Total Assets	**369,919**	398,728	467,002	426,112	297,967
Total Current Liabilities	**105,523**	116,370	136,667	138,393	72,289
Total Non-Current Liabilities	**13,426**	14,828	32,313	30,970	2,289
Total Equity	**250,970**	267,530	298,022	256,749	223,389
Financial Ratios					
Net Assets Per Share (Sen)	**32.06**	34.18	38.13	32.83	28.22
Net Earnings Per Share (Sen)	**2.42**	3.44	7.74	7.43	5.10









BOARD OF DIRECTORS' PROFILE



YAM Tunku Tun Aminah Binti Sultan Ibrahim Ismail

Chairman /
Non-Independent
Non-Executive Director

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Date of Appointment:
3 March 2017

YAM Tunku Tun Aminah Binti Sultan Ibrahim Ismail graduated from the prestigious La Salle School of Arts in Singapore. Her Royal Highness is the daughter of KDYMM Seri Paduka Baginda Yang Dipertuan Agong Sultan Ibrahim who is a major shareholder of the Company.

YAM Tunku Tun Aminah has considerable experience in heading private organisations across a broad range of industries. Currently, Her Royal Highness is also the Chairperson of Berjaya Corporation Berhad ("**BCorporation**"), Berjaya Assets Berhad, Berjaya Capital Berhad, Berjaya Group Berhad ("**BGroup**"), Berjaya Hartanah Berhad, Berjaya Japan Developments Berhad, Bukit Kiara Resort Berhad, Berjaya Property Berhad (formerly known as Berjaya Land Berhad) ("**BProperty**"), Berjaya Rail Sdn. Bhd., Berjaya Waterfront Sdn. Bhd., Berjaya Times Square Sdn. Bhd., Berjaya Securities Sdn. Bhd. (formerly known as Inter-Pacific Securities Sdn. Bhd.), Berjaya Mutual Berhad, Berjaya Assembly Sdn. Bhd. and U Mobile Sdn. Bhd., and holds the KFC franchise in Stulang Laut, Johor Bahru.

YAM Tunku Tun Aminah attended 4 out of the 5 Board Meetings held during the financial year ended 30 June 2026.



Syed Ali Shahul Hameed

Deputy Chairman /
Non-Independent
Non-Executive Director

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Date of Appointment:
4 June 2024

En. Syed Ali Shahul Hameed holds a Bachelor of Engineering from the Institute of Road & Transport Technology, Bharathiar University at Coimbatore, India.

He has over 29 years of experience with the BCorporation group of companies where he started his career as an Assistant Engineer at Berjaya Tioman Resort under BProperty Group in 1997.

En. Syed Ali has outstanding operational and strategic capabilities to take on senior roles in BProperty Group from 2003 until today, including the role of Chief Engineer in 2003, Corporate Director of Engineering & Technical Services of Berjaya Hotels & Resorts Division in 2009, and Director of Property Development and Complexes, Property Division in 2019, where he spearheaded landmark projects and developments including the multi-award winning Four Seasons Hotel & Hotel Residences Kyoto in Japan, and The Ritz-Carlton Residences in Kuala Lumpur.

En. Syed Ali was appointed as BCorporation's Joint Group Chief Executive Officer from 1 April 2022 to 1 March 2023. He sits on the Board of BProperty as an Executive Director since 2019 and is currently the Group Chief Executive Officer of BProperty. He also sits on the Board of Berjaya Construction Berhad, Berjaya Hartanah Berhad, Berjaya Japan Developments Berhad, Berjaya Yokohama Investment Pte Ltd, Berjaya Vacation Club Berhad, Berjaya Hills Resort Berhad, Bukit Kiara Resort Berhad, Indah Corporation Berhad, KDE Recreation Berhad, Landasan Lumayan Berjaya Sdn. Bhd., Staffield Country Resort Berhad, Tioman Island Resort Berhad and several other private limited companies in the BCorporation group of companies.

He attended all 5 Board Meetings held during the financial year ended 30 June 2026.

Board of Directors' Profile

(Cont'd)

Lau Bik Soon

Group Chief
Executive Officer



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Date of Appointment:
13 August 2008

Mr. Lau Bik Soon was appointed to the Board of Directors of the Company on 13 August 2008 and assumed the role of REDtone's Group Chief Executive Officer ("**Group CEO**") on 8 July 2011. He holds a First Class Honours Degree in Electrical Engineering from Universiti Teknologi Malaysia.

Mr. Lau has been a vocal advocate of digital transformation, championing advanced technologies and environmental, social and governance (ESG) principles as strategic drivers of sustainable growth. He is also a strong proponent of Artificial Intelligence (AI) to enhance efficiency, deliver tangible business outcomes and create value for the Company and its clients.

Under his leadership, REDtone has evolved from a discounted call provider into an integrated telecommunications and digital solutions provider. Today, its offerings span three core areas: Telecommunications, Managed Telecommunications Network Services and Digital Technology Solutions.

His tenure as Group CEO has been marked by significant achievements, including consistent recognition at The Edge Malaysia Centurion Club & Corporate Awards. Over the past five (5) consecutive years, REDtone has received a total of eight (8) accolades, with multiple wins in categories such as "Highest Growth in Profit After Tax Over Three Years", "Highest Return on Equity Over Three Years" and "Highest Returns to Shareholders Over Three Years". These recognitions underscore the Company's resilience, strong foundation, and sustained performance amid a challenging business environment.

With more than 30 years of experience in the information and communication technology (ICT) and telecommunications industries, Mr. Lau's distinguished career includes key positions with international organisations such as Cisco Systems, Sun Microsystems, Compaq Computer, TQC Consultant (IT Division) Sdn. Bhd. and Motorola. Prior to joining REDtone, he served as the Country Manager for Hitachi Data Systems Malaysia.

Throughout his corporate journey, Mr. Lau has showcased exceptional capabilities, earning a range of management excellence awards. Among other prestigious regional accolades are the 2023 Vistage Singapore & Malaysia "Lifetime Achievement Award" and the 2014 Asia Pacific Entrepreneurship Award. These recognitions underscore his steadfast commitment to excellence and his significant impact on the industry.

Mr. Lau does not hold any other directorship in any other public companies or public listed companies.

He attended all 5 Board Meetings held during the financial year ended 30 June 2026.

Board of Directors' Profile

(Cont'd)

Kua Choo Kai

Independent
Non-Executive Director



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Date of Appointment:
14 February 2022

Mr. Simon Kua Choo Kai graduated from Monash University, Australia with a Bachelor of Economics in 1983. He later obtained a Master of Business Administration from the University of Bath (in association with The Malaysian Institute of Management) in 1995. He is a member of the Malaysian Institute of Accountants, a member of the Malaysian Institute of Certified Public Accountants and a Fellow of the Chartered Practising Accountants, Australia. He was also a Certified Information Systems Auditor (CISA) of the Information System Audit and Control Association from 2001 to 2020.

Mr. Simon began his career with Ernst & Young PLT's ("**EY**") predecessor firm, Ernst & Whinney (EW) after his graduation and was with the firm for 38 years.

Prior to his retirement in June 2020, he was a Partner within the Kuala Lumpur Assurance Practice and was the Professional Practice Director for East Malaysia. He was also the Administration Leader of the Malaysian Firm responsible for facilities management and support services.

Mr. Simon's professional service experiences were in internal and external audits, information systems assurance, enterprise risk management framework, corporate governance framework, financial and management advisory. His industry experience included the automation, technology, telecommunications, property development and construction, gaming, consumer products and healthcare industries. He was also involved in international expatriate assignments in the United Kingdom and the United States of America.

He was previously head of EY Advisory Services from 1997 until 2005 where he was instrumental in the start-up of EY Risk & Assurance Business Services. He was the partner in charge of numerous Corporate Governance and Risk Management framework implementation assignments. He returned to mainstream Assurance in 2005 and was the engagement partner in charge of several large conglomerates in Malaysia and multinational corporations.

He also sits on the Board of BProperty, UEM Edgenta Berhad and Paradigm REIT Management Sdn. Bhd. as an independent director.

Mr. Simon is the Chairman of the Audit Committee, Remuneration Committee and Nomination Committee of the Company.

He attended all 5 Board Meetings held during the financial year ended 30 June 2026.

Board of Directors' Profile

(Cont'd)

Loh Paik Yoong

Non-Independent
Non-Executive Director



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Date of Appointment:
9 February 2015

Ms. Loh Paik Yoong obtained her professional qualification from The Malaysian Association of Certified Public Accountants (now known as The Malaysian Institute of Certified Public Accountants). She is a member of the Malaysian Institute of Accountants.

Having articled and worked with Messrs. Peat Marwick Mitchell & Co (now known as KPMG PLT) for 6 years to 1990, she subsequently joined the Corporate Advisory Department of Malaysian International Merchant Bankers Berhad where she was actively involved in a wide variety of corporate exercises in an advisory capacity until her departure in 1995 to join BGroup.

Currently, she is the Head & Director in Group Investment at BCorporation, the holding company of BGroup. She also sits on the boards of several private limited companies.

Ms. Loh is also a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company.

She attended all 5 Board Meetings held during the financial year ended 30 June 2026.

Sabarina Binti Harun

Independent
Non-Executive Director



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Date of Appointment:
19 February 2024

Puan Sabarina Binti Harun, FCPA (Aust) holds a Bachelor of Commerce majoring in Accounting from La Trobe University, Australia. She is a Fellow Certified Practising Accountant from CPA Australia, a member of the Malaysian Institute of Accountants, and an ASEAN Chartered Professional Accountant. She is also a Project Management Professional certified by Project Management Institute, USA.

Puan Sabarina has more than 25 years of experience in strategy development, financial management, digital transformation and operations. She has solid change management experience in her various positions, proven track record in managing cross-functional teams, implementing successful, robust and efficient operational processes for organisational change.

Prior to joining SIRIM Berhad, Puan Sabarina was the Group Financial Controller to Inai Kiara group of companies, which is the fifth largest dredging company in the world. She started her career with Inai Kiara as the Financial Controller for the holding company, orchestrating a prominent impact in three (3) different portfolios namely Finance, Quality Management and Project Management.

She then joined SIRIM Berhad as the Group Chief Finance Officer to spearhead the overall financial operations, growth and strategies, asset management, project management, information technology and procurement activities of SIRIM Berhad and its subsidiaries ("**SIRIM Group**").

She is currently the Group Chief Operating Officer at SIRIM Berhad, leading the Project Monitoring Office and Digital Services for SIRIM Group, overseeing the operations of ten (10) state offices nationwide and leading two (2) Strategic Business Units of SIRIM Group under the developmental and commercial mandates.

She also sits on the Board of Scientex Berhad as an independent director.

Puan Sabarina is also a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company.

She attended all 5 Board Meetings held during the financial year ended 30 June 2026.

Board of Directors' Profile

(Cont'd)

Other Information

1. **Family relationship with Director and/or major shareholder**

   Save as disclosed herein, none of the Directors has any family relationship with any other Director and/or major shareholder of the Company.

2. **Conflict of interest with the Company**

   Save for the related party disclosures as disclosed under Note 33 to the Audited Financial Statements of this Annual Report and the Circular to Shareholders dated 22 October 2026 which is despatched together with this Annual Report, none of the Directors has any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

3. **Conviction for offences**

   None of the Directors has been convicted for any offences (other than traffic offences) within the past five (5) years or has been imposed with any public sanctions or penalties by the relevant regulatory bodies during the financial year.

4. **Directorship in public companies and listed issuers**

   Save for the disclosures as stated above, none of the Directors hold any directorship in other public companies and listed issuers.

KEY SENIOR MANAGEMENT'S PROFILE

Lau Hock Chye

Chief Financial Officer

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Date of Appointment:
6 June 2016

Mr. Lau Hock Chye is a member of the Institute of Chartered Secretaries & Administrators and the Association of International Accountants, United Kingdom.

With over 30 years of experience in finance and business planning in the telecommunications industry, Mr. Lau brings extensive practical experience in management and business leadership. He has also worked closely with the board of directors, bankers as well as financial and legal advisers throughout his career.

He began his career in Digi Telecommunications Sdn. Bhd. in 1997, where he led the Business Planning function and subsequently served as the Head of Regional Management before leaving in 2009 to join U Mobile Sdn. Bhd. ("**U Mobile**") as its Chief Financial Officer. During his 4 years tenure in U Mobile, he introduced a more cost-effective organisational structure, laying the foundation for the company to grow and compete effectively.

Prior to joining REDtone, Mr. Lau spent 2½ years from 2013 as the Head of Planning and Strategy of Maxis Communications Berhad. In this role, he was actively involved in accessing the feasibility of various new business initiatives and contributed to the development of the company's strategic plans.

Throughout his tenure in REDtone, he played an important role in strengthening the Company's cost structure, implementing forward looking initiatives, and improving internal processes and controls. These efforts enhanced the Group's ability to respond to changes in business environment, while contributing to greater operational efficiency and profitability. Over the past 5 consecutive years, REDtone's has received 8 prestigious awards at The Edge Malaysia Centurion Club Corporate Awards, recognising the Company's continued efforts and commitment to excellence and improvement.

Note:

Save as disclosed, the key senior manager does not have: -

1. any directorship in public companies and public listed companies;
2. any family relationship with any directors and/or major shareholders of the Company;
3. any conflict of interest with the Company;
4. any convictions for offences within the past five (5) years other than traffic offences; and
5. any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

REDtone Digital Berhad ("**REDtone**" or "**Group**") is a leading, future-focused integrated telecommunications and digital services provider in Malaysia. Since its establishment in 1996, the Group has continuously evolved to meet the changing needs of businesses, leveraging its strong telecommunications foundation to deliver enterprise connectivity, cloud, cybersecurity and AI-driven digital transformation solutions.

(a) Telecommunication Services ("TS")

REDtone provides a comprehensive portfolio of enterprise connectivity solutions, including dedicated internet access, managed network services, Cloud PBX, SIP Trunking, unified communications, managed cybersecurity and satellite connectivity, serving enterprises, SMEs and government agencies nationwide.

Recognised for its robust network infrastructure and system integration expertise, REDtone designs, deploys and manages secure enterprise connectivity solutions for organisations across multiple industries. As an authorised Starlink Reseller and Integrator, the Group extends enterprise-grade satellite connectivity to underserved and remote locations. Its cybersecurity portfolio includes strategic consulting, managed security services, cloud security, security awareness training, and enterprise-scale Security Operations Centre (SOC) and Enterprise Observability Centre (EOC) solutions.

(b) Managed Telecommunications Network Services ("MTNS")

Driven by its mission to connect the unconnected, REDtone plays a key role in strengthening Malaysia's digital infrastructure. As the country's leading third-party Neutral Multi-Operator Core Network (MOCN) operator, the Group has delivered major national connectivity initiatives, including Kampung Tanpa Wayar, Time-3 and Jalinan Digital Negara ("**JENDELA**"), extending reliable broadband access to underserved communities.

Backed by proven expertise in mobile network deployment, fibre optic infrastructure, fixed networks, equipment integration and Radio Frequency (RF) optimisation, REDtone delivers large-scale telecommunications infrastructure projects for telecommunications operators and government agencies.

(c) Digital Technology Solutions ("DTS")

REDtone delivers enterprise-grade cloud, Artificial Intelligence ("**AI**"), Internet of Things ("**IoT**") and Information and Communications Technologies ("**ICT**") solutions that enable organisations to accelerate digital transformation. Its portfolio spans Enterprise AI Voice & Omnichannel Engagement, AI-native network operations, and IoT Smart Asset and Smart Farming solutions, helping organisations automate operations, improve network resilience, enhance customer engagement and drive smarter business outcomes.

KEY HIGHLIGHTS AND ACHIEVEMENTS

Over the past five (5) consecutive years, REDtone has received eight (8) prestigious accolades at The Edge Malaysia Centurion Club Corporate Awards under the Telecommunications, Media & Utilities category. The Group's latest achievement was the Highest Return on Equity award, adding to its repeated recognitions over the past five (5) years for Highest Growth in Profit After Tax, Highest Return on Equity, and Highest Returns to Shareholders. These accolades underscore REDtone's disciplined execution, strong governance and consistent ability to create sustainable long-term shareholder value.

During the financial year ended 30 June 2026 ("**FY2026**"), REDtone also received the Enterprise Digital Services – Integrated Telecommunications Services Award at the 2025 PIKOM Digital Excellence Awards, as well as the Safety Excellence Premier Award at the 43rd MSOSH Occupational Safety and Health Awards. These recognitions underscore the Group's commitment to innovation, service excellence and workplace safety.

A key milestone during the year was REDtone's appointment as an HPE Aruba Platinum Partner, strengthening the Group's enterprise ICT capabilities and broadens its growth opportunities. This achievement was further reinforced when REDtone Engineering & Network Services Sdn. Bhd. was recognised as the HPE Networking Reseller Sales Accelerator Partner of the Year (1H 2026).

REDtone's sustainability efforts also continued to gain recognition. Based on the FTSE Russell's June 2026 Environmental, Social and Governance ("**ESG**") Ratings assessment of Main Market Public Listed Companies, REDtone achieved a 4-star ESG rating. REDtone has also been a constituent of the FTSE4Good Bursa Malaysia (F4GBM) and FTSE4Good Bursa Malaysia Shariah (F4GBMS) indices since 2025, reflecting the Company's ongoing commitment to strengthening its environmental, social, and governance practices. This recognition further demonstrates REDtone's ongoing efforts in promoting sustainable, responsible, and resilient business operations while creating long-term value for customers, shareholders and stakeholders.

In line with its commitment to operational excellence, customer trust, and regulatory compliance, REDtone has established an Information Security Management System ("**ISMS**") aligned with the ISO/IEC 27001:2022 standards. The ISMS provides a structured framework to safeguard information assets, ensure service resilience, and manage security risks across the organisation.

REDtone also achieved a Capability Maturity Model Integration (CMMI) Development Maturity Level 3 appraisal, reaffirming the Group's commitment to internationally recognised software engineering best practices, disciplined project management, and continuous process improvement. This milestone strengthens our capability to consistently deliver secure, high-quality, and scalable digital and AI solutions, while enhancing customer confidence and supporting long-term innovation.

REVENUE

The Group recorded revenue of RM208.6 million for FY2026, representing a decrease of RM116.3 million or 35.8% compared to the previous financial year's revenue of RM324.9 million. This decline was mainly attributable to lower revenue from the MTNS segment.

The TS segment contributed positively to the Group's performance during the financial year under review, recording marginal revenue growth despite the challenging business environment and intense competition in the telecommunications industry.

The MTNS segment contributed 46.3% to the Group's total revenue. The decrease in MTNS revenue was primarily attributable to the JENDELA project under the Universal Service Provision ("**USP**") projects, which is approaching the end of its deployment phase. Revenue from USP projects is recognised progressively over the contract period and therefore fluctuate in line with the pace of project delivery, which is the characteristic of the MTNS segment.

The DTS segment recorded strong growth during the financial year under review, contributing 24.3% to the Group's total revenue compared to 10.5% in the previous financial year. This marked a significant milestone for the Group. The increase in DTS revenue was primarily driven by demand for ICT solutions, supported by REDtone's appointment as an HPE Aruba Platinum Partner in Malaysia. This partnership has broadened the Group's access to market opportunities and supporting its expansion in the enterprise ICT market.

Management Discussion and Analysis

(Cont'd)

PROFIT BEFORE TAX

The Group recorded a lower profit before tax of RM27.0 million for the financial year under review, representing a decrease of RM8.6 million or 24.2% compared to RM35.6 million in the previous financial year. The decline was mainly attributable to the lower gross profit contribution from the MTNS segment, arising from lower project activities. Despite the decline in the MTNS segment, the strong growth in the DTS segment provided a positive contribution and partially cushioned the impact on the Group's overall gross profit.

DIVIDEND

On 16 October 2025, the Group paid an interim single-tier dividend of 2.0 sen per ordinary share for the financial year ended 30 June 2025, amounting to RM15.5 million.

In view of the Group's moderate performance in FY2026, the Group maintained the dividend payout at 2.0 sen per ordinary share. On 24 August 2026, the Board of Directors of REDtone ("**Board**") announced an interim single-tier dividend of 2.0 sen per ordinary share, which will be paid on 16 October 2026, reflecting the Group's continued commitment to reward our shareholders.

The Group's dividend decisions were based on its financial performance, cash flow position, funding requirements for upcoming projects and other relevant considerations. In making such decisions, the Board seeks to balance the Group's funding requirements with shareholders' expectations.

FORWARD-LOOKING AND PROSPECTS

The global business environment remains shaped by geopolitical uncertainty, economic volatility and rapid technological change. At the same time, these trends continue to drive demand for resilient digital infrastructure, secure connectivity and AI-enabled transformation.

The TS segment will remain a core contributor to the Group's recurring revenue, with ongoing emphasis on service excellence, enterprise connectivity and cybersecurity.

The MTNS segment is well-positioned to benefit from continued investment in Malaysia's digital infrastructure. The Group remains optimistic about contributing to the next wave of large-scale national connectivity initiatives.

The DTS segment is expected to be a major driver of future growth, supported by the rollout of MyGovUC 3.0, sustained momentum in ICT projects, growing enterprise adoption of AI and the expansion of AI-native networking capabilities.

Looking ahead, REDtone will continue to pursue growth opportunities across both the public and private sectors, with a clear focus on ICT and digital infrastructure, enterprise AI, cloud, cybersecurity and managed services. Guided by disciplined execution, strategic investments and strong trusted partnerships, the Group is well positioned to build sustainable long-term value for its shareholders.

SUSTAINABILITY STATEMENT

About This Report

This Sustainability Statement 2026 provides an overview of REDtone Digital Berhad's ("**REDtone**" or "**Group**") sustainability performance, priorities and progress during the year.

As an integrated telecommunications and digital infrastructure provider, REDtone operates in a fast-moving landscape shaped by digitalisation, artificial intelligence, cybersecurity, changing customer expectations, increasing demand for resilient connectivity and the transition to a lower-carbon economy. These shifts bring new opportunities and risks that REDtone must understand and manage.

This Statement also reflects continued efforts to strengthen sustainability reporting in line with Malaysia's National Sustainability Reporting Framework ("**NSRF**") and the IFRS Sustainability Disclosure Standards. REDtone is progressively broadening its focus to consider sustainability-related and climate-related risks and opportunities, their potential effects on prospects and value creation and how it integrates these considerations into governance, risk management, strategy and decision-making.

What This Report Covers

This Sustainability Statement covers REDtone's principal operations and subsidiaries in Malaysia for the financial year ended 30 June 2026, unless otherwise stated.

Material sustainability matters, stakeholder perspectives and relevant sustainability-related and climate-related risks and opportunities shape the content.

How REDtone Defines the Boundary

Throughout this Statement, references to "REDtone", "the Group", "it" and "its" refer to REDtone Digital Berhad and its subsidiaries, unless otherwise stated. Where relevant, its assessment extends beyond direct operations to consider matters across the value chain, including suppliers, customers, business partners, technology infrastructure and service delivery.

Connecting Sustainability with the Business

REDtone continues to strengthen how it incorporates sustainability considerations into risk management, strategic planning and business decision-making.

Initiatives include improving how it identifies and assesses sustainability-related and climate-related risks and opportunities, understands their potential implications for the business and monitors relevant performance over time.

Building Data Confidence

REDtone collects sustainability data from relevant business units and functions using established internal systems, records and reporting processes.

Enhancing these processes improves the completeness, consistency, traceability and reliability of reported information. The Group reviews and discloses material estimates, assumptions or calculation methodologies where used. Where available, comparative information provides a clearer view of performance over time.

The Performance Data Table at the end of this Statement contains a consolidated summary of REDtone's sustainability performance.

Reporting Period

Unless otherwise stated, all information in this Sustainability Statement relates to the financial year ended 30 June 2026.

REDtone reports on its sustainability performance annually in its Annual Report.

About This Report (Cont'd)

Standards REDtone Refers To

REDtone's reporting approach draws on applicable requirements and recognised sustainability standards and frameworks, including:

- Bursa Malaysia Securities Berhad's sustainability reporting requirements
- National Sustainability Reporting Framework (NSRF)
- IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information
- IFRS S2 Climate-related Disclosures
- Global Reporting Initiative (GRI) Standards
- FTSE4Good Bursa Malaysia (F4GBM) Index assessment criteria
- ISO 26000: Guidance on Social Responsibility
- United Nations Sustainable Development Goals (UN SDGs)

REDtone continues building readiness for the phased implementation of the NSRF and strengthening its sustainability-related and climate-related disclosures.

Assurance and Oversight

The Sustainability Working Committee ("**SWC**") coordinates the preparation of sustainability information, supported by relevant business units and functions across the Group.

The Board of Directors ("**Board**") oversees the Group's sustainability reporting and reviewed and approved this Statement before publication.

Selected sustainability information has also been subject to independent limited assurance by PKF Risk Management Sdn Bhd. The independent assurance statement in this Annual Report provides details of the assurance scope and conclusions.

Contact REDtone

Stakeholder feedback helps REDtone understand emerging expectations and improve the way it manages and communicates its sustainability performance.

Please submit any questions, comments or suggestions through the "Contact Us" section of REDtone's corporate website at www.redtone.com.

Creating Value Through Connection

Delivering secure, reliable and increasingly intelligent connectivity solutions creates value, combining digital infrastructure, technology, expertise and strong stakeholder relationships.

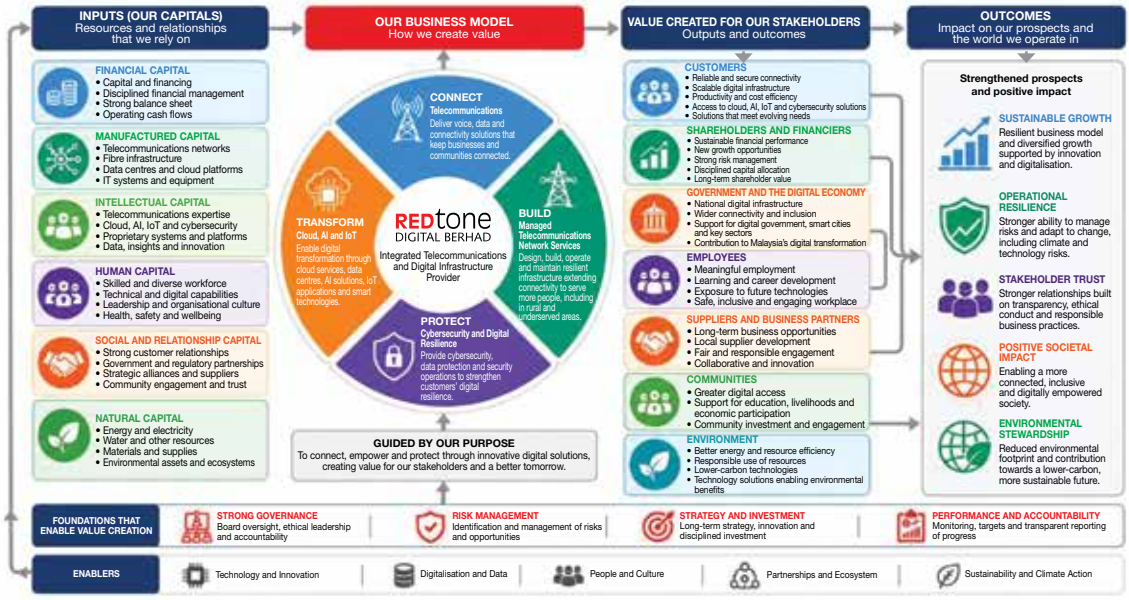
REDtone's ability to create value depends not only on the assets it owns and operates, but also on the people, technology, energy, suppliers, customers, partners and relationships that support its business. It transforms these resources through its telecommunications, managed network, cloud, AI, Internet of Things ("IoT") and cybersecurity capabilities to create value for customers, shareholders, employees, communities and the wider digital economy.

Sustainability-related risks and opportunities can affect these resources, relationships and outcomes over time. REDtone continues to integrate these considerations into governance, risk management, strategy, investment and operational decision-making.

OUR VALUE CREATION MODEL

At REDtone, we create value by connecting people, businesses and communities through trusted digital infrastructure and intelligent solutions.

Our integrated business model leverages our resources and relationships to deliver reliable connectivity, managed network services, cloud, AI, IoT and cybersecurity solutions. By integrating sustainability considerations into our strategy and operations, we respond to risks and opportunities, generate positive outcomes for our stakeholders and contribute to a smarter, more connected and sustainable future



How Sustainability Informs Decision-making

Decision Area	Integration in Practice
Strategy and growth	Sustainability considerations inform priorities in renewable energy, resilient connectivity, Cloud, AI, IoT, cybersecurity and inclusive digital access.
Investment and capital allocation	Investment decisions consider energy efficiency, network resilience, renewable energy and technologies that strengthen operational performance.
Operations and expenditure	Operational planning and cost management consider energy use, cooling, fuel, maintenance, site access and climate-related disruption.
Products and technology	REDtone assesses digital solutions for their potential to improve efficiency, resilience, connectivity and resource management.
Procurement and partnerships	REDtone incorporates environmental and social considerations alongside cost, quality, capability, reliability and logistics.
Risk management	REDtone considers climate, cybersecurity, energy, regulatory and supply-chain factors where they may affect operations, costs, service continuity or future growth.

Sustainability Statement
(Cont'd)

Creating Value Through Connection (Cont'd)

Sustainability Governance

Governance Structure and Accountability

REDtone integrates the oversight of sustainability-related and climate-related risks and opportunities into its broader corporate governance and risk management framework.

The Board has overall responsibility for the Group's strategic direction, risk management and internal control, including oversight of material sustainability-related and climate-related matters. The Audit Committee ("**AC**") supports the Board while the Risk Management Working Committee ("**RMWC**") and SWC undertake management-level responsibilities.

The RMWC executes the Group's risk management policy and processes and reports material risks and related management actions to the AC. The SWC, chaired by the Group Chief Executive Officer, coordinates REDtone's sustainability strategy and its integration across relevant business and support functions. This structure provides clear accountability from operational management through to Board oversight.

Oversight and Decision-making

The Board considers material sustainability-related and climate-related risks and opportunities when overseeing REDtone's strategy, risk management and significant business and investment decisions.

These considerations may include network and infrastructure resilience, cybersecurity and data privacy, technology and regulatory developments, energy use and emissions, supply-chain resilience and changing customer expectations.

The Board considers relevant implications and trade-offs for operational resilience, investment priorities, financial performance and long-term value creation. REDtone escalates material matters requiring attention or decisions through relevant governance channels on a timely basis.

Information Flow and Management Responsibilities

The RMWC works with Management and business units to identify, assess, prioritise, monitor and manage material risks, including sustainability-related and climate-related risks where relevant. The Group periodically reviews risk registers and related management actions and promptly reports significant changes in its business, strategy or external environment.

The SWC works across business and support functions to coordinate sustainability initiatives, performance information and emerging sustainability matters. The SWC escalates relevant information to the RMWC, AC and Board, as appropriate, to support informed oversight and decision-making.

The RMWC's existing Terms of Reference require periodic reporting to the AC on risk management activities, updated Key Risk Registers and the Risk Dashboard, with timely reporting of substantial changes in internal business processes, business strategies or the external environment.

Skills and Competencies

REDtone recognises that effective oversight requires access to appropriate knowledge and expertise. The Board considers the skills and competencies required to oversee matters relevant to the Group's operating environment, including sustainability-related and climate-related developments.

Directors receive ongoing training and updates, while Management and relevant functions provide expertise across areas such as telecommunications and digital infrastructure, cybersecurity, regulatory compliance and sustainability. Where specialised knowledge is required, the Board and Management may draw on external professional expertise to support informed oversight and decision-making. The Board Charter requires Directors to undertake continuous education and remain informed of changes and trends in the Group's business environment, markets and regulatory landscape.

Creating Value Through Connection (Cont'd)

Sustainability Governance (Cont'd)

Integration with Risk Management and Controls

REDtone progressively integrates sustainability-related and climate-related risks and opportunities into its existing risk management processes rather than managing them separately.

Management maintains controls, procedures and reporting processes to support the identification, assessment, monitoring and management of these matters and, where appropriate, their integration with relevant business, risk management and internal control processes.

REDtone considers risks and opportunities across short-term (1–2 years), medium-term (3–5 years) and long-term (beyond 5 years) horizons, reflecting its business planning and technology and infrastructure investment cycles. The short-term captures near-term operating, contract and technology requirements; the medium-term reflects network modernisation, digital infrastructure investment and evolving market and regulatory conditions; and the long-term considers infrastructure lifecycles and longer-term technology, climate and policy developments.

Metrics, Targets and Accountability

The Board and relevant governance bodies monitor sustainability performance through information provided by Management, including material metrics, initiatives and emerging areas requiring attention.

REDtone continues to strengthen its approach to measurable sustainability targets and the governance of sustainability-related information. The Group is also working towards incorporating appropriate sustainability-linked KPIs into executive performance evaluation and remuneration frameworks to strengthen accountability.

FTSE4Good Recognition

REDtone achieved a Four-Star FTSE4Good ESG rating, placing it in the top tier of the FTSE4Good assessment. This performance represents a significant improvement from the Three-Star rating achieved in the previous year, reflecting continued progress in REDtone's environmental, social and governance performance.

Listen. Connect. Create Value

Connectivity extends beyond networks and digital infrastructure to the relationships that shape the business. REDtone engages stakeholders throughout the year to understand changing expectations, emerging concerns and opportunities for collaboration.

Insights from these engagements help inform operational priorities, service improvements, capability development and risk management, while also feeding into its materiality and sustainability processes. As a result, REDtone can respond more effectively to issues that matter to both its stakeholders and its business.

Stakeholders	What Matters to Them	How REDtone Listens and Connects	How Insights Inform REDtone's Response and Value Creation
Government and Regulators	Regulatory compliance; responsible use of numbering resources; fraud and scam prevention; operational impacts of policy changes; national digitalisation and connectivity	Regulatory reporting; meetings and dialogue with government agencies and regulators; industry events and seminars; materiality assessment	FY2026 engagement reinforced the need for stronger controls over fraudulent calls, scam traffic, spoofing and misuse of voice services. REDtone strengthened customer verification, traffic monitoring, fraud detection and controls over suspicious or abnormal call traffic. REDtone considered policy developments, including changes to fuel subsidies, for their potential impact on engineering activities, rural site work and solar-hybrid operations.

Sustainability Statement
(Cont'd)

Listen. Connect. Create Value (Cont'd)

Stakeholders	What Matters to Them	How REDtone Listens and Connects	How Insights Inform REDtone's Response and Value Creation
Customers	Service availability and reliability; voice quality; cybersecurity; data protection; protection against fraudulent or unauthorised calls; responsive technical support	Customer satisfaction surveys; account management; technical and commercial meetings; customer visits; service helpline and email support; feedback and complaints channels; exhibitions and seminars; corporate website and social media; materiality assessment	Customer feedback informed improvements in service monitoring, technical support and escalation processes, as well as stronger controls against call fraud and unauthorised usage. REDtone is part of an industry-wide anti-scam group comprising major telecommunications providers, MCMC and PDRM. The group addresses suspected scam cases daily.
Employees	Fair employment; career development; workplace safety and well-being; remuneration and benefits; product knowledge; technical capability; cybersecurity awareness; business direction	Town halls; employee surveys; intranet and internal communications; grievance channels; performance management; training and development; employee activities; materiality assessment	Feedback highlighted the importance of keeping skills aligned with increasingly complex Voice, Cloud and digital solutions. REDtone continued to strengthen product and technical capability through training in SIP, Cloud PBX, cybersecurity and emerging technologies such as AI Voice. Employee survey findings also informed priorities in career development, rewards, well-being and engagement.
Suppliers and Contractors	Service reliability; technical integration; delivery timelines; compliance with customer and regulatory requirements; supply continuity; fair procurement	Supplier performance evaluations; sourcing and procurement processes; meetings and discussions; performance feedback; training and collaboration; engagement on procurement, safety and sustainability matters	REDtone worked closely with technology and service partners to support timely implementation, technical integration and compliance with agreed service requirements and SLAs. Ongoing engagement also helps identify delivery and value-chain risks that may affect service continuity.
Communities and NGOs	Social and economic development; digital inclusion; education and skills; community needs; long-term partnerships	Community engagement and consultation; CSR programmes; partnerships and events; charitable contributions; student internships; materiality assessment	Engagement supports timely, transparent communication and provides visibility into emerging public and industry concerns that may affect reputation and stakeholder confidence.
Media	Corporate performance; governance and compliance; sustainability matters; timely and reliable information	Media releases; corporate updates; interviews; events and roadshows; materiality assessment	Engagement supports timely, transparent communication and provides visibility into emerging public and industry concerns that may affect reputation and stakeholder confidence.

Listen. Connect. Create Value (Cont'd)

Stakeholders	What Matters to Them	How REDtone Listens and Connects	How Insights Inform REDtone's Response and Value Creation
Investors, Analysts, Shareholders, Bankers and Financiers	Operational performance; strategy and outlook; risk management; governance; sustainability performance	Meetings and discussions; analyst and investor briefings; corporate announcements and updates; corporate website; materiality assessment	Dialogue with the investment and financial community helps REDtone understand expectations relating to performance, strategy, risk, governance and sustainability, supporting clearer communication and more informed long-term decision-making.

What Stakeholders Raised in FY2026

Across its stakeholder engagements, several themes became particularly relevant during the year under review: service reliability, cybersecurity, fraud prevention, regulatory compliance, technical capability and operating efficiency.

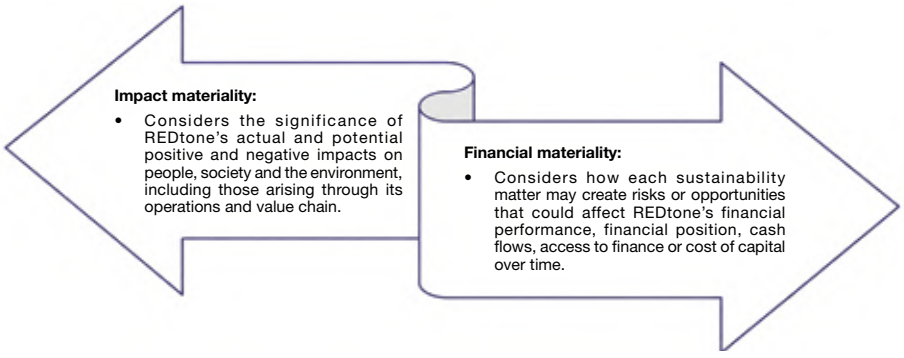
These priorities triggered actions ranging from stronger fraud detection and customer verification controls to enhanced service monitoring, cybersecurity testing and employee technical development. They also highlighted emerging operational considerations, including how policy changes affect engineering and rural site activities.

Connecting stakeholder feedback with business action helps anticipate risks, improve service resilience and respond to changing expectations across REDtone's telecommunications and digital infrastructure ecosystem.

Defining Our Priorities

Materiality helps REDtone focus on the sustainability matters that are most significant to its business and stakeholders. It provides a structured way to understand where the Group has the greatest impacts, where sustainability-related risks and opportunities may arise and where management should direct attention and resources.

To strengthen this assessment, REDtone is upgrading its approach this year by looking at each material topic through two complementary lenses: impact materiality and financial materiality.



This enhanced approach supports REDtone's progressive alignment with the IFRS Sustainability Disclosure Standards by creating a clearer connection between sustainability matters, business risks and opportunities, strategy, enterprise risk management and financial planning.

Together, these assessments provide a more complete view of materiality.

Sustainability Statement

(Cont'd)

Defining Our Priorities (Cont'd)

How Redtone Determined What Matters

REDtone's assessment comprises sixteen (16) sustainability matters, spread across the economic, environmental and social pillars. Each was tested twice, once for the significance of the Group's impact on people and the environment, once for the financial consequence to the business, drawing on four reference points:

Stakeholders:	A survey gathered 127 responses across seven groups. REDtone conducted it in FY2024 and reaffirmed it for FY2026, the topic list and operating context having not changed materially in between.
The Board:	A panel of five directors and senior managers rated the severity of REDtone's outward impact on each topic.
Management:	REDtone set an estimated maximum annual financial exposure for every topic, anchored on documented Group figures.
External frameworks:	MSCI and SASB rate each topic for how material it is to a telecommunications company, which anchors REDtone's own assessment against external benchmarks.

Stakeholder Groups involved in the REDtone Materiality Study 2024



The table below summarises each material topic, its impact and potential financial effect, key risk and opportunity and relevant UNSDGs.

Material Topic	Impact Materiality	Potential Financial Impact	Key Sustainability-related Risk/Opportunity	Relevant UNSDGs
Risk Management	Strong risk governance supports responsible decision-making and reduces adverse impacts arising from operational, environmental, social and governance risks.	Poorly managed sustainability risks may lead to losses, disruption, higher insurance costs, regulatory exposure or impaired asset values.	Risk: Inadequate identification and management of sustainability-related risks. Opportunity: More resilient decision-making and earlier identification of emerging risks.	8, 16
Financial Performance	Sustainable financial performance supports employment, investment, taxes and long-term economic contribution.	Sustainability-related factors may affect revenue, operating costs, financing, capital allocation and long-term enterprise value.	Risk: Sustainability issues adversely affect earnings or capital requirements. Opportunity: Strong financial capacity supports investment in new technologies and sustainable growth.	8, 9

Defining Our Priorities (Cont'd)

How REDtone Determined What Matters (Cont'd)

Material Topic	Impact Materiality	Potential Financial Impact	Key Sustainability-related Risk/Opportunity	Relevant UNSDGs
Sustainable Supply Chain	Procurement practices can influence labour standards, environmental performance and responsible business practices throughout the value chain.	Supplier disruption, price volatility or ESG non-compliance may increase costs, delay projects or create reputational and regulatory exposure.	Risk: Supply chain disruption and supplier ESG failures. Opportunity: More resilient sourcing, stronger supplier relationships and responsible procurement.	8, 12, 16
Nation Building and Industry Advancement	Connectivity and digital infrastructure can expand access to services, support economic development and reduce digital divides.	Public sector digitalisation and national infrastructure investment can create revenue opportunities, while policy or funding changes may affect project pipelines.	Risk: Dependence on government priorities and public-sector expenditure. Opportunity: Growth from national digitalisation, connectivity and infrastructure programmes.	8, 9, 10, 11
Compliance	Compliance supports ethical conduct, fair markets, data protection and stakeholder trust.	Breaches may result in fines, licence restrictions, legal costs, business disruption and reputational damage.	Risk: Non-compliance with telecommunications, environmental, labour, anti-corruption, privacy and other regulatory requirements.	16
Energy and Climate	Energy consumption and greenhouse gas ("GHG") emissions contribute to climate change, while climate-related events may affect communities and infrastructure.	Higher energy costs, carbon-related regulation, physical climate damage and business interruption may affect costs and assets; energy efficiency may reduce expenditure.	Risk: Physical and transition climate risks. Opportunity: Energy efficiency, renewable energy, resilient infrastructure and low-carbon digital solutions.	7, 9, 13
Waste Management	Electronic, operational and general waste can harm ecosystems and communities if not managed responsibly.	Disposal costs, regulatory requirements and improper handling may create liabilities, while reuse and recycling can reduce costs and resource consumption.	Risk: Regulatory and reputational exposure from improper waste management. Opportunity: Circularity, reuse and reduced material costs.	11, 12, 13

Sustainability Statement

(Cont'd)

Defining Our Priorities (Cont'd)

How REDtone Determined What Matters (Cont'd)

Material Topic	Impact Materiality	Potential Financial Impact	Key Sustainability-related Risk/Opportunity	Relevant UNSDGs
Biodiversity and Land Remediation	Infrastructure deployment may affect habitats, ecosystems and land condition, particularly in environmentally sensitive locations.	Environmental remediation, approval delays and compliance requirements may increase project costs or restrict development.	Risk: Biodiversity impacts, land disturbance and remediation liabilities. Opportunity: Responsible site management and reduced environmental footprint.	14, 15
Career Development	Training and development improve employability, skills, productivity and long-term career prospects.	Skills shortages, high turnover or insufficient capabilities may increase recruitment costs and constrain growth; training can improve productivity and innovation.	Risk: Skills gaps and talent retention challenges. Opportunity: Stronger workforce capability, productivity and succession.	4, 8
Health & Wellbeing	Safe and healthy working conditions protect employees and contractors from injury, illness and poor wellbeing.	Incidents, absenteeism and reduced productivity may increase costs and disrupt operations.	Risk: Workplace injuries, occupational health issues and reduced workforce productivity. Opportunity: Improved engagement, productivity and retention.	3, 8
Diversity & Inclusion	Inclusive employment practices promote equal opportunity and reduce discrimination and inequality.	Poor inclusion may affect recruitment, retention, engagement and reputation; diverse teams may support stronger decision-making and innovation.	Risk: Discrimination, unequal opportunity and talent loss. Opportunity: Broader talent pool, stronger engagement and diverse perspectives.	5, 8, 10
Human Rights	Business activities and supply chains may affect labour rights, dignity, equality and working conditions.	Human rights breaches may lead to litigation, regulatory action, contract loss and reputational damage.	Risk: Labour and human rights violations within operations or the supply chain. Opportunity: Stronger stakeholder trust and responsible procurement.	5, 8, 10, 16
Customer Care & Experience	Reliable, accessible and responsive services support customers' ability to communicate and operate effectively.	Poor service quality may cause customer churn, compensation costs and revenue loss, while strong service can improve retention and market position.	Risk: Service failures and declining customer satisfaction. Opportunity: Customer loyalty, retention and service differentiation.	9, 12

Defining Our Priorities (Cont'd)

How REDtone Determined What Matters (Cont'd)

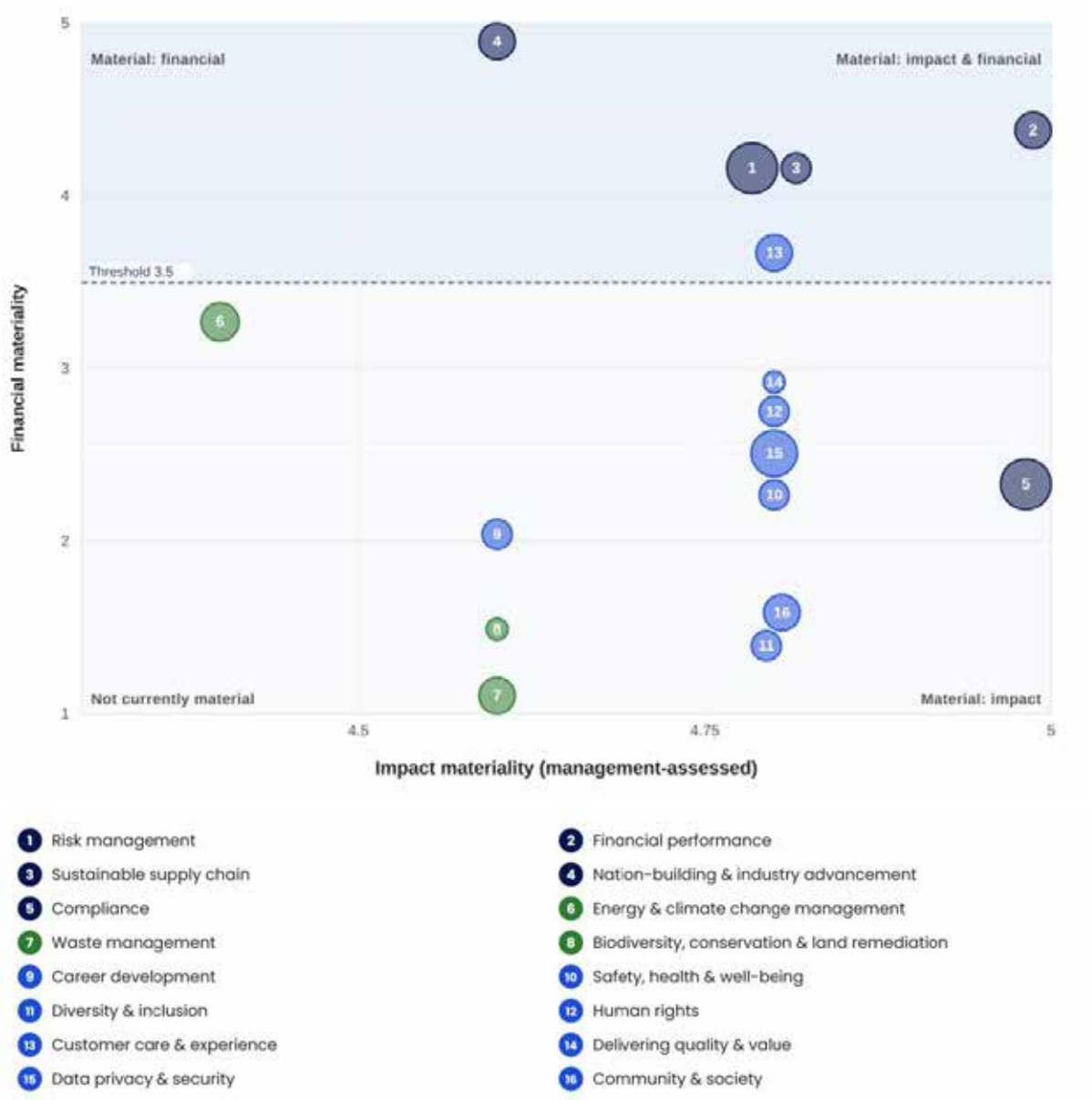
Material Topic	Impact Materiality	Potential Financial Impact	Key Sustainability-related Risk/Opportunity	Relevant UNSDGs
Delivering Quality & Value	Equitable access to products, services and economic opportunities can broaden participation and reduce inequalities.	Failure to meet changing stakeholder expectations may affect reputation and market access; inclusive offerings may expand customer reach.	Risk: Exclusion or inequitable access. Opportunity: Broader market participation and stakeholder value creation.	5, 8, 10
Data Privacy & Security	Protecting personal and organisational data safeguards privacy, rights and trust in digital services.	Cyber incidents and privacy breaches may disrupt services, increase remediation costs, trigger fines, litigation, customer loss and reputational damage.	Risk: Cybersecurity incidents, data breaches and privacy non-compliance. Opportunity: Trusted and secure digital services can strengthen competitive positioning.	9, 16
Community & Society	Community investment, connectivity and digital inclusion can improve access to education, services and economic opportunities.	Strong community relationships may support licence to operate and public sector opportunities, while adverse community impacts may delay projects or damage reputation.	Risk: Loss of community trust or negative social impacts. Opportunity: Digital inclusion, stronger stakeholder relationships and social licence to operate.	4, 8, 9, 10, 11

Sustainability Statement

(Cont'd)

Defining Our Priorities (Cont'd)

What the Assessment Shows



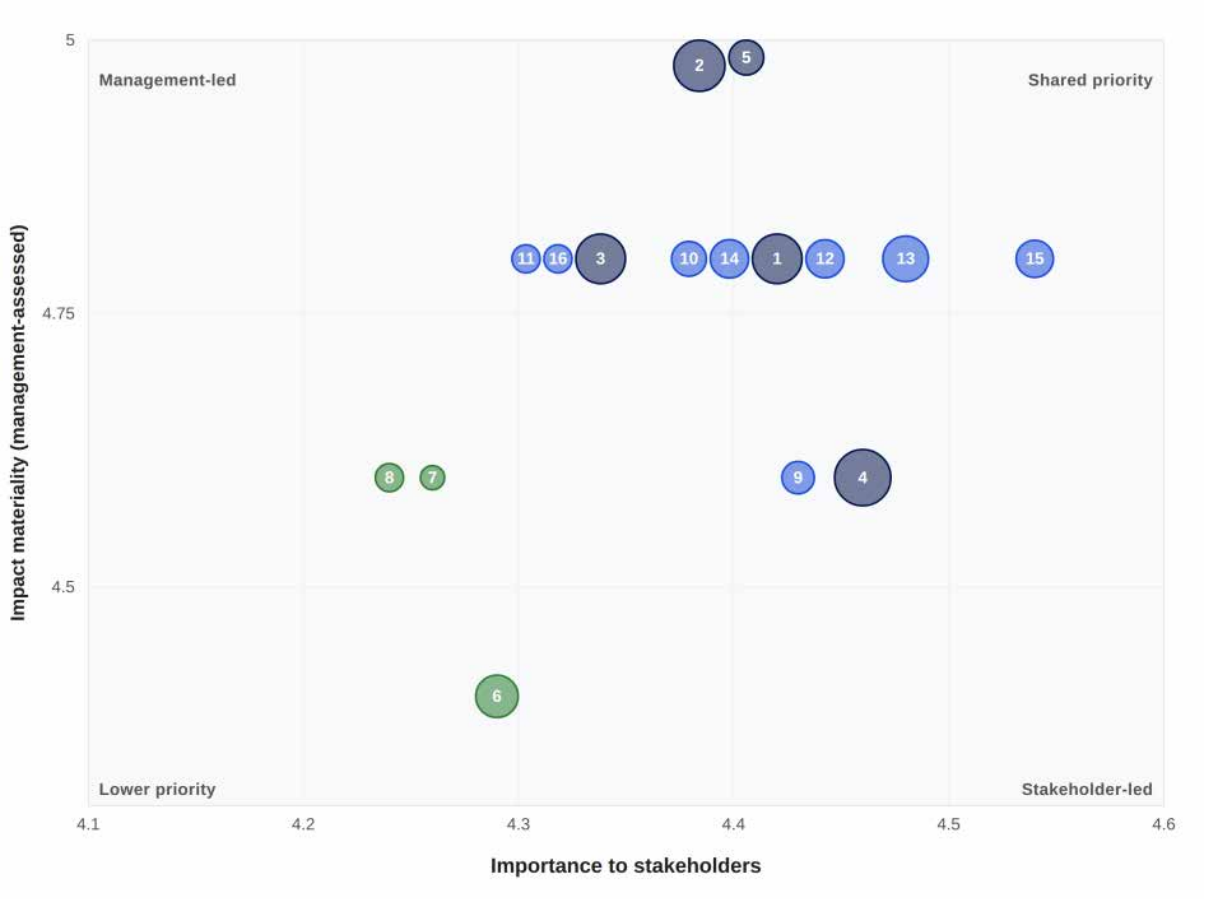
REDtone's FY2026 double materiality matrix plots impact materiality on the horizontal axis and financial materiality on the vertical axis, while bubble size reflects external framework alignment (MSCI and SASB). The dashed line shows the financial materiality threshold. No impact threshold line is shown because all topics exceeded the impact materiality threshold.

All topics exceeded the impact materiality threshold, with Board scores ranging from 4.40 to 5.00 out of 5. The main differentiation therefore comes from the financial impact axis, where scores varied more widely.

Five topics met the threshold on both dimensions: risk management, financial performance, sustainable supply chain, nation-building and industry advancement and customer care and experience. These topics form the core of REDtone's FY2026 disclosure priorities.

Defining Our Priorities (Cont'd)

What the Assessment Shows (Cont'd)



How stakeholder priorities compare with the Board's view. Each topic is plotted by its importance to stakeholders (horizontal axis) and by the Board's assessment of REDtone's impact on people and the environment (vertical axis). Larger bubbles indicate greater financial materiality.

This chart compares stakeholder and Board perspectives across the 16 topics. Stakeholders ranked Data Privacy & Security highest, followed by Customer Care & Experience, reflecting their importance to REDtone's digital and telecommunications services.

The Board rated the significance of REDtone's impacts higher across all topics. The two perspectives aligned most closely on Energy & Climate Change Management and Nation-Building & Industry Advancement, while they differed most on Financial Performance and Compliance. REDtone will continue to monitor these differences in future assessments.

Sustainability and Climate-related Risks and Opportunities

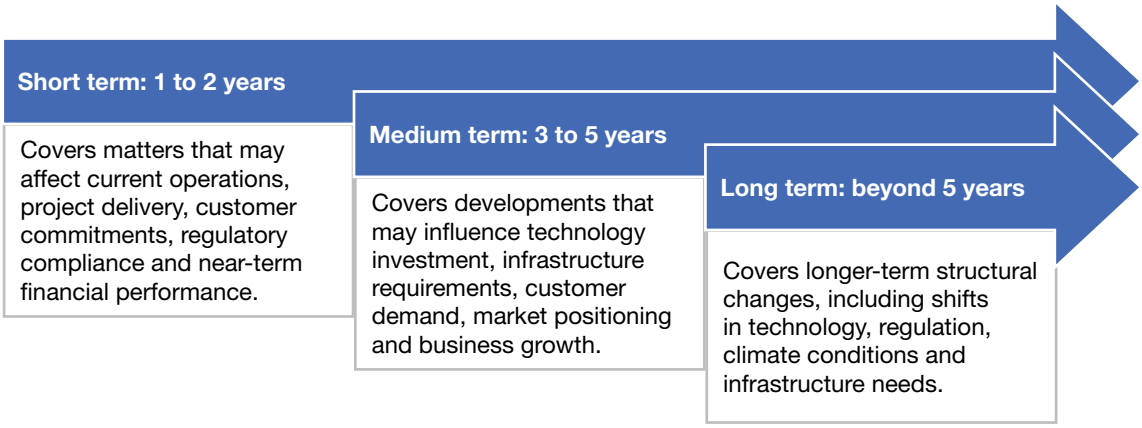
Rapid technological change, evolving regulation, changing customer needs and increasing climate-related pressures shape REDtone's business.

For REDtone, these factors can affect network reliability, project delivery, cybersecurity, access to remote sites, energy use, workforce capability, supplier performance and compliance. They can also create opportunities in areas where REDtone already has strong capabilities, including cloud, AI, IoT, smart agriculture and digital connectivity.

The Group assesses sustainability-related and climate-related risks and opportunities based on how they could affect its operations, strategy and financial performance over the short, medium and long term.

Time Horizons

REDtone uses the following time horizons to assess when the effects of a risk or opportunity may become most significant:



The assigned horizon reflects when REDtone expects the most significant effects to emerge. Some risks and opportunities may develop earlier or continue beyond the stated period as operating conditions change.

Integrating Sustainability into Risk Management

REDtone considers sustainability and climate-related matters within its broader enterprise risk management approach, allowing it to assess their potential interactions with strategic and operational risks.

Sustainability-related risks rarely occur in isolation. For example, climate-related disruption may simultaneously affect infrastructure resilience, project delivery, suppliers and customer service. Similarly, expansion into AI and cloud services may create new commercial opportunities while increasing the importance of cybersecurity, data protection, regulatory compliance and specialised technical skills.

REDtone's Enterprise Risk Management ("**ERM**") provides established mechanisms for risk ownership, monitoring, mitigation and escalation. Management continues to focus on strategic risk mitigation, business continuity and emerging risks while monitoring the effectiveness of existing controls.

As REDtone's sustainability assessment develops, material sustainability-related and climate-related matters will increasingly inform strategic planning, resource allocation and decision-making.

Sustainability and Climate-related Risks and Opportunities (Cont'd)

REDtone's Sustainability and Climate Risk and Opportunity Landscape

REDtone's risk and opportunity landscape reflects the realities of operating across telecommunications, digital infrastructure and technology services. The assessment considers sustainability-related matters, along with climate-related physical and transition risks and opportunities, that may affect the Group's operations, value chain and longer-term prospects.

Sustainability-related Matter	Type	Principal Time Horizon	Why It Matters to REDtone	Potential Business and Financial Effects	REDtone's Response
Digital infrastructure resilience	Risk	Short-Medium	REDtone's telecommunications, network, cloud and digital services depend on reliable infrastructure and continuous service availability.	Disruption could affect service delivery and customer experience and may lead to additional recovery costs, contractual consequences or delayed or lost revenue.	REDtone maintains business continuity, technology resilience and cybersecurity measures and continues strengthening the reliability of critical infrastructure, systems and services.
Cybersecurity, data protection and digital trust	Risk	Short-Long	Greater connectivity and the increasing use of cloud, IoT and AI raise the importance of protecting systems, customer information and other sensitive data.	Cyber incidents could disrupt services, increase remediation costs, trigger regulatory or legal consequences and erode customer confidence.	REDtone maintains cybersecurity, monitoring, access-control and information-protection measures, supported by ongoing employee awareness and system resilience measures.
Talent and future-ready skills	Risk & Opportunity	Short-Medium	Growth in cybersecurity, cloud, AI, IoT and digital infrastructure is increasing demand for specialised technical capabilities.	Skills shortages may increase recruitment and remuneration costs or constrain project delivery and growth. Stronger technical capabilities can support innovation, productivity and new revenue.	REDtone continues to invest in employee development, workforce planning and retaining and developing critical technical expertise.
Health & Safety	Risk	Short-Medium	Network engineering, telecommunications infrastructure deployment and field activities involve occupational health and safety considerations for employees and contractors.	Incidents could cause operational disruption, additional costs, regulatory consequences and reputational damage.	REDtone integrates health and safety considerations into relevant operational, project and contractor management processes.

Sustainability Statement

(Cont'd)

Sustainability and Climate-related Risks and Opportunities (Cont'd)

REDtone's Sustainability and Climate Risk and Opportunity Landscape (Cont'd)

Sustainability-related Matter	Type	Principal Time Horizon	Why It Matters to REDtone	Potential Business and Financial Effects	REDtone's Response
Supplier and contractor resilience	Risk	Short-Medium	REDtone's infrastructure deployment and service delivery depend on the availability and performance of suppliers, contractors and service providers.	Disruption or underperformance may affect procurement costs, project schedules and its ability to meet customer commitments.	REDtone manages supplier and contractor performance through procurement, project management and business continuity processes.
Regulatory and sustainability requirements	Risk	Short-Medium	Telecommunications, cybersecurity, privacy, AI, sustainability and climate-related requirements continue to evolve.	New requirements may increase compliance costs, affect business processes and influence customer expectations, tenders and financing considerations.	REDtone monitors regulatory developments and progressively enhances governance, compliance and reporting processes in response to changing requirements.
Business Integrity	Risk	Short-Medium	REDtone participates in infrastructure, enterprise and government-related projects where ethical conduct, procurement integrity and strong governance are essential.	Failures in business integrity could lead to legal or regulatory consequences, financial losses, reputational damage and reduced access to business opportunities.	REDtone maintains governance and anti-corruption measures to support ethical and responsible business conduct.
Responsible AI and emerging technology	Risk & Opportunity	Short-Medium	AI and automation create opportunities for new services and greater efficiency while introducing considerations around data governance, security, accuracy, privacy and responsible use.	Potential compliance and reputational exposure may arise alongside productivity gains, innovation and new revenue opportunities.	Governance and risk management will continue to evolve as REDtone adopts and commercialises AI-enabled solutions.
Cloud, AI and digital transformation	Opportunity	Short-Medium	Organisations are accelerating the adoption of cloud, automation and AI to improve scalability, productivity and operational efficiency.	This transformation may support new and recurring revenue, deeper customer relationships and greater diversification of REDtone's digital solutions portfolio.	REDtone continues to develop capabilities across cloud, AI and digital solutions in response to evolving customer demand and market demand.

Sustainability and Climate-related Risks and Opportunities (Cont'd)

REDtone's Sustainability and Climate Risk and Opportunity Landscape (Cont'd)

Sustainability-related Matter	Type	Principal Time Horizon	Why It Matters to REDtone	Potential Business and Financial Effects	REDtone's Response
Smart farming and IoT-enabled resource efficiency	Opportunity	Medium-Long	IoT and digital monitoring can support more efficient agricultural operations and better management of water, energy and other resources.	This approach may create new markets and revenue opportunities while supporting customers seeking greater productivity, resource efficiency and climate resilience.	REDtone continues to develop and deploy Smart Farming and IoT solutions in response to customer and market needs.
Rural and underserved connectivity	Opportunity	Short-Medium	Expanding digital access remains important for economic participation and broader delivery of digital services.	Greater connectivity may support project and service revenue, wider market reach and greater social and economic participation in underserved communities.	REDtone's experience in Universal Service Provision and nationwide infrastructure deployment supports continued participation in connectivity expansion.
Growing demand for resilient and sustainable digital solutions	Opportunity	Medium-Long	Customers may increasingly seek secure, efficient and resilient telecommunications and digital solutions as they respond to operational, sustainability and climate-related challenges.	This demand may create opportunities for new services, recurring revenue, stronger customer retention and competitive differentiation.	REDtone continues to develop value-added telecommunications and digital solutions that respond to changing customer and market requirements.

Sustainability and Climate-related Risks and Opportunities (Cont'd)

Climate-related Risks and Opportunities

REDtone has begun considering how climate change may affect its telecommunications and digital infrastructure operations, particularly where weather conditions, energy use and access to remote sites can influence service delivery and operating costs.

Climate-related Matter	Type	Principal Time Horizon	Why It Matters to REDtone	Potential Business and Financial Effects	REDtone's Response
Extreme weather and infrastructure disruption	Physical climate risk	Medium-Long	More severe rainfall, flooding, storms and other extreme weather events may affect network infrastructure, project sites, site accessibility, field operations, supporting utilities and suppliers.	Potential effects include service interruption, project delays, asset damage, repair and maintenance costs, additional resilience investment and delayed revenue.	REDtone progressively incorporates climate considerations into infrastructure, project and business continuity planning. Further assessment will increase understanding of exposure across relevant locations and assets.
Higher temperatures and changing climate conditions	Physical Climate Risk	Long	Rising temperatures may affect telecommunications and IT equipment, cooling requirements and employees working outdoors or in the field.	Potential effects include higher electricity and cooling costs, increased maintenance requirements, reduced equipment efficiency or useful life and impacts on workforce health and productivity.	REDtone will continue to assess longer-term physical climate exposure and appropriate adaptation measures as information and methodologies develop.
Energy and the low-carbon transition	Transition Risk	Short-Medium	Telecommunications and digital infrastructure depend on electricity, while energy prices, carbon-related requirements and customer expectations continue to evolve.	Potential effects include higher operating costs, additional climate-related expenditure and changes in procurement, technology selection or investment decisions.	REDtone continues to monitor energy performance, emissions and relevant regulatory developments and progressively integrate these considerations into climate planning.

REDtone recognises that climate change may affect its operations, infrastructure, costs and future business opportunities. Some climate-related impacts already impact day-to-day operations, particularly when severe weather or landslides affect access to remote telecommunications sites, delay repairs, increase logistics and maintenance costs, or disrupt network availability.

Physical Climate related Risks

- Heavy rainfall
- Flooding
- Storms
- Higher temperatures
- Landslides

Sustainability and Climate-related Risks and Opportunities (Cont'd)

Climate-related Risks and Opportunities (Cont'd)

Potential Operational Impacts

- Restricted access to remote telecommunications sites
- Disruption to network infrastructure
- Reduced equipment performance
- Electricity supply interruptions
- Delays to maintenance and emergency works
- Higher logistics and maintenance costs
- Reduced network availability

Transition related Considerations

- Changes in energy costs
- Regulatory developments
- Technology developments
- Changing customer expectations
- Evolving procurement requirements

Potential Business Implications

- Changes in operating costs
- New or evolving compliance requirements
- Investment in new or more efficient technologies
- Changing customer requirements
- Evolving procurement expectations

Climate related Opportunities

- More resilient infrastructure
- Renewable powered sites
- IoT enabled monitoring
- Digital technologies that improve efficiency and resource management

Potential Outcomes

- Greater operational resilience
- Improved efficiency and resource management
- Development of new customer solutions
- Potential new areas of growth

At this stage, REDtone assesses climate-related risks and opportunities primarily on a qualitative and operational basis. The Group intends to progressively strengthen its assessment as climate-related information, internal capabilities and supporting data develop.

Sustainability and Climate-related Risks and Opportunities (Cont'd)

Climate-related Risks and Opportunities (Cont'd)

Strengthening Climate Resilience

Understanding climate resilience requires considering how changing climate conditions may affect the business model, operations and strategy.

The Group will continue to deepen its assessment of physical climate risks across relevant infrastructure, assets and locations and consider transition-related developments such as changes in regulation, energy markets, technology and customer expectations.

This assessment will support a clearer understanding of the concentration of climate-related exposures, how their significance may change over different time horizons and what measures may be required to strengthen resilience.

As REDtone continues aligning with IFRS S2, climate-related scenario analysis will provide a stronger basis for assessing the resilience of its strategy and business model under a range of plausible climate futures.

Potential Financial Effects

REDtone is beginning to consider how sustainability-related and climate-related matters may connect to its financial performance and position; at this stage, primarily qualitatively rather than through detailed financial quantification.

Financial Area	Potential Connection
Revenue	Service disruption and project delays may reduce or defer revenue, while demand for cloud, AI, IoT, smart infrastructure and resilient connectivity may create new income sources.
Operating Costs	Energy, maintenance, repairs, cybersecurity, regulatory compliance, workforce development and changing procurement requirements may influence expenditure.
Assets and Capital Expenditure	Climate-related damage, resilience upgrades and the shift to solar hybrid systems may affect asset values, useful lives and the level and timing of capital expenditure.
Cash Flows	Project delivery, customer billing, operating expenditure and capital investment may affect the timing and level of cash flows.
Access to Financial and Cost of Capital	Sustainability and climate-related performance may increasingly influence the expectations of investors, lenders and other providers of capital.
Business Resilience	Reliable infrastructure, cybersecurity, skilled employees, resilient suppliers and effective climate adaptation support REDtone's ability to maintain operations and pursue future growth.

The nature, scale and timing of these effects will depend on how individual risks and opportunities develop. Where reasonably supportable information is available, REDtone will progressively strengthen its assessment of current and anticipated financial effects, including quantitative assessment where practicable.

These linkages also influence REDtone's broader business resilience. Reliable infrastructure, effective cybersecurity, skilled employees, dependable suppliers and the ability to respond to climate-related disruption support service continuity, protect revenue and help manage unexpected costs.

Sustainability and Climate-related Risks and Opportunities (Cont'd)

Digitalisation as an Enabler

Sustainability is not only about managing risk; many structural changes accompanying the sustainability transition closely align with the Group's capabilities in telecommunications, digital infrastructure and technology.

Telecommunications infrastructure enables the connectivity that digital services depend on. Cloud technology and AI can support more efficient and intelligent business operations and processes. IoT can provide organisations with real-time information on assets and resources. Smart farming technologies can also support more informed agricultural management and resource use. These developments create opportunities for REDtone to support customers and communities as they respond to their own operational, digital and sustainability challenges.

Powering Economic Progress

REDtone embeds economic sustainability in its role as a provider of integrated telecommunications and digital infrastructure solutions. Investing in connectivity, digital capabilities and emerging technologies supports business productivity, digital inclusion and Malaysia's broader digital transformation.

Investments in AI, cloud services, cybersecurity and rural connectivity strengthen REDtone's own competitiveness while enabling customers and communities to participate more effectively in the digital economy. These capabilities also support digitalisation across sectors such as healthcare, education, manufacturing and public services.

Working with technology partners, regulators, enterprises and government agencies accelerates the adoption of next-generation solutions and expands access to secure, reliable digital infrastructure. These collaborations also enable the Group to broaden its capabilities, enter new growth areas and respond to evolving market needs.

During FY2026, REDtone continued to strengthen its capabilities across AI, enterprise networking, data centres, cybersecurity and digital infrastructure, while developing new solutions, securing strategic projects and expanding partnerships that support long-term business growth and stakeholder value.

Advancing Malaysia's Digital Connectivity

How REDtone supports inclusive digital development:

1. Extending access to underserved areas

- REDtone deploys telecommunications and digital solutions that help improve connectivity in rural and remote communities.

2. Supporting long term infrastructure resilience

- The Group focuses on reliable, maintainable solutions that can continue supporting communities beyond initial deployment.

3. Enabling economic participation

- Better connectivity gives communities greater access to information, education, digital services and business opportunities, helping to support local economic activity

4. Working through partnerships

- REDtone collaborates with government agencies, local authorities, technology partners and communities to implement and maintain connectivity projects effectively.

5. Driving AI and smart digital solutions

- Investments in AI, smart solutions and digitalisation strengthen REDtone's capabilities, enabling smarter operations and better digital experiences.

Together, we build a more connected, inclusive and resilient Digital Malaysia.

Powering Economic Progress (Cont'd)

Driving New Growth Through AI

REDtone expanded its enterprise AI portfolio in FY2026 with AI Engage and AI Voice, creating new opportunities to help organisations improve customer engagement, automate high-volume interactions and streamline business processes.

AI Engage brings customer interactions across digital channels, including WhatsApp, websites and social messaging, into a centralised platform. AI agents can respond to routine enquiries around the clock, identify customer needs, capture leads, support bookings and service requests and escalate more complex cases to employees.

Launched at the end of FY2026, REDtone AI Voice extends these capabilities to telephone interactions through conversational AI. It supports inbound enquiries and service requests as well as outbound reminders, confirmations, surveys and follow-ups. Voice-based interaction also provides an alternative to text and screen based channels for users who may be less comfortable with online forms, typing or conventional digital interfaces. Integration with enterprise systems lets agents retrieve or update information during interactions, while employees can take over complex or sensitive matters.

Together, these solutions respond to growing demand from organisations seeking to improve service delivery and operational efficiency, reduce costs and manage higher volumes of customer interactions without a corresponding increase in resources.

REDtone subjects its in-house AI solutions, including AI Voice, AI Engage and intelligent workflow automation, to the Group's standard functional and technical testing as well as security and data protection reviews before launch. The Group currently manages AI-related risks through its existing IT, data privacy and cybersecurity governance frameworks, while developing dedicated controls covering accuracy, bias, transparency, explainability and human oversight.

Expanding Digital Infrastructure Capabilities

REDtone continued to strengthen its enterprise networking capabilities as an HPE Aruba Platinum Partner, combining global networking technology with certified local expertise, nationwide coverage and deployment support.

Its services extend beyond equipment supply to include network assessment and design, implementation, configuration, integration, testing and ongoing technical support, enabling organisations to build secure, reliable digital infrastructure as they modernise or expand operations.

These capabilities also support opportunities in the growing data-centre market. Through HPE Networking solutions, REDtone provides switching, wireless connectivity, network management and related support for data-centre and campus environments.

Enabling Smarter and More Efficient Industries

Digital infrastructure increasingly helps organisations operate more efficiently, manage resources more effectively and modernise ageing systems. Building on its capabilities in connectivity, systems integration and digital technologies, REDtone is extending IoT and Industrial IoT (IIoT) into practical applications across a range of sectors.

Through these applications, REDtone is demonstrating how integrated communications and connected technologies can support the digitalisation of different sectors of the economy. Beyond creating new business opportunities, these solutions can help organisations improve productivity, manage assets and resources more effectively and strengthen the digital infrastructure that underpins Malaysia's continued economic development.

Smart Asset Management and IoT

REDtone continued to develop IoT-enabled asset management solutions that integrate connected devices with Software-as-a-Service (SaaS) platforms. Designed for organisations managing large numbers of assets, equipment or facilities, these solutions can provide greater visibility over asset condition and performance, supporting more efficient maintenance and management. Potential applications span facilities management, buildings, universities, hospitals and vehicle fleets.

Powering Economic Progress (Cont'd)

Enabling Smarter and More Efficient Industries (Cont'd)

Smart Forestry and Environmental Monitoring

REDtone also extended connected technologies into forestry and environmental management. During the year under review, the Forest Research Institute Malaysia ("**FRIM**") adopted a new use case, while environmental monitoring sensors were deployed in Terengganu. FRIM also expressed interest in further developing a tree-tagging solution previously created for another department within the institute. These applications demonstrate the potential for connected technologies to strengthen environmental monitoring and improve access to information for managing natural resources.

Modernising Industrial Monitoring

In manufacturing and utilities, REDtone applied its solutions to upgrade older Supervisory Control and Data Acquisition (SCADA) monitoring systems, including those used by Air Selangor. Extending digital monitoring capabilities to existing infrastructure can help organisations improve operational visibility while prolonging the usefulness of established systems.

Improving Building Energy Visibility

REDtone also researched an energy-use monitoring system for application within its own operations. By providing greater visibility into when and where energy is consumed, such systems can support better energy management and identify opportunities to improve efficiency.

Securing New Projects and Markets

During FY2026, REDtone secured a CCTV project for Jabatan Imigresen Malaysia in East Malaysia, extending its participation in public sector digital and security infrastructure.

The project comes as Malaysia continues to modernise its immigration and border management systems, including greater use of connected surveillance, digital identity and integrated technology at immigration facilities and border entry points.

Such projects require more than installing cameras; they depend on reliable connectivity, systems integration and ongoing technical support to transmit, manage and use information effectively.

The project also builds on REDtone's longstanding involvement in connected surveillance technology and strengthens its position to support government agencies as they modernise critical infrastructure and security systems. The Group continues to pursue opportunities across government, enterprise and infrastructure markets, where growing requirements for secure connectivity, cloud, AI, data centres and managed digital services create avenues for sustainable business growth.

Supporting Economic Development Through Job Creation

REDtone contributes to economic development by creating employment opportunities and building capabilities across its telecommunications and digital infrastructure operations. During FY2026, recruitment activities supported workforce growth across a range of business functions.

FY2026 Recruitment Highlights

137	106	77.4%	43 days
Positions managed	Positions successfully filled	Recruitment closure rate	Average hiring turnaround time

Beyond filling vacancies, recruitment supports REDtone's broader role in developing talent for an increasingly digital economy. Creating opportunities across technical, digital, operational and corporate functions contributes to employment while building the workforce capabilities needed to support Malaysia's evolving telecommunications and digital infrastructure landscape.

Powering Economic Progress (Cont'd)

Supporting Sustainable AgTech Adoption

Digital technology can help farmers produce more efficiently by using sensors, connected equipment and automated systems to monitor growing conditions, manage irrigation and fertilisation and make decisions based on real-time information. REDtone's Smart Farming solutions, for example, combine IoT technology, cloud connectivity and automation to help farmers improve productivity while reducing labour and resource use.

However, adopting the technology is only the first step. Smart farming systems rely on equipment, connectivity, software and ongoing technical support. Farmers may not sustain the benefits if they cannot afford to maintain these systems after initial deployment.

During FY2026, REDtone's engagement with government stakeholders and farmers highlighted adoption costs and long-term maintenance as particular challenges for smallholder farmers. The Group advocated approaches that spread costs over longer periods and provide ongoing technical support, including three-to-five-year leasing arrangements with maintenance included and models that combine capital and operating expenditure.

This engagement encourages greater consideration of the full lifecycle of AgTech solutions rather than focusing solely on initial deployment. Under the Digital Agriculture Nationwide Development (DAND) programme, Malaysia Digital Economy Corporation ("**MDEC**") and the Ministry of Agriculture and Food Security (KPKM) later introduced a two-year contract model that includes maintenance and warranty support.

This important shift makes digital agriculture more practical and sustainable by helping ensure farmers can continue using and benefiting from the technology after installation.

Empowering Sustainable Agriculture Through MyLatih AgTech Initiative

Technology can only improve agricultural productivity when farmers have the knowledge and confidence to use it effectively.

MyLatih is a free, mobile-friendly online AgTech training platform jointly developed by REDtone IOT Sdn Bhd, a wholly-owned subsidiary of REDtone, and MDEC. Developed as part of Malaysia's wider Digital AgTech initiative, the platform supports efforts to modernise the agricultural sector by making practical digital farming knowledge more accessible.

Through MyLatih, farmers and aspiring agropreneurs can build their understanding of agricultural technologies and how to apply them in day-to-day farming operations.

By widening access to practical AgTech knowledge and skills, MyLatih supports Malaysia's efforts to modernise agriculture, strengthen farm productivity and resilience and, over time, contribute to greater food security.

Key Impacts of REDtone's MyLatih Initiative



Promoting Sustainable Practices

- Cutting chemical use, adopting renewables and managing waste while preparing for myGAP/myOrganic.



Bridging the Digital Literacy Gap

- Free, mobile platform empowering farmers, especially in rural areas.



Inspiring the Next Generation

- Equipping youth and agropreneurs with modern farming skills.



Supporting Compliance & Certification

- Guiding farmers towards sustainable certifications and higher standards.



Improving Farm Management

- Practical training on operations, finance and real world case studies.

Powering Economic Progress (Cont'd)

Advancing Government Digitalisation Through MyGovUC 3.0

REDtone continues to support Malaysia's public-sector digital transformation through MyGovUC 3.0, a five-year, RM398.1 million project awarded by Jabatan Digital Negara (JDN) to REDtone Engineering & Network Services Sdn Bhd ("**RENS**").

The platform provides government ministries and agencies with an integrated, cloud-based communication and collaboration environment, bringing together email, productivity tools, conferencing, collaborative workspaces, cybersecurity support, network management and technical assistance.

Scaling Digital Collaboration Across Government

As at FY2026, the project was 57.9% complete and had met its contractual obligation to provide capacity for up to 435,000 Google Workspace users for 2026.



By centralising email, collaboration and productivity tools, MyGovUC 3.0 enables employees across government to communicate and work through a common digital platform, supporting more connected and productive ways of working.

Users also gained access to additional tools such as Gemini AI and NotebookLM, extending the platform's AI-assisted productivity capabilities.

Building User Capability

Structured engagement and training support technology adoption. During FY2026, REDtone conducted:

7	36	36	1	1
Briefings (Taklimat)	Online training sessions for agencies	Physical classroom training sessions	Roadshow and exhibition event	User Satisfaction Survey

Mandatory in-house training and knowledge transfer were also conducted among project support teams, helping maintain the capabilities required for delivery and ongoing support.

Sustainability Statement

(Cont'd)

Powering Economic Progress (Cont'd)

Advancing Government Digitalisation Through MyGovUC 3.0 (Cont'd)

Managing Technology for Long-term Efficiency

During FY2026, REDtone migrated the project's hypervisor platform from VMware to Proxmox to reduce licensing costs. The change supports more cost-effective management of the underlying technology environment while keeping delivery within the project's budget.

Through MyGovUC 3.0, REDtone continues to provide the digital infrastructure and user support needed to enable integrated communication, collaboration and productivity across Malaysia's public sector.

Shaping Malaysia's Digital Future Through Industry Engagement

REDtone plays an active role in advancing Malaysia's digital and telecommunications sector by leading key national industry bodies. By contributing technical expertise, influencing standards and fostering collaboration, REDtone helps shape a resilient, efficient and future-ready digital ecosystem.



Through industry engagement, REDtone provides on-the-ground insights and specialised knowledge that translate into practical, forward-looking codes of practice. This involvement raises industry standards and ensures the safe, effective deployment of emerging technologies.

Powering Economic Progress (Cont'd)

Responsible Supply Chain

REDtone procures a wide range of products and services essential to its operations, particularly for Managed Telecommunications Network Services (MTNS). Its supply chain includes technology providers, equipment suppliers, service partners and other vendors that support the delivery of reliable telecommunications, digital infrastructure and technology solutions. Supplier diversity is part of the Group's approach, alongside developing open, long-term relationships with strategic partners and suppliers.

Quality remains a key priority in supplier selection and management. REDtone considers factors such as reliability, technical capability, credentials, track record, service support, cost and compliance requirements, particularly where suppliers support critical systems and customer-facing solutions.

For AI-related solutions, these considerations become more important as the technology introduces additional requirements around performance, data protection, accuracy and responsible use. The Group reviews third-party AI vendors and models before deployment through its existing vendor evaluation, IT and procurement processes. Current considerations include technical capability and performance, vendor credentials and track record, data privacy and governance and security arrangements, compatibility with existing systems, ongoing support and cost.

As REDtone's AI governance approach matures, the Group will progressively incorporate additional AI-specific considerations, including accuracy, bias, transparency, explainability, human oversight and potential misuse, into its Responsible AI framework and deployment standards.

Embedding Sustainability in Supplier Management

REDtone is committed to building a more sustainable supply chain and working with partners that share its values. In addition to standard sourcing criteria such as price, reputation, logistics and quality, REDtone also considers relevant social and environmental factors when sourcing and renewing suppliers. Supplier contracts reference these expectations.

What We Expect from Suppliers

Responsible Business Conduct	Social and Environmental Responsibility	Responsible Value Chain
• Adhere to REDtone's Code of Conduct • Meet applicable sustainability requirements • Uphold ethical labour practices	• Incorporate social and environmental considerations into operations and supply chain practices • Support local communities where relevant • Minimise environmental impacts	• Communicate relevant requirements to employees and upstream value chain partners • Maintain continued compliance with REDtone's expectations

REDtone requires suppliers to acknowledge its sustainability standards and reinforces these expectations through regular engagement, including meetings and email communications. Suppliers are also encouraged to monitor, measure, report and progressively reduce the social and environmental impacts of their operations.

To further build supplier awareness, REDtone invited its suppliers to an ESG training session organised by Berjaya Group on 9 January 2026, alongside suppliers supporting other entities across the Group. The session focused on Berjaya Group's ESG expectations for suppliers, reinforcing responsible business practices and sustainability requirements across the wider supply chain.

Powering Economic Progress (Cont'd)

Responsible Supply Chain (Cont'd)

REDtone Suppliers' Environmental and Social Principles

Environmental Supply Chain

REDtone recognises the importance of responsible environmental practices across its supply chain, particularly in procuring telecommunications and network equipment, IT hardware, electronic components and services that support its operations.

REDtone's sourcing policy and supplier assessments address compliance with applicable environmental laws and regulations, alongside the responsible management of environmental impacts associated with suppliers' activities, products and services.

Key environmental considerations under REDtone's sourcing policy and assessments include:

Energy use
• Promoting energy efficiency and responsible energy consumption in suppliers' operations, equipment and services.
Climate change impacts
• Encouraging suppliers to manage their climate change impacts, including carbon dioxide (CO_2) and other GHG emissions.
Water use
• Encouraging efficient water use and responsible water management, where relevant to suppliers' operations.
Biodiversity impacts
• Considering potential impacts on biodiversity and surrounding ecosystems, particularly in activities involving infrastructure installation, construction or site development.
Environmental issues
• Addressing relevant environmental issues associated with suppliers' operations, including compliance with environmental regulations and responsible environmental management.
Pollution
• Encouraging measures to prevent and minimise pollution, including the responsible management of emissions, discharges and potentially hazardous materials.
Waste reduction
• Promoting waste reduction, responsible disposal and recycling, particularly for electronic waste, obsolete network equipment and packaging materials.
Resource use
• Encouraging efficient use of natural resources and materials, including responsible procurement and management of equipment throughout its lifecycle.

Powering Economic Progress (Cont'd)

Responsible Supply Chain (Cont'd)

Supplier Engagement and Environmental Risk Management

Beyond environmental requirements, REDtone may strengthen the integration of its sourcing policy through the following measures, subject to its actual supplier management practices:

Communication and training	• Communicating environmental requirements to relevant suppliers and supporting awareness or training of supplier staff where appropriate.
Environmental risk assessment	• Conducting environmental due diligence on potential new suppliers and assessing existing suppliers to identify those presenting higher environmental risks.
Reporting and impact reduction	• Encouraging suppliers to report relevant environmental information and implement measures to reduce their environmental impacts.
Supplier monitoring and compliance	• Monitoring supplier environmental performance through appropriate assessments, reporting or audits, with corrective actions taken where non compliance is identified.
Industry collaboration	• Exploring participation in relevant industry workshops, environmental initiatives and collaborative efforts to promote responsible supply chain practices.

Social Supply Chain

REDtone is committed to promoting responsible labour practices, human rights and safe working conditions across its supply chain. The Group communicates its Social Supply Chain commitments to suppliers, including telecommunications equipment providers, network installation contractors, IT service providers and other business partners.

REDtone expects its suppliers to comply with applicable Malaysian labour laws, relevant local regulations and the principles of the International Labour Organization (ILO). Its sourcing principles address the prevention of child and forced labour, equal opportunities, freedom of association, collective bargaining, fair working hours, wages and occupational health and safety.

Commitment	What it requires of suppliers
Child labour prevention	Prohibit child labour and comply with the minimum legal working age, ensuring that no underage workers are employed in supplier operations.
Forced labour prevention	Prohibit forced labour and ensure employment is freely chosen, without coercion, threats or restrictions on workers' freedom.
Equal opportunity and non-discrimination	Provide equal opportunities and prevent discrimination in recruitment, remuneration, training, promotion, overtime, termination and retirement.
Freedom of association	Respect workers' right to freedom of association, including joining organisations and trade unions of their choice, in accordance with applicable laws.
Collective bargaining rights	Respect workers' right to collective bargaining and representation, including the ability to negotiate employment terms and working conditions.
Working hours	Comply with applicable working-hour laws, prevent excessive working hours and ensure overtime is voluntary, appropriately compensated and monitored.
Minimum wage and living wage	Comply with statutory minimum wage requirements and support fair remuneration that considers workers' basic living needs.
Health and safety	Maintain safe and healthy workplaces in accordance with occupational health and safety laws, particularly for network installation, equipment maintenance, electrical work and work at height.

Powering Economic Progress (Cont'd)

Responsible Supply Chain (Cont'd)

Social Supply Chain (Cont'd)

REDtone communicates its social and labour requirements to suppliers in relevant languages and integrates these requirements into purchasing policies, supplier contracts and buyer training.

REDtone conducts social risk assessments and due diligence for potential new and existing suppliers to identify higher-risk suppliers, particularly those involved in network installation and maintenance. Supplier monitoring, assessments and audits evaluate compliance with labour standards, identify non-compliance and support corrective actions.

REDtone also supports supplier training, capacity building, mentoring and best-practice sharing, alongside participation in relevant industry initiatives and collaboration to strengthen responsible labour practices across its supply chain.

Supporting Local

REDtone prioritises local procurement as a strategic measure to support the Malaysian economy, create jobs and improve efficiency. Sourcing from local suppliers strengthens domestic supply chains and ensures faster, more reliable delivery of critical equipment and services. During FY2026, REDtone procured goods and services from 315 suppliers, 306 (97.1%) of which were local, with 98.1% of procurement spend directed to local suppliers.

This approach contributes to regional development and builds practical, long-term partnerships that benefit both REDtone and the communities it serves. The Group regularly procure essential infrastructure and ICT equipment from local vendors, including:

√ Mobile base stations, antennas and solar systems
√ Voice systems, printers, PCs, notebooks, servers, routers and switches

Local procurement is not just a business decision; it is part of REDtone's commitment to responsible operations and national development.

Ethics and Anti-corruption

REDtone is committed to integrity, accountability and ethical business practices. The Group continues to strengthen its ethics and compliance framework to promote transparency, reinforce prevention and support effective detection and response.

REDtone adopts a zero-tolerance approach to unethical business practices, including bribery, kickbacks, facilitation payments, corruption, fraud and money laundering. The Group expects Board members, employees and business partners to act with integrity and comply with all anti-corruption requirements.

Governance, Risk Assessment and Compliance

The Board oversees REDtone's anti-corruption policies and compliance framework, which address bribery, corruption and other forms of misconduct. These requirements are communicated to employees and business partners, including contractors, agents and other intermediaries.

Corruption risk assessments cover the Group's operations and include procedures to address high-risk activities such as procurement, contract awards and dealings with third parties. Anti-corruption due diligence for new business partners and intermediaries helps identify and manage potential bribery, fraud and corruption risks.

REDtone maintains confidential whistleblowing channels for employees to report suspected bribery, corruption and other unethical conduct. Reports are reviewed and addressed through appropriate investigation and corrective action procedures.

Powering Economic Progress (Cont'd)

Ethics and Anti-corruption (Cont'd)

Making Integrity Practical

Anti-corruption awareness is most effective when employees can recognise how risks may appear in everyday business situations. During FY2026, REDtone delivered a two-part Anti-Bribery & Anti-Corruption in the Workplace e-learning programme to strengthen employees' practical understanding of anti-bribery and anti-corruption principles. A total of 342 (95.5%) of its 358 employees completed the training, recording 684 participations across the two parts.

The training helped employees understand how bribery and corruption risks may arise in practice, the legal and organisational requirements that apply and the standards expected when making business decisions.

Training Module	Key Areas Covered
Part I: Corruption in a Nutshell	Definition of corruption, MACC Act 2009, giver and receiver, gratification, offences and penalties
Part II: Corruption in the Workplace	Company policy, corporate liability, Section 17A of the MACC Act 2009, commercial organisations, associated persons, deemed liability and adequate procedures

Upon completing each module, employees were required to complete the Attendance and Evaluation Form, as well as a post-training assessment through the REDtone Academy.

REDtone uses evaluation and assessment results to monitor training effectiveness, identify development needs and support continuous improvement of future learning programmes.

The programme reinforces REDtone's zero-tolerance approach by helping employees recognise corruption risks, understand their responsibilities and apply ethical judgement in their day-to-day work.

FY2026 Highlight: 95.5% of employees enrolled in Anti-Bribery & Anti-Corruption e-learning

Connecting Today, Protecting Tomorrow

REDtone's environmental impacts arise mainly from energy use, network and data infrastructure, remote-site operations, equipment and electronic waste.

In response, the Group focuses on improving energy efficiency, expanding solar hybrid systems, reducing GHG emissions and strengthening the resilience of remote telecommunications sites. REDtone also manages e-waste and end-of-life equipment responsibly, while digitalisation, cloud and virtualisation help reduce resource use across operations.

These efforts support more efficient, resilient infrastructure while responding to growing stakeholder expectations for lower-carbon, more responsible telecommunications operations.



Connecting Today, Protecting Tomorrow (Cont'd)

Reducing Resource Use Through Digitalisation

REDtone continues to digitalise internal processes to reduce paper consumption, streamline workflows and improve operational efficiency across the business.

During FY2026, the Group expanded its use of digital platforms and automated processes across a range of internal functions, including:

Digitalisation initiative	What changed in FY2026
Business Process Automation	More than 100 processes are now automated through a centralised platform, reducing manual handling and paper use.
Digital HR processes	Electronic HR letters provide employees with faster access to employment-related correspondence.
REDtone Academy	Learning & Development processes are managed digitally through e-Training Requests, e-Certificates and online records.
Online portals and applications	Digital communication with customers, vendors and employees helps reduce paper-based correspondence.
Digital billing	The Group's billing system supports more efficient multi-tier billing and reporting.

REDtone also reuses and recycles packaging boxes where practicable, helping to reduce packaging waste and extend the useful life of materials.

Energy Management

REDtone's energy management approach focuses on improving efficiency across data centres, offices and telecommunications sites while progressively reducing reliance on conventional energy sources.

REDtone leases its data-centre space from AIMS Data Centre Sdn Bhd and Bridge Data Centres Malaysia Sdn Bhd rather than operating the facilities, so those providers handle building-level efficiency measures such as lighting, cooling and power management. The Group does not monitor Power Usage Effectiveness and instead focuses on reducing its own demand: virtualisation cuts the number of physical devices REDtone runs, which reduces both electricity consumption and cooling load.

Measures introduced in previous years, including LED lighting, automated controls, cloud virtualisation and more efficient use of IT infrastructure, continue to support lower electricity consumption, reduced cooling demand and more efficient operations.

Under energy management, REDtone's main progress in FY2026 was the continued expansion of solar hybrid systems at remote sites, with the deployment of solar hybrid systems at 25 additional JENDELA sites, bringing the cumulative total to 206 JENDELA sites, and equipping five (5) T3E sites with solar hybrid systems. These initiatives strengthen energy reliability while reducing dependence on fuel-based generation and associated GHG emissions.

Across its operations, REDtone drew 1,596,901 kWh from the grid and burned 281,958 litres of diesel in generators during FY2026. Solar systems supplied an additional 2,889,716 kWh, raising renewables to 64% of total electricity from 44% in FY2025, while total consumption fell 9%.

Energy Efficiency and Low-carbon Operations

REDtone continues to reduce the environmental impact of its telecommunications infrastructure through energy efficiency, renewable energy and improved management of remote sites. The Group monitors emissions, energy consumption, water use and waste generation across its operations, while tracking and reporting Scope 1 and Scope 2 GHG emissions.

Connecting Today, Protecting Tomorrow (Cont'd)

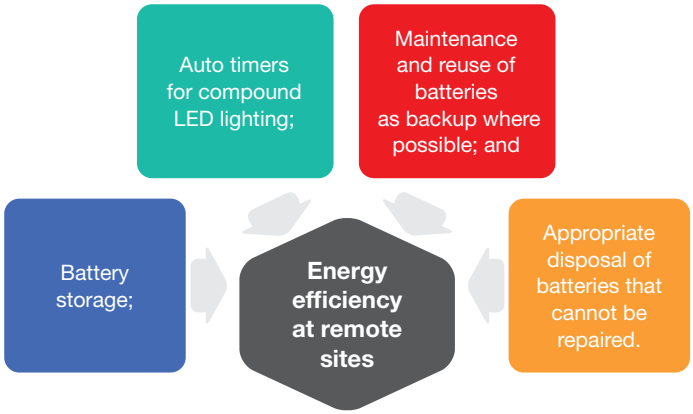
Energy Management (Cont'd)

Energy Efficiency and Low-carbon Operations (Cont'd)

REDtone continues the phased adoption of solar energy across its telecommunications infrastructure.

FY2026 highlights

- 206 solar powered sites currently in operation
- 25 additional sites deployed in FY2026
- 424 solar panels installed at these sites
- 54.2 kW installed solar capacity
- 2,889,716 kWh of electricity generated
- Approximately 586,379 kg of carbon emissions avoided
- No telecommunications sites rely primarily on diesel generators



The solar systems generated 2,889,716 kWh of electricity, avoiding an equivalent amount of conventional electricity consumption and approximately 586,379 kg of carbon emissions.

REDtone continues to optimise the performance of its solar sites, including by adding solar panels where appropriate. Under its JENDELA project, REDtone plans to deploy two additional solar or hybrid sites in FY2027.

Environmental controls minimise risks associated with remote-site operations. REDtone stores diesel, when retained for operational purposes, in approved tanks with remote fuel-level monitoring.

REDtone also uses lithium-ion batteries with remote performance monitoring to reduce the risk of battery leakage and support more effective maintenance.

Scaling Smarter Agriculture Through IoT

REDtone continues to strengthen its smart agriculture solutions by combining IoT platforms, sensor networks, smart gateways and real-time monitoring to support more efficient and data-driven farming.

These solutions help farm owners and smallholders monitor conditions more closely, automate selected processes, improve productivity and manage costs more effectively. As the platform and deployment experience mature, REDtone continues to refine how data, connectivity and analytics support better planning, forecasting and yield optimisation.

The initiative also supports wider efforts to digitalise agriculture and strengthen food security, with REDtone working alongside strategic partners including MAFS, DOA, MDEC, Agrobank, UTM and UiTM.

Continuously improving the technology and delivery model makes smart farming more practical, scalable and sustainable over the longer term.

Connecting Today, Protecting Tomorrow (Cont'd)

Addressing Climate Change

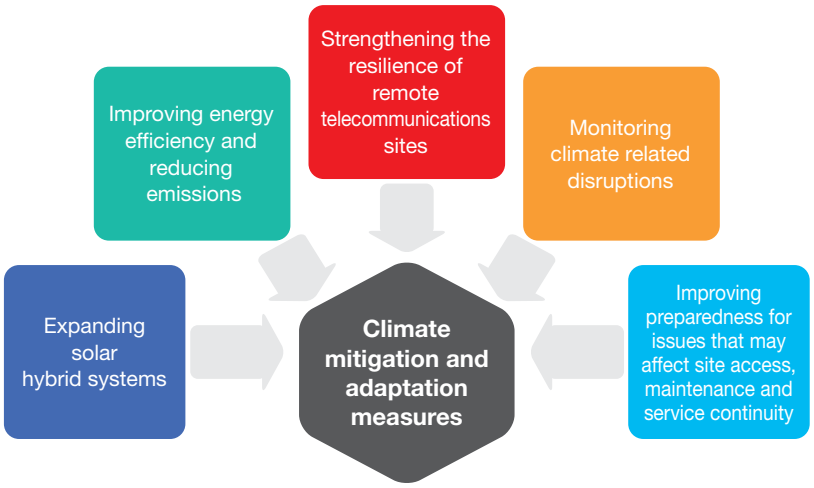
REDtone recognises that climate change can create both risks and opportunities for its telecommunications and digital infrastructure business. These considerations are part of the Group's governance and risk management processes, with the Board providing oversight and Senior Management assessing and responding to relevant operational and strategic implications.

Targeted briefings and professional development raised Board and Senior Management awareness in FY2026, including:

- Updates on sustainability-related reporting requirements;
- A session on "Climate First…or Last"; and
- An MIA webinar on carbon tax developments.

These sessions improved understanding of emerging climate-related requirements, financial and regulatory implications and the need to progressively strengthen climate-related decision-making.

Operationally, REDtone is responding through several mitigation and adaptation measures.



Climate Governance

REDtone is committed to addressing climate change and reducing its environmental impact, including carbon dioxide (CO_2) and other GHG emissions, through energy efficiency, emissions reduction and responsible resource management. The Group also supports climate change mitigation through relevant business associations, industry engagement and public policies and regulations.

Climate Risk and Strategy

Climate change can directly affect REDtone's telecommunications operations, particularly the deployment, maintenance and support of infrastructure at remote sites. Heavy rainfall, flooding and other extreme weather conditions may restrict site access, delay maintenance or emergency works and affect network availability.

These conditions can also increase operating costs through additional logistics, standby requirements and repairs to damaged access roads.

REDtone's climate response therefore focuses on two areas: reducing the environmental impact of its operations and strengthening the resilience of its infrastructure and services.

Connecting Today, Protecting Tomorrow (Cont'd)

Addressing Climate Change (Cont'd)

Climate Risk and Strategy (Cont'd)

REDtone's Climate Priorities

Renewable Energy	• Increase the use of renewable energy
Energy Efficiency	• Improve energy efficiency • Reduce GHG emissions
Infrastructure Resilience	• Strengthen the resilience of remote telecommunications sites
Climate Risk Monitoring	• Monitor climate related risks that may affect site access, maintenance and service continuity
Collaboration	• Work with employees and supply chain partners on energy saving and operational response measures

Where physical climate conditions affect remote sites, REDtone considers the potential impact on access, maintenance and service continuity.

Climate Conditions	Site Access Constraints	Operational and Financial Impacts
• Heavy rainfall • Flooding	• Vehicles and heavy equipment may be unable to reach remote sites safely • Fuel replenishment, maintenance and emergency works may be delayed	• Higher logistics and standby costs • Additional expenditure for emergency works • Repairs to damaged access roads • Potential network availability impacts where repair teams are unable to reach affected sites promptly

Integrated Risk Management

REDtone has embedded climate-related risk management in its company-wide risk scorecard, which underpins business strategy and guides future R&D, innovation and technology investments.

Climate specific risk management processes:	• Mitigation efforts to reduce emissions • Expansion of climate knowledge • Integration of climate risks and opportunities into new processes, technology advancement and sourcing strategies

Adaptation and Monitoring

REDtone's climate adaptation approach focuses on strengthening the resilience of its telecommunications and digital infrastructure to physical climate-related risks.

Measures include monitoring site conditions, maintaining critical equipment and backup systems and considering climate-related factors that may affect service continuity, particularly at remote and infrastructure-intensive locations.

Operational monitoring also supports early identification of issues that may affect site performance and enables timely maintenance or response where required.

Connecting Today, Protecting Tomorrow (Cont'd)

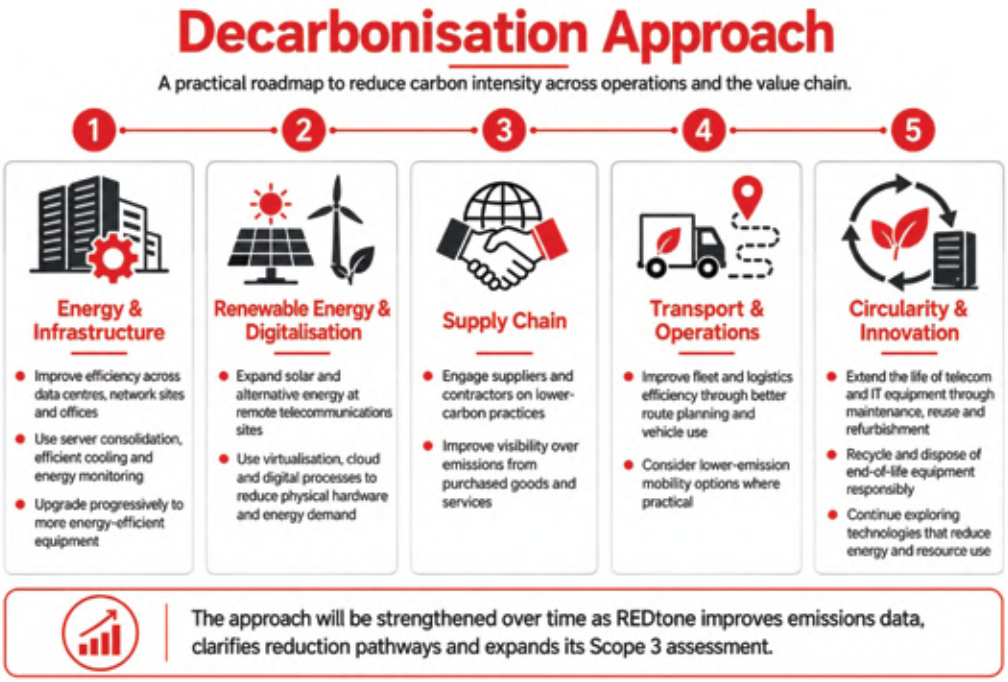
Addressing Climate Change (Cont'd)

Adaptation and Monitoring (Cont'd)

In parallel, REDtone continues to track key environmental indicators, including Scope 1 and Scope 2 GHG emissions, energy consumption, water use and waste generation, providing a basis for monitoring environmental performance and identifying areas for further improvement.

Decarbonisation Approach

REDtone is progressively reducing the carbon intensity of its operations through energy efficiency, renewable energy, digitalisation and more efficient use of telecommunications infrastructure. The approach also provides a foundation for addressing value-chain emissions as Scope 3 measurement develops.



REDtone has adopted FY2026 as the base year for its GHG targets, with base-year Scope 1 and Scope 2 emissions of 1,395 tCO_2e. The Group aims to reduce these emissions by 25% by 2030 and to reach net zero by 2050.

Climate Risk and Financial Considerations

Climate-related issues are increasingly relevant to REDtone's operations, particularly where they affect energy use, remote-site access, infrastructure reliability and maintenance costs.

For example, higher temperatures can increase cooling demand at data centres and network sites, while heavy rainfall, flooding or landslides may restrict access to telecommunications sites, delay repairs and increase logistics or emergency-response costs.

These conditions can influence both operating and capital expenditure. Operating costs may rise through higher electricity use, maintenance and site-access requirements, while capital investment may be needed to strengthen infrastructure resilience, improve energy efficiency or expand renewable-energy solutions.

REDtone is responding through measures such as solar hybrid deployment, energy-efficiency improvements, infrastructure upgrades and enhanced network resilience. As its climate assessment develops, the Group will continue to strengthen how it reflects these considerations in risk management and investment decisions.

Connecting Today, Protecting Tomorrow (Cont'd)

Measuring Environmental Performance

REDtone tracks key environmental indicators to better understand the footprint of its telecommunications and digital infrastructure operations, including energy consumption, GHG emissions and water use. REDtone measures Scope 1 and Scope 2 emissions, while Scope 3 coverage remains more limited at this stage.

REDtone is progressively strengthening its Scope 3 assessment by identifying relevant emission sources, improving its understanding of operational and value-chain activities and refining data collection over time. Increased disclosure supports clearer reduction priorities and more informed future target-setting.

Consolidation method in calculating carbon footprint	Operational
Coverage and organisational boundary in calculating the carbon footprint	Accounts for 100% of GHG emissions, where REDtone has the authority to implement operational policies
Independent verification of operational GHG data	Scope 1 emissions decreased from 940 to 894 tCO_2e Scope 2 emissions decreased from 1,213 to 501 tCO_2e * Scope 3 emissions (fuel and energy-related activities and business travel) decreased from 493 to 427 tCO_2e

* Mainly due to lower grid electricity use, as solar supplied 64% of electricity in FY2026. Scope 1 includes fugitive refrigerant emissions for the first time in FY2026 (103 tCO_2e). Scope 3 covers fuel- and energy-related activities and business travel; FY2025 Scope 1 and Scope 3 are restated for revised petrol data.

GHG Methodology and Assumptions

REDtone reports GHG emissions from its Malaysian operations using the operational control approach. Scope 1 includes diesel and petrol combustion, calculated using IPCC 2006 emission factors, and refrigerant losses, included for the first time in FY2026 using DESNZ 2026 global warming potentials.

Scope 2 emissions are calculated on a location-based basis using Energy Commission grid emission factors for Peninsular Malaysia, Sabah and Sarawak. On-site solar electricity generation is treated as having zero direct emissions.

Scope 3 covers fuel and energy-related activities and business travel. Well-to-tank emissions and electricity transmission and distribution losses are calculated using DESNZ 2026 factors, including UK factors where Malaysian equivalents are unavailable. Air travel emissions are based on great-circle distances, flight distance bands and travel class, excluding radiative forcing, while road travel is calculated from staff mileage claims, using DESNZ 2026 average car and average motorbike factors.

Employee commuting and other Scope 3 categories are not yet covered. FY2024 and FY2025 emissions have been restated to reflect revised petrol consumption data.

Water Management

Water is an important part of managing the Group's wider operational footprint. Most water use comes from offices, employee hostels and supporting facilities. REDtone continues to monitor usage and look for practical ways to improve efficiency, including water-saving fixtures and greater awareness among employees and hostel residents.

As the Group grows, it focuses on keeping water use proportionate to operational needs and avoiding unnecessary consumption across its facilities.

REDtone Social Responsibility

Connecting Talent, Creating Progress

REDtone's people are central to how it delivers, innovates and grows. In a business driven by connectivity, technology and service, strong performance depends on having skilled, engaged and supported employees.

The Group focuses on creating a workplace where people can develop, contribute and progress. Continuous learning, career development, employee engagement, workplace safety and opportunities help build the technical and leadership capabilities needed in a fast-changing telecommunications and digital environment.

Fair and responsible employment practices remain an important part of this approach. REDtone's Code of Conduct sets clear expectations for workplace behaviour and employment practices, supported by principles aligned with recognised labour standards. The Code is translated into relevant languages where necessary to ensure employees understand their rights and responsibilities. These expectations apply to all employees and are also extended to relevant business and supply chain partners. During the year, REDtone continued to monitor labour practices and received no reported breaches of labour standards.

Digitising HR for Greater Efficiency

During FY2026, REDtone continued to digitalise HR processes to improve efficiency, accessibility and the employee experience, while reducing reliance on paper-based processes and unnecessary travel.

HR e-Letter System

- Digitises the issuance, distribution and acknowledgement of employee related documents
- Covers confirmation, promotion, salary revision, bonus, transfer and contract renewal letters
- Enables employees to securely receive and access documents electronically
- Reduces manual processing, physical filing and paper use

Digital Recruitment Workflows

- Online job advertisements
- Digital submission and review of applications
- Electronic sharing of candidate information
- Email based recruitment coordination
- Digital offer documentation
- Internal approval workflows

Virtual Interviews

- 224 interviews conducted in FY2026
- 128 online (57.1%)
- 96 face-to-face (42.9%)
- Enables candidates and hiring managers to participate remotely where physical attendance is not required
- Reduces travel time and resource use
- Can help avoid transportation related emissions
- Provides greater flexibility for candidates located outside the hiring location
- Supports faster, more accessible recruitment processes

Outcomes

- Improved process efficiency
- Better record traceability
- Reduced paper consumption
- Less physical documentation
- Reduced avoidable travel

Together, these initiatives support REDtone's broader digitalisation efforts by improving process efficiency and record traceability while reducing paper consumption, physical documentation and avoidable travel.

Connecting Talent, Creating Progress (Cont'd)

Stronger Through Diversity

A diverse team of young minds and young-at-heart individuals powers REDtone, bringing different perspectives, experiences and ideas to the workplace. This mix strengthens collaboration, encourages fresh thinking and supports innovation across the Group's telecommunications and digital businesses.

REDtone embeds diversity, equity and inclusion across recruitment, development, advancement and remuneration practices. REDtone is committed to providing fair opportunities for employees to contribute and progress, regardless of gender, ethnicity, background or beliefs.

The Group also prioritises local talent development and creates pathways for younger and underrepresented groups through internships, graduate placements and early-career programmes.

The Performance Data Table at the end of this Statement presents workforce diversity data for FY2026.

Developing Future Talent

REDtone continues to support young and early-career talent through internships and structured placement programmes, giving participants practical workplace exposure and opportunities to build professional, industry-relevant skills.

During FY2026, REDtone provided:

- 11 internship placements for students; and
- 34 placements under the PROTÉGÉ programme.

These programmes support youth employability, workforce development and future talent development, while giving participants exposure to the telecommunications and digital infrastructure industry.

Employee Benefits and Well-being

REDtone provides a competitive remuneration and benefits package designed to support employees' financial security, health and overall well-being. REDtone sets employee compensation above applicable statutory minimum wage requirements and offers benefits beyond basic salary, including medical coverage, leave entitlements and other employment-related benefits.

REDtone also supports the principle of equal pay for equal work, with remuneration determined based on factors such as role responsibilities, experience, competencies and performance rather than gender or other unrelated personal characteristics.

The Group periodically reviews its remuneration and benefits practices to remain competitive, support employee retention and respond to evolving workforce needs.

Enhanced Employee Health Benefit

Effective 1 January 2026, REDtone enhanced its medical benefits by allowing permanent employees to use their annual clinical outpatient medical entitlement for health screening.

The enhancement gives employees greater flexibility to use existing medical benefits for preventive care, supporting earlier health awareness and encouraging a more proactive approach to personal well-being.

As at FY2026, four employees had utilised the benefit for health screening.

Connecting Talent, Creating Progress (Cont'd)

Creating a Vibrant and Connected Workplace

Connection is at the heart of what REDtone does. As an integrated telecommunications and digital infrastructure company, it recognises that technology and people build strong networks.

During FY2026, REDtone organised a mix of recreational, wellness, learning, social and festive activities to strengthen employee interaction, inclusion and well-being.



Connecting through Shared Experiences

The Tempurung Cave Exploration, involving 42 employees, encouraged teamwork, physical activity and interaction among employees.

Supporting Learning and Development

REDtone also provided employees with opportunities to explore further education and professional development. A Yayasan Peneraju Scholarship Briefing attracted 34 employees, while HELP University's Unlock Your Potential: Lifelong Learning awareness talk introduced employees to further learning and development opportunities.

Supporting Health and Well-being

The Diet Ideas for #HealthierU programme attracted 70 participants through a nutrition and health talk, health assessments and individual consultations. REDtone also promoted active lifestyles through its Badminton Tournament, which drew 50 participants, and an International Yoga Day activity attended by 16 participants. Beyond employee wellbeing, REDtone organised a blood donation programme at Jumpa Cafe HQ and collected 38 bags of blood to support community healthcare needs.

Connecting Talent, Creating Progress (Cont'd)

Creating a Vibrant and Connected Workplace (Cont'd)

Celebrating REDtone's Diversity

Employees came together during FY2026 for the Deepavali Open House, Chinese New Year Lion Dance and Hari Raya Open House, creating opportunities for cross-team and cross-cultural interaction.

The Secret Santa Gift Exchange and High Tea Party provided another informal platform for employees to connect.

30 Years Connected

FY2026 marked a significant milestone for REDtone as it celebrated 30 years of growth, innovation and connection.



The 30th Anniversary Kick-Off Celebration was held in a hybrid format, with employees at Headquarters participating in person and branch employees joining via Microsoft Teams, enabling wider participation across locations.

The 30th Anniversary Dinner at Berjaya Times Square Hotel, Kuala Lumpur, brought together REDtoners from across Malaysia, members of Top Management and the Board of Directors, and Yang Amat Mulia Tunku Tun Aminah Binti Sultan Ibrahim Ismail.

Listening to Employees

REDtone supports employees' freedom of expression by encouraging open communication and providing opportunities to share feedback and concerns. In June 2026, the Group conducted its Employee Engagement Satisfaction Survey (EESS) to understand employees' views on their workplace experience and identify areas for improvement. A total of 315 out of 397 employees (including 34 protégé and 5 interns) participated, representing a 79.3% response rate. Among respondents, 65.4% agreed that REDtone's engagement initiatives had improved well-being, engagement and morale.

What Employees Said

The survey highlighted several positive aspects of the employee experience:

94.3%	• considered their most recent performance review fair
84.8%	• rated HR responsiveness and efficiency as Excellent or Good
82.2%	• rated support from their immediate supervisor as Excellent or Good
81.9%	• said their workload was manageable
77.1%	• were highly or moderately confident that their feedback would lead to meaningful improvements

The findings also identified opportunities to strengthen career development, total rewards, employee recognition and well-being support.

Connecting Talent, Creating Progress (Cont'd)

Listening to Employees (Cont'd)

Turning Feedback into Action

REDtone is using the survey findings to guide improvements in employee experience, focusing on clearer career pathways and internal opportunities, targeted learning and upskilling, employee benefits, well-being support and continued employee engagement initiatives.

Learning and Development

REDtone operates in a fast-changing environment shaped by evolving technologies, cybersecurity risks, regulatory requirements and customer needs. Building the right capabilities across its workforce is therefore important to maintaining service quality, supporting innovation and preparing employees for emerging areas of growth.

During FY2026, employees recorded 1,211 training participations and 11,304.4 training hours across technical, digital, leadership, safety and workplace development programmes.

Linking Learning to Performance

In FY2026, REDtone embedded employee training and development as a formal KPI across the organisation, including management and executives. The target is 40 training hours per employee per year and 21 hours for Riggers, reflecting the technical, safety and regulatory demands of those roles.

Target	Performance link	Remuneration link
• 40 training hours per employee annually; 21 hours for Riggers, reflecting their technical, safety and regulatory requirements.	• Progress is tracked through REDtone's learning and Performance Management System (PMS) and contributes to overall performance ratings.	• As part of the PMS, training achievement may indirectly influence performance based remuneration, where applicable.

Building Skills for a Digital Business

Technical learning remained the largest area of development during FY2026, accounting for 5,482.3 training hours. Programmes covered telecommunications infrastructure, networking, fibre, wireless technologies, data centres, information systems, network security and digital platforms.

Employees also participated in a broad range of industry and technology programmes, including CCNA-related learning, HPE Aruba networking, AWS technical accreditation, network security workshops and telecommunications technology transfer sessions.

As AI becomes increasingly relevant to how employees work, REDtone expanded AI-related learning during the year. Programmes included AI Awareness for Employees: Using AI Responsibly at Work and AI Office Productivity, alongside other training involving generative AI, prompt engineering, data science and AI-enabled tools.

Strengthening Leadership and Workplace Capability

Learning at REDtone also extends beyond technical knowledge. REDtone conducted leadership and management development programmes to strengthen communication, decision-making, collaboration and people management capabilities.

Topics included communication skills, cooperation and conflict management, management development and other leadership-focused learning designed to support stronger team effectiveness.

Connecting Talent, Creating Progress (Cont'd)

Learning and Development (Cont'd)

Strengthening Leadership and Workplace Capability (Cont'd)

REDtone also provides training to promote a respectful and inclusive workplace. Programmes such as Addressing Workplace Misconduct and Speak Up Against Workplace Bullying helped employees better understand expected standards of behaviour, recognise inappropriate conduct and reinforce respectful interactions across the workplace. All managers are trained to address instances of bullying and harassment.

Supporting Professional Development

REDtone supports employees in developing capabilities beyond their immediate job scope through technical development and professional certification.

522 participations

- Across technical and professional certification programmes

Professional Certifications

- MBOT Professional Technologist application
- Certified Data Centre Professional (CDCP)
- PRINCE2 Foundation
- PMP Certification
- HPE Aruba Networking Certified Professional Campus Access (ACPCA)
- HPE Aruba Networking Certified Professional Switching (ACPS)

Specialist Development

- Data centre networking
- ISO/IEC 27001 lead auditor and implementer training
- Project management
- Data science
- AI
- Network design
- Cybersecurity

Through this combination of technical, digital, leadership and professional development, REDtone continues to strengthen the capabilities needed to support its evolving telecommunications and digital infrastructure business.

Connecting Talent, Creating Progress (Cont'd)

Safety and Health

For REDtone, protecting the safety and health of its people is particularly important given the nature of its telecommunications and digital infrastructure operations, which can involve site-based activities, working at height and the use of specialised equipment. The Group therefore takes a structured approach to managing occupational safety and health ("OSH"), covering risk assessment, safe work practices, workplace controls, competency development, emergency preparedness and continuous monitoring.

Strengthening Safety Governance

During FY2026, REDtone strengthened its Safety and Health team by appointing an additional Safety & Health Junior Executive. The overall OSH governance structure and reporting responsibilities remained unchanged.

Safety and Health Governance

General Manager, Engineering Services	Assistant Manager, Safety and Health	Dedicated OSH Support	Key Areas of Support
• Leads the Safety and Health function	• Supports oversight and coordination of OSH activities	• OSHE & Office Facilities • OSHE Governance & Projects • OSHE Projects • Additional Safety & Health Junior Executive appointed in FY2026	• Safety programmes • Inspections • Training • Risk assessments • Incident reporting • Regulatory compliance • OSH implementation, monitoring, coordination and documentation

During the year under review, REDtone also reviewed and enhanced its safety policies, procedures and targets to align with the Occupational Safety and Health Act 1994 (Act 514), other applicable legal requirements and evolving operational needs. The review placed greater emphasis on risk management, employee and contractor safety, emergency preparedness, competency and performance monitoring, while reinforcing its longer-term Vision Zero aspiration.

Managing Safety Performance

REDtone's FY2026 safety programme monitors performance across several interconnected areas:

Focus Area	What REDtone Monitors
Control of Work	Permits, risk assessments, toolbox talks, non-conformances and corrective actions
Behaviour-based Safety	HSE observations, unsafe acts, stop-work interventions, disciplinary actions, safety recognition and management visits
Workplace Controls	Workplace inspections, safety walkthroughs, unsafe conditions and corrective actions
Competence and Awareness	Safety inductions and training
Engagement and Emergency Preparedness	Safety inductions and training

REDtone tracked performance against these indicators through its HSE Target Dashboard and programme tracker. Overall achievement against the FY2026 safety programme stood at 57.83%. Performance varied considerably between indicators. Training, induction, workplace walkthroughs and emergency preparedness showed comparatively strong progress during the year. Several control-of-work, audit and management engagement indicators remained below target, providing a clear focus for further improvement as REDtone strengthens implementation and accountability across its operations.

Connecting Talent, Creating Progress (Cont'd)

Safety and Health (Cont'd)

Learning from Incidents

REDtone reported a road traffic accident and two minor workplace injuries during FY2026. In Sabah, a team member sustained a laceration to the left palm when a loosened antenna bracket fell during fieldwork; in Sarawak, a team member sustained a minor forehead injury when a boom bracket swung as a stuck rope was released. The incidents highlighted the importance of equipment checks, hazard identification and strict adherence to safe work controls during field activities. An employee sustained injuries in a road traffic accident after failing to stop at a traffic light while commuting home. The incident highlights the need for defensive driving, compliance with traffic rules, and implementing an effective Road Traffic Safety ("**RTS**") management system.

Protecting People in the Field

REDtone uses personal protective equipment ("**PPE**") as a key operational safety control, particularly for employees undertaking tower- and site-related activities. Safety and Health personnel monitor the use of fall arrestors and ensure they are inspected and replaced where required. Photographic records from the year also show field personnel using full-body harnesses, lanyards, helmets and other working-at-height equipment.

Protecting Field Personnel

PPE Provided	FY2026 Investment	Safety Controls
• Full body harnesses • Y-lanyards • Positioning lanyards • Rigger helmets • Safety shoes • Coveralls • Tool lanyards • Safety signage	• RM18,302.28 spent on the replacement and acquisition of various types of PPE • Equipment distributed according to operational needs across regions	• Fall arrestors issued, inspected and replaced where required • PPE use monitored by Safety and Health personnel • Working at height equipment used during field activities

REDtone also embeds its HIRARC approach within the broader risk management process, providing a structured way to identify hazards, assess occupational risks and determine appropriate controls before and during work activities.

Building Competence and Emergency Readiness

REDtone builds safety awareness before employees undertake their work and reinforces it through ongoing training, competency development and practical emergency preparedness. Health and safety training totalled 1,591.4 hours in FY2026 across 208 participants, covering safety awareness, operational preparedness and emergency response.

Building Safety Competence

Safety Induction
- 6 induction sessions
- 93 participants

Health and Safety Training
- 1,591.4 training hours
- Covered safety awareness, operational preparedness and emergency response

Connecting Talent, Creating Progress (Cont'd)

Safety and Health (Cont'd)

Building Competence and Emergency Readiness (Cont'd)

Building Safety Competence (Cont'd)

Fire Fighting and Emergency Response

- 21 selected employees
- 294 training hours

Emergency Response Team Training

- Conducted with the Fire and Rescue Department of Malaysia (BOMBA)
- 21 employees participated

Practical Emergency Preparedness

- Building evacuation drill conducted with BOMBA
- Enabled participants to apply their learning in a practical emergency response setting

Together, these activities strengthened employee competency and REDtone's preparedness for workplace emergencies.

Strengthening Oversight and Continuous Improvement

REDtone continued to review workplace safety through inspections and external assessments. A management safety inspection in Sarawak recorded mainly minor non-conformances related to documentation submissions through a client's platform, along with issues such as faulty or obsolete PPE. Regional OSH representatives escalate identified PPE deficiencies to Headquarters for replacement.

Supporting Mental Well-being

On 19 September 2025, REDtone conducted a mental health awareness talk, Creating a Mentally Healthy Workplace — Identifying and Supporting Mental Health Needs. The session strengthened employee awareness of mental health, including the early identification of well-being concerns and how colleagues can provide appropriate support. It forms part of REDtone's broader efforts to maintain a safe, supportive and healthy workplace.

Respecting Human Rights

REDtone upholds the highest standards of ethical conduct in all business activities and is firmly committed to respecting human rights. The Company's Human Rights Policy, as outlined in the Code of Conduct, aligns with internationally recognised standards, including:

- The United Nations Universal Declaration of Human Rights
- The International Bill of Human Rights
- The United Nations Guiding Principles on Business and Human Rights
- The International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- The OECD Guidelines for Multinational Enterprises
- The Ten Principles of the United Nations Global Compact

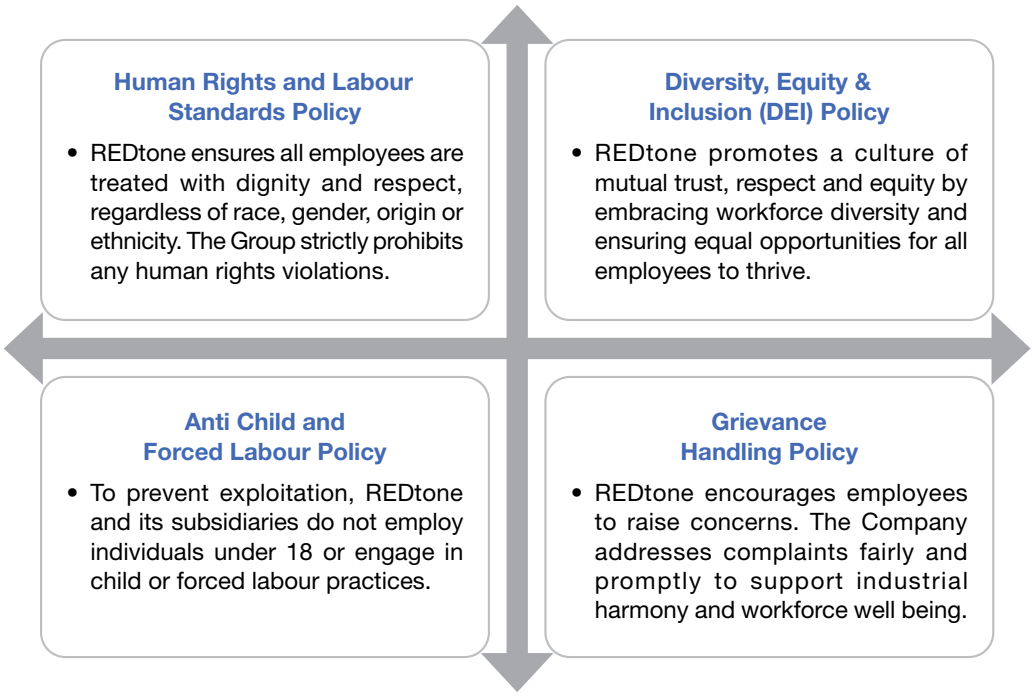
In line with these commitments and to further strengthen its governance framework, REDtone has introduced new policies and continues to review existing ones. These efforts ensure the Company proactively addresses emerging risks while staying aligned with global best practices.

Sustainability Statement

(Cont'd)

Respecting Human Rights (Cont'd)

Effective 1 September 2024, REDtone has implemented four new policies designed to promote awareness and corporate responsibility throughout the organisation:



Human Rights and Labour Principles, Codes and Actions

Principles	Actions and Commitments
Freely chosen employment	Strictly adhering to regulatory requirements and maintaining a zero-tolerance stance on forced and involuntary labour.
Prevention of Child Labour	Upholding a zero-tolerance policy for child labour, complying fully with local laws concerning the minimum legal employment age.
Working Hours	REDtone complies with all local working-hours and overtime laws and is committed to reducing excessive working hours.
Wages and Benefits	The Group's compensation practices, including medical benefits, comply with applicable wage laws. The Group ensures payment of at least the legally mandated minimum living wages, overtime pay and benefits.

Respecting Human Rights (Cont'd)

Human Rights and Labour Principles, Codes and Actions (Cont'd)

<table>
<tr><th>Principles</th><th>Actions and Commitments</th></tr>
<tr><td>Diversity, Equality and Non-discrimination</td><td>REDtone's recruitment and employment practices promote equality, with no discrimination based on race, colour, religion, age, gender, sexual orientation, marital status, disabilities, ethnicity or nationality.

<u>Actions to improve workforce diversity</u>

<table><tr><th>Race, traits, age, sexual orientation and nationality</th><th>REDtone does not base recruitment, promotion and recognition on race, traits, age, sexual orientation or nationality.</th></tr><tr><td>Religion</td><td>• Designated prayer rooms in the workplace accommodate various religious practices.
• Leave allows employees to observe their religious obligations.</td></tr><tr><td>Gender</td><td>Flexible work arrangements for new mothers help them balance work responsibilities with childcare and family needs.</td></tr><tr><td>Disabilities</td><td>REDtone offers practical support to employees with special needs, promoting an inclusive work environment.</td></tr></table></td></tr>
<tr><td>Harassment</td><td>REDtone enforces a strict anti-harassment policy, including zero tolerance for sexual harassment. Over the past year, the Group conducted awareness sessions for 23 employees to reinforce its commitment to a safe and respectful workplace.

REDtone's Whistleblowing Policy provides a confidential platform for promptly reporting and addressing bullying or harassment. No whistleblowing reports were received during FY2026, and the Policy remains unchanged. REDtone trains managers to handle such cases effectively and with sensitivity.</td></tr>
<tr><td>Freedom of Association and Collective Bargaining</td><td>Respecting rights to freedom of association and collective bargaining, continuously striving to improve working conditions and management practices, in line with local laws.</td></tr>
<tr><td>Freedom of Expression</td><td>Upholding the right to freedom of expression, fostering an environment where diverse views and open dialogue are respected and encouraged.</td></tr>
<tr><td>Health and Safety</td><td>REDtone has established a comprehensive Health and Safety Management System that complies with both local and international occupational safety and health standards.</td></tr>
</table>

Respecting Human Rights (Cont'd)

Building Awareness of Human Rights and Fair Workplace Practices

REDtone continues to strengthen employee awareness of human rights, fair workplace practices and responsible labour standards through targeted training.

Human Rights and Fair Workplace Training

Grievance Handling and D.E.I Policies

- 41 employees
- 82 training hours
- Reinforced appropriate grievance channels
- Promoted fair treatment
- Strengthened awareness of diversity, equity and inclusion

Human Rights and Labour Standards

- 51 employees
- 102 training hours
- Covered human rights and fair labour practices
- Addressed anti child labour and forced labour
- Extended awareness across workplace operations and business relationships

FY2026 Total

- 92 employees trained
- 184 training hours

Together, these programmes strengthened awareness of fair workplace practices, responsible labour standards and appropriate mechanisms for raising and addressing concerns.

Connecting Communities, Creating Opportunity

REDtone focuses its community investment on defined focus areas aligned with its business strategy, leveraging its connectivity expertise and technology solutions to connect people, improve access and address practical community needs. Through its telecommunications and digital capabilities, the Group supports national connectivity, digital inclusion, more accessible services and resilient communications. REDtone also recognises the value of volunteering and supports employees through dedicated volunteer leave, financial support for employee-led initiatives and organised group volunteering opportunities.

Supporting Malaysia's National Connectivity

REDtone supports Malaysia's national digitalisation agenda through programmes such as JENDELA, Time 3 Extension Phase 1 and Time 3 Extension Phase 3, in line with the Malaysian Communications and Multimedia Commission ("**MCMC**") Universal Service Provision framework.

REDtone maintained 223 JENDELA sites during FY2026, up from 170 in FY2025 and continues to operate 51 NADI centres. Through these programmes, the Group deploys and maintains mobile connectivity infrastructure across rural and remote areas in Peninsular Malaysia, Sabah and Sarawak.

Connecting Communities, Creating Opportunity (Cont'd)

Bringing Digital Access to Underserved Communities

Beyond infrastructure deployment, REDtone helps communities use connectivity in practical ways.

REDtone also continued its long-term support of the REDtone Kuala Lumpur International Junior Squash Championships, holding the 17th edition in December 2025. The tournament drew 1,005 entries from 23 countries, passing 1,000 participants for the second year running.

The Group currently operates 51 NADI sites, providing access to digital tools and services, digital literacy and employability training and support for local entrepreneurship.



Over the years, REDtone has also maintained 651 community connectivity sites under national programmes including NADI. REDtone recognises the importance of protecting and supporting children's rights, including access to education, information and digital opportunities. Through its community programmes, the Group supports children and young people by improving access to reliable connectivity and learning resources, helping them develop digital capabilities and participate more fully in the digital economy.

Connecting Beyond the Shore

In August 2025, REDtone supported Courage in the Current, a 10.6 km open-water charity swim from Lang Tengah to Pulau Redang that raised awareness of mental health and suicide prevention.

REDtone provided Starlink connectivity aboard the support boats, enabling reliable communication throughout the crossing in areas where conventional mobile coverage may be limited. This connectivity supported coordination between the teams accompanying the swimmers over the 10.6 km route.

The initiative combined REDtone's core connectivity capabilities with support for an important social issue. Beyond funding or resources, REDtone contributed technology directly relevant to the event's needs, showing how its expertise can support community initiatives in locations where dependable connectivity matters most.

Reaching Further Through Satellite Connectivity

REDtone uses satellite connectivity to reach locations where conventional fixed infrastructure is limited or difficult to deploy.

As an Authorised Reseller for Starlink Enterprise, REDtone has supported MCMC on the community Wi-Fi initiatives in rural and remote areas.

These deployments provide an alternative means of access where terrestrial infrastructure is unavailable or impractical, helping extend digital services to underserved locations.

Making Digital Services More Accessible

Digital inclusion also depends on how easily people can use digital services.

Across its portals, applications and customer interfaces, REDtone considers practical accessibility features such as simple navigation, clear layouts, mobile-friendly design and multilingual support. These features can help make digital services easier to navigate and use for a broader range of users.

Connecting Communities, Creating Opportunity (Cont'd)

Give Blood, Save Lives

REDtone's community contribution also extends beyond connectivity. During FY2026, the Group organised a blood donation programme at Jumpa Cafe, HQ, where 38 bags of blood were collected. The initiative supported community health needs while giving employees a direct opportunity to contribute through volunteering.



REDtone's Commitment to Operating Responsibly

REDtone operates responsibly by focusing on reliable services, information protection and strong governance across the business.

The Group recognises that service reliability, network performance, cybersecurity and data protection are fundamental to the trust customers, regulators and other stakeholders place in it. Established governance, compliance and risk management processes support these priorities and guide day-to-day operations and decision-making.

Foundations of Responsible Operations

Reliable Services	Information Protection	Strong Governance
• Service reliability • Network performance	• Cybersecurity • Data protection	• Governance • Compliance • Risk management

The same principles extend to REDtone's growing use of digital and AI-enabled technologies. REDtone manages AI-related risks through its existing IT, cybersecurity and data privacy frameworks, while developing additional safeguards to address accuracy, bias, transparency, explainability, human oversight and potential misuse.

As the regulatory environment evolves, REDtone plans to formalise these considerations through a Responsible AI framework, providing a clearer structure for the responsible development and deployment of AI-enabled solutions.

Together, these practices help REDtone maintain dependable operations while adapting responsibly to new technologies and changing stakeholder expectations.

Strengthening Network and Communications Resilience

Reliable connectivity is critical for businesses, public agencies and communities, particularly where communications infrastructure serves remote or difficult-to-access locations.

Maintaining service continuity can be challenging when vandalism, landslides, accidental damage or access constraints affect fibre routes. During FY2026, the Group recorded 8,134 valid service tickets, while average restoration time improved from approximately 12.5 hours in the first half of the year to 11.0 hours in the second half.

Improving Service Restoration

REDtone continues to strengthen its operational response to service disruption through network monitoring, technical support and field restoration capabilities. Shorter restoration times minimise customer disruption and support the reliability of communications services across the Group's network.

REDtone's Commitment to Operating Responsibly (Cont'd)

Strengthening Network and Communications Resilience (Cont'd)

Building Greater Backhaul Resilience

REDtone is strengthening network resilience by introducing alternative connectivity where reliance on a single fibre route could create a point of failure.

REDtone now supports close to 200 active sites on Starlink and uses the service as backup connectivity at remote JENDELA sites that previously depended on a single path. MCMC's emergency response team also subscribes to Starlink capacity through REDtone.

During FY2026, the Group invested approximately RM3.5 million in Starlink satellite systems to provide backup backhaul connectivity. When a primary fibre connection is disrupted, REDtone can use satellite connectivity as an alternative route while repair works are underway, helping maintain service continuity in remote and challenging locations.

Satellite connectivity also extends REDtone's ability to provide communications in locations where conventional fixed infrastructure may be difficult or impractical to deploy. Through its Starlink Business offering, REDtone combines satellite connectivity with installation, engineering services, network integration and 24/7 local technical support.

These capabilities have applications beyond routine business connectivity. REDtone has provided satellite-based solutions for the Forestry Department in remote operating environments and for MCMC's Emergency Disaster and Response Team, where rapidly deployable communications can support operational continuity during emergencies or wider service disruption.

Combining faster restoration with alternative satellite connectivity, REDtone is strengthening the resilience of the communications infrastructure on which its customers and public-sector partners increasingly depend.

Enhancing the Customer Experience

REDtone continues to strengthen customer experience through faster response, clearer escalation and better visibility of service incidents.

Improving Field Service Management

During FY2026, REDtone developed the Field Engineer Management System ("**FEMS**") for its JENDELA and T3E projects. The system brings incident management and field-engineer escalation into a single platform, giving field teams greater visibility over open and ongoing cases.

FEMS supports more efficient case assignment, coordination and on-site support, helping teams respond more effectively when service intervention is required.

Strengthening Response and Escalation

REDtone strengthened its monitoring and escalation process for customer incidents. REDtone copies relevant communications and escalation updates to Team Leaders and Heads of Department, providing additional oversight of unresolved cases and strengthening accountability for follow-up.

The escalation matrix is shared across customer-facing and internal teams, while open, ongoing and closed incidents are monitored through email, WhatsApp communications and the ticketing system.

REDtone's Commitment to Operating Responsibly (Cont'd)

Enhancing the Customer Experience (Cont'd)

Strengthening Response and Escalation (Cont'd)

FY2026 Service Snapshot

Indicator	FY2026
Customer service tickets	2,598
Main ticket categories	Outages, enquiries and voice change requests
Average resolution time	6 hours
Resolution performance	Managed according to applicable product or service SLAs

Quality and Service Standards

During FY2026, REDtone continued to monitor service quality in line with the Mandatory Standards for Quality of Service (MSQOS) requirements set by MCMC and submitted the relevant reports.

SolarWinds, REDtone's ticketing system and internal performance reports monitor service performance. SolarWinds tracks network and link availability, while the ticketing system records faults, service response times and complaint resolution. Performance reports provide further oversight of service quality and support timely corrective action where required.

Cybersecurity and Data Privacy

Cybersecurity and data privacy are fundamental to maintaining reliable digital infrastructure and protecting the information customers, employees and business partners entrust to it.

The Group complies with the Personal Data Protection Act 2010 (PDPA) and applies controls across its operations to safeguard personal and business information. For AI-enabled solutions, REDtone informs customers when they interact with AI and incorporates applicable notification and consent requirements into deployment practices. REDtone recorded one data breach during FY2026 that involved neither personal data nor any customer information.

Key controls include regular internal and external audits, system updates and patching, data minimisation protocols, Role-Based Access Controls ("**RBAC**"), Multi-Factor Authentication ("**MFA**") and network and endpoint security controls.

Cybersecurity Governance and Risk

Cybersecurity forms part of REDtone's half-yearly ERM review. The Group assesses cyber risks based on likelihood and potential impact, before and after existing controls, to identify residual risks that may require further mitigation.

Responses may include additional monitoring, stronger access controls, system remediation, supplier action, technology upgrades or incident-response measures.

During FY2026, the Group considered cybersecurity incident management and escalation as significant matters in its cybersecurity oversight.

REDtone Data Centre Sdn Bhd ("**RDC**") and RENS obtained ISO/IEC 27001:2022 certification during the financial year under review, strengthening formal information security management within its telecommunications operations.

REDtone's Commitment to Operating Responsibly (Cont'd)

Cybersecurity and Data Privacy (Cont'd)

Strengthening Cybersecurity Controls

REDtone continued to upgrade its cybersecurity controls during FY2026.

Key measures included:

Control	Measure implemented in FY2026
Endpoint protection	Replacing the previous Symantec antivirus solution with SentinelOne Endpoint Detection and Response (EDR)
Web application security	Implementing a Web Application Firewall (FortiWeb) to strengthen protection of web-based applications
Enterprise firewalls	Renewing Fortinet firewall licences to maintain current protection capabilities
Multi-Factor Authentication	Applying MFA across Microsoft 365 email accounts
Role-Based Access Controls	Refreshing internal switches and Wi-Fi access to strengthen RBAC-based access
Cybersecurity assurance	Conducting annual external audits of IT processes, supported by routine penetration testing and vulnerability assessments

These controls strengthen REDtone's ability to prevent, detect and respond to cyber threats across its digital environment.

Strengthening Cyber Resilience

REDtone maintains defined recovery objectives for critical systems:

Measure	FY2026
Recovery Time Objective (RTO)	8 hours
Recovery Point Objective (RPO)	4 hours

These parameters support business continuity planning by defining the targeted timeframe for restoring critical systems and the acceptable level of data recovery following a disruption.

Strengthening REDtone Group Cybersecurity

RDC and RENS provide a secure foundation for Group-wide operations. Both hold ISO/IEC 27001:2022 certification.

Through its security controls, certifications and assurance processes, REDtone strengthens the protection of critical infrastructure and information across its operations.

Strengthening Cybersecurity Awareness and Capability

As technology alone cannot address cyber risk, REDtone combines security controls with employee awareness and specialist capability development.

During FY2026, 270 employees participated in cybersecurity-related training, totalling 767.3 training hours. REDtone Academy delivered mandatory cybersecurity awareness training for employees.

Broad-based programmes such as Cybersecurity Awareness Talks addressed common cyber threats and safe security practices. The training covered topics such as cyber fraud, cyber hygiene and emerging digital threats.

REDtone's Commitment to Operating Responsibly (Cont'd)

Cybersecurity and Data Privacy (Cont'd)

Strengthening Cybersecurity Awareness and Capability (Cont'd)

REDtone provided more specialised programmes for employees with information security and technical responsibilities. These programmes included ISO/IEC 27001 awareness, ISMS internal audit, management and process definition training and product knowledge covering roles such as Chief Information Security Officers, Data Protection Officers and Security Operations Centres.

Focus Areas	Examples of Training
Cybersecurity awareness	Cybersecurity Awareness Talks, Cyber Fraud Awareness, Cyber Hygiene, Cyber Threats in the Digital World
Information security management	ISO/IEC 27001:2022 Awareness, ISMS Management, ISMS Internal Audit and Process Definition
Network and infrastructure security	MyIX Network Security Workshop, Global IPv6 Cyber Security Seminar, Zscaler Security Awareness
Emerging cyber risks	Cybersecurity & AI, AI-Secure Enterprise, Cyber Risks in an AI World
Data protection and security leadership	CISO and DPO product knowledge, data protection programmes and CISO industry engagements

Developing Specialist Expertise

REDtone also supported employees in developing deeper cybersecurity and information security capabilities through certification, qualification and professional development programmes.

These included ISC2 CC Classroom Training, Information Systems Security Professional, Yeastar Certified Security Specialist, ISO/IEC 27001 ISMS Management and Internal Audit training, SIRIM ISO/IEC 27001 Lead Auditor and Lead Implementer training and the MyIX Network Security Workshop.

Employees also participated in industry and professional development programmes such as CYDES, CISO Malaysia Seminar, Thales + Imperva – Navigating the Future of Data Protection and The AI-Secure Enterprise Powered by Skyhigh Security.

REDtone currently has one CISSP-certified employee within the organisation, supporting its specialist cybersecurity capability.

Together, these governance arrangements, technology controls and capability-building initiatives strengthen REDtone's cybersecurity resilience as its telecommunications and digital operations continue to expand.

Sustainability Performance Indicators

The table below sets out REDtone's sustainability performance for FY2024 to FY2026. FY2026 figures are shown in bold.

Indicator	Unit	FY2024	FY2025	FY2026
ECONOMIC				
Supply Chain Management				
Proportion of spending on local suppliers	%	99.16%	96.93%	**98.09%**
Proportion of local suppliers (by number)	%	N/A	N/A	**97.14%**
Total suppliers engaged	No.	307	291	**315**
Corruption				
Employees who have received training on anti-corruption				
Non-executive	No. (%)	12 (22.22%)	4 (6.56%)	**59 (95.16%)**
Junior management	No. (%)	55 (31.43%)	40 (20.41%)	**189 (95.45%)**
Middle management	No. (%)	17 (19.54%)	10 (11.63%)	**86 (96.63%)**
Senior management	No. (%)	2 (18.18%)	3 (25.00%)	**8 (88.89%)**
Total employees	No. (%)	86 (26.30%)	57 (16.06%)	**342 (95.53%)**
Proportion of operations assessed for corruption-related risks	%	100.00%	100.00%	**100.00%**
Total confirmed incidents of corruption	No.	0	0	**0**
Total amount of political contributions	RM	0	0	**0**
Total cost of fines, penalties or settlements in relation to corruption	RM	0	0	**0**
Number of staff disciplined or dismissed due to non-compliance with anti-corruption policy	No.	0	0	**0**
Whistleblowing reports received	No.	0	0	**0**
Whistleblowing reports substantiated	No.	0	0	**0**
Compliance				
Provisions for fines and settlements specified for ESG issues in audited accounts	RM	0	0	**0**
Total costs of environmental fines and penalties	RM	0	0	**0**
Tax				
Income tax expense	RM	23,082,000	8,856,000	**8,522,000**
Effective tax rate	%	27.75%	24.89%	**31.53%**
ENVIRONMENT				
Energy				
Grid electricity	kWh	6,176,909	2,777,235	**1,596,901**
Grid electricity	GJ	22,236.87	9,998.04	**5,748.84**
Renewable electricity (solar)	kWh	–	2,169,957	**2,889,716**
Renewable electricity (solar)	GJ	–	7,811.84	**10,402.98**
Total electricity	kWh	6,176,909	4,947,192	**4,486,617**
Total electricity	GJ	22,236.87	17,809.89	**16,151.82**
Fuel *	GJ	9,899.67	12,613.36	**10,625.32**
Total energy	GJ	32,136.54	30,423.25	**26,777.14**
Share of energy from grid electricity	%	69.19%	32.86%	**21.47%**
Share of energy from renewable sources	%	0.00%	25.68%	**38.85%**
** Calculated using the IPCC 2006 Guidelines for National Greenhouse Gas Inventories*				
Water and Effluents				
Municipal water consumption	m^3	45.00	810.80	**1,769.33**
Total water consumption	m^3	45.00	810.80	**1,769.33**
Total volume of water (effluent) discharged	m^3	0.00	0.00	**0.00**
GHG Emissions				
Scope 1				
CO_2	tCO_2e	733.06	934.17	**786.88**
CH_4	tCO_2e	2.76	3.52	**2.96**
N_2O	tCO_2e	1.62	2.07	**1.74**
CO_2e	tCO_2e	737.44	939.76	**894.21**
Scope 2				
Electricity	tCO_2e	4,682.10	1,213.23	**501.25**
Scope 3				
3. Fuel- and energy-related activities	tCO_2e	–	264.99	**200.63**
6. Business travel				
CO_2	tCO_2e	N/A	225.98	**224.82**
CH_4	tCO_2e	N/A	0.27	**0.26**
N_2O	tCO_2e	N/A	1.53	**1.56**
CO_2e	tCO_2e	337.49	227.77	**226.65**

Scope 1 is calculated using the IPCC 2006 Guidelines for National Greenhouse Gas Inventories. Scope 2 is location-based, using the grid emission factors for Peninsular Malaysia, Sabah and Sarawak published by the Energy Commission. Scope 3 categories 3 and 6 use the UK Government (DESNZ) GHG conversion factors; the UK factor is used for transmission and distribution losses as no Malaysian equivalent is published.

Sustainability Statement

(Cont'd)

Sustainability Performance Indicators Cont'd

Indicator	Unit	FY2024	FY2025	FY2026
SOCIAL				
Diversity				
Total number of employees	No.	327	355	**358**
Employees by contract				
Full-time employees	No. (%)	327 (100.00%)	355 (100.00%)	**358 (100.00%)**
Contractors or temporary staff	No. (%)	0 (0.00%)	0 (0.00%)	**0 (0.00%)**
Employees by nationality				
Malaysian staff	No. (%)	326 (99.69%)	354 (99.72%)	**357 (99.72%)**
Non-Malaysian staff	No. (%)	1 (0.31%)	1 (0.28%)	**1 (0.28%)**
Employees by gender				
Female	No. (%)	98 (29.97%)	114 (32.11%)	**119 (33.24%)**
Male	No. (%)	229 (70.03%)	241 (67.89%)	**239 (66.76%)**
Employees by age group				
<30	No. (%)	96 (29.36%)	112 (31.55%)	**108 (30.17%)**
30–50	No. (%)	200 (61.16%)	208 (58.59%)	**210 (58.66%)**
>50	No. (%)	31 (9.48%)	35 (9.86%)	**40 (11.17%)**
Employees by category				
Non-executive employees	No. (%)	54 (16.51%)	61 (17.18%)	**62 (17.32%)**
Junior management	No. (%)	175 (53.52%)	196 (55.21%)	**198 (55.31%)**
Middle management	No. (%)	87 (26.61%)	86 (24.23%)	**89 (24.86%)**
Senior management	No. (%)	11 (3.36%)	12 (3.38%)	**9 (2.51%)**
By ethnicity				
Malay	No. (%)	N/A	170 (47.89%)	**172 (48.04%)**
Chinese	No. (%)	N/A	97 (27.32%)	**96 (26.82%)**
Indian	No. (%)	N/A	14 (3.94%)	**14 (3.91%)**
Others	No. (%)	N/A	74 (20.85%)	**76 (21.23%)**
Employees by gender and category				
Non-executive: female	No. (%)	11 (20.37%)	12 (19.67%)	**12 (19.35%)**
Non-executive: male	No. (%)	43 (79.63%)	49 (80.33%)	**50 (80.65%)**
Junior management: female	No. (%)	55 (31.43%)	72 (36.73%)	**79 (39.90%)**
Junior management: male	No. (%)	120 (68.57%)	124 (63.27%)	**119 (60.10%)**
Middle management: female	No. (%)	30 (34.48%)	28 (32.56%)	**26 (29.21%)**
Middle management: male	No. (%)	57 (65.52%)	58 (67.44%)	**63 (70.79%)**
Senior management: female	No. (%)	2 (18.18%)	2 (16.67%)	**2 (22.22%)**
Senior management: male	No. (%)	9 (81.82%)	10 (83.33%)	**7 (77.78%)**
Employees by age group and category				
Non-executive: <30	No. (%)	31 (57.41%)	32 (52.46%)	**31 (50.00%)**
Non-executive: 30–50	No. (%)	23 (42.59%)	29 (47.54%)	**30 (48.39%)**
Non-executive: >50	No. (%)	0 (0.00%)	0 (0.00%)	**1 (1.61%)**
Junior management: <30	No. (%)	64 (36.57%)	77 (39.29%)	**74 (37.37%)**
Junior management: 30–50	No. (%)	105 (60.00%)	109 (55.61%)	**113 (57.07%)**
Junior management: >50	No. (%)	6 (3.43%)	10 (5.10%)	**11 (5.56%)**
Middle management: <30	No. (%)	1 (1.15%)	3 (3.49%)	**3 (3.37%)**
Middle management: 30–50	No. (%)	69 (79.31%)	67 (77.91%)	**65 (73.03%)**
Middle management: >50	No. (%)	17 (19.54%)	16 (18.60%)	**21 (23.60%)**
Senior management: <30	No. (%)	0 (0.00%)	0 (0.00%)	**0 (0.00%)**
Senior management: 30–50	No. (%)	3 (27.27%)	3 (25.00%)	**2 (22.22%)**
Senior management: >50	No. (%)	8 (72.73%)	9 (75.00%)	**7 (77.78%)**
Employees by union membership				
Union members	No. (%)	0 (0.00%)	0 (0.00%)	**0 (0.00%)**
Non-union members	No. (%)	327 (100.00%)	355 (100.00%)	**358 (100.00%)**
Employees with disabilities				
Staff with disabilities	No. (%)	0 (0.00%)	0 (0.00%)	**0 (0.00%)**

Sustainability Performance Indicators Cont'd

Indicator	Unit	FY2024	FY2025	FY2026
SOCIAL (CONT'D)				
Employee Turnover *				
Total turnover	No. (rate)	77 (23.55%)	16 (4.51%)	**63 (17.60%)**
By gender				
Female	No. (rate)	30 (30.61%)	6 (5.26%)	**16 (13.45%)**
Male	No. (rate)	47 (20.52%)	10 (4.15%)	**47 (19.67%)**
By age group				
<30	No. (rate)	35 (36.46%)	6 (5.36%)	**31 (28.70%)**
30–50	No. (rate)	35 (17.50%)	8 (3.85%)	**28 (13.33%)**
>50	No. (rate)	7 (22.58%)	2 (5.71%)	**4 (10.00%)**
By employment category				
Non-executive employees	No. (rate)	30 (55.56%)	4 (6.56%)	**21 (33.87%)**
Junior management	No. (rate)	37 (21.14%)	8 (4.08%)	**31 (15.66%)**
Middle management	No. (rate)	9 (10.34%)	3 (3.49%)	**8 (8.99%)**
Senior management	No. (rate)	1 (9.09%)	1 (8.33%)	**3 (33.33%)**
Voluntary and involuntary				
Full-time staff, voluntary	No. (rate)	70 (90.91%)	16 (100.00%)	**61 (96.83%)**
Full-time staff, involuntary	No. (rate)	7 (9.09%)	0 (0.00%)	**2 (3.17%)**
** Turnover rate = employees leaving ÷ total employees in each category*				
Director Diversity				
Total directors	No.	8	7	**6**
Directors by gender				
Female	No. (%)	3 (37.50%)	3 (42.86%)	**3 (50.00%)**
Male	No. (%)	5 (62.50%)	4 (57.14%)	**3 (50.00%)**
By age group				
<30	No. (%)	0 (0.00%)	0 (0.00%)	**0 (0.00%)**
30–50	No. (%)	3 (37.50%)	2 (28.57%)	**2 (33.33%)**
>50	No. (%)	5 (62.50%)	5 (71.43%)	**4 (66.67%)**
By ethnicity				
Malay	No. (%)	4 (50.00%)	3 (42.86%)	**3 (50.00%)**
Chinese	No. (%)	3 (37.50%)	3 (42.86%)	**2 (33.33%)**
Indian	No. (%)	0 (0.00%)	0 (0.00%)	**0 (0.00%)**
Others	No. (%)	1 (12.50%)	1 (14.29%)	**1 (16.67%)**
Independent directors	%	37.50%	42.86%	**33.33%**
Board meetings held	No.	5	5	**5**
Board meeting attendance	%	77.50%	91.43%	**96.67%**
Women on the Executive Committee	%	0.00%	0.00%	**33.33%**
Training and Development				
Time spent on employee development training by employee category				
Non-executive employees	Hours	801	6,651.5	**906.4**
Junior management	Hours	4,375	1,663.1	**6,673.9**
Middle management	Hours	2,941	608	**3,284.1**
Senior management	Hours	413	93.5	**440**
Total employees	Hours	8,530	9,016.1	**11,304.4**
Total training participations	No.	2,778	2,285	**1,211**

Sustainability Statement

(Cont'd)

Sustainability Performance Indicators Cont'd

Indicator	Unit	FY2024	FY2025	FY2026
SOCIAL (CONT'D)				
Training and Development (Cont'd)				
Types of employee development training to enhance knowledge or individual skills				
Finance and accounting	No.	11	29	**37**
Management	No.	83	38	**4**
Products and services	No.	991	633	**182**
Safety and health	No.	205	278	**208**
Soft skills	No.	231	785	**367**
Technical	No.	162	494	**246**
Others	No.	1,095	28	**167**
Total	No.	2,778	2,285	**1,211**
Total company training time	Hours	8,530	9,016.1	**11,304.4**
Average training hours per employee	Hours	26.1	25.4	**31.6**
Average training days per employee	Days	3.3	3.2	**3.9**
Safety induction training sessions	No.	37	53	**67**
Health and Safety				
Fatalities (employees)	No.	0	0	**0**
Fatalities (third-party contractors)	No.	0	0	**0**
Lost time incident rate (LTIR)	Rate *	49.61	0.00	**3.01**
Lost workday cases (LWC)	No.	0	0	**2**
Restricted workday cases (RWC)	No.	1	0	**0**
First aid cases (FAC)	No.	0	0	**0**
Near miss cases	No.	0	0	**0**
Dangerous occurrence cases	No.	0	0	**0**
Fire cases	No.	0	0	**0**
Property damage cases	No.	1	0	**0**
Vehicle accident cases	No.	1	0	**1**
Days lost	Days	24	0	**9**
Total safe man-hours worked	Hours	125,184	173,992	**199,384**
Employees trained on health and safety standards	No.	176	278	**167**
Employees receiving general training which includes safety	No.	302	2,314	**61**
** LTIR = lost time injuries ÷ total hours worked × 200,000*				
Human Rights				
Number of substantiated complaints concerning human rights violations	No.	0	0	**0**
Data Privacy and Security				
Total substantiated complaints concerning breaches of customer privacy and losses of customer data	No.	0	0	**0**
Data breaches	No.	0	0	**1**
Data breaches involving personal data	%	N/A	N/A	**0.00%**
Customers affected by data breaches	No.	0	0	**0**
Law enforcement requests for customer information	No.	0	0	**0**
Customers whose information was requested	No.	0	0	**0**
Customers whose information is used for secondary purposes	No.	0	0	**0**
Monetary losses from customer privacy proceedings	RM	0	0	**0**
Community				
Total corporate or group donations and community investments made to registered not-for-profit organisations	RM	95,000	131,500	**65,000**
Total number of beneficiaries of the investment in communities	No.	4,209	2,043	**1,500**

N/A: data not available or not applicable for the year. -: not reported for that year. Indicators with no data for any of the three years are not shown.

Restatement (FY2024 and FY2025): REDtone has restated petrol for company-owned vehicles to 3,238.60 litres for FY2024 and 3,042.38 litres for FY2025, from the 3,238 and 3,111.078 litres reported last year, using revised fleet fuel card totals supplied in September 2026. Fuel, total energy, Scope 1 and Scope 3 category 3 move with it. For FY2025, total energy falls from 30,425.50 to 30,423.25 GJ, Scope 1 from 939.91 to 939.76 tCO_2e and Scope 3 category 3 from 265.03 to 264.99 tCO_2e. The FY2024 effect is under 0.002 tCO_2e.

REDTONE DIGITAL BERHAD

BMLR Transition Period

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Main Market | Group 2 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Non-executive	Percentage	6.56%	95.16%	-	No assurance
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Junior management	Percentage	20.41%	95.45%	-	No assurance
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Middle management	Percentage	11.63%	96.63%	-	No assurance
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Senior management	Percentage	25.00%	88.89%	-	No assurance
Anti-corruption	Percentage of operations assessed for corruption--related risks	Percentage	100.00%	100.00%	-	No assurance
Anti-corruption	Confirmed incidents of corruption and action taken	Number	0	0	-	No assurance
Community/Society	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	131,500.00	65,000.00	-	No assurance
Community/Society	Total number of beneficiaries of the investment in communities	Number	2,043	1,500	-	No assurance
Health and safety	Number of work-related fatalities	Number	0	0	-	No assurance
Health and safety	Lost time incident rate ("LTIR")	Rate	0.00	3.01	-	No assurance

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Health and safety	Number of employees trained on health and safety standards	Number	278	167	-	No assurance
Diversity	Percentage of employees by age group, for each employee category - Non-executive Under 30	Percentage	52.46%	50.00%	-	No assurance
Diversity	Percentage of employees by age group, for each employee category - Non-executive Between 30-50	Percentage	47.54%	48.39%	-	No assurance
Diversity	Percentage of employees by age group, for each employee category - Non-executive Above 50	Percentage	0.00%	1.61%	-	No assurance
Diversity	Percentage of employees by age group, for each employee category - Junior management Under 30	Percentage	39.29%	37.37%	-	No assurance
Diversity	Percentage of employees by age group, for each employee category - Junior management Between 30-50	Percentage	55.61%	57.07%	-	No assurance
Diversity	Percentage of employees by age group, for each employee category - Junior management Above 50	Percentage	5.10%	5.56%	-	No assurance
Diversity	Percentage of employees by age group, for each employee category - Middle management Under 30	Percentage	3.49%	3.37%	-	No assurance
Diversity	Percentage of employees by age group, for each employee category - Middle management Between 30-50	Percentage	77.91%	73.03%	-	No assurance

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity	Percentage of employees by age group, for each employee category - Middle management Above 50	Percentage	18.60%	23.60%	-	No assurance
Diversity	Percentage of employees by age group, for each employee category - Senior management Under 30	Percentage	0.00%	0.00%	-	No assurance
Diversity	Percentage of employees by age group, for each employee category - Senior management Between 30-50	Percentage	25.00%	22.22%	-	No assurance
Diversity	Percentage of employees by age group, for each employee category - Senior management Above 50	Percentage	75.00%	77.78%	-	No assurance
Diversity	Percentage of employees by gender group, for each employee category - Non-executive Male	Percentage	80.33%	80.65%	-	No assurance
Diversity	Percentage of employees by gender group, for each employee category - Non-executive Female	Percentage	19.67%	19.35%	-	No assurance
Diversity	Percentage of employees by gender group, for each employee category - Junior Management Male	Percentage	63.27%	60.10%	-	No assurance
Diversity	Percentage of employees by gender group, for each employee category - Junior Management Female	Percentage	36.73%	39.90%	-	No assurance

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity	Percentage of employees by gender group, for each employee category - Middle Management Male	Percentage	67.44%	70.79%	-	No assurance
Diversity	Percentage of employees by gender group, for each employee category - Middle Management Female	Percentage	32.56%	29.21%	-	No assurance
Diversity	Percentage of employees by gender group, for each employee category - Senior management Male	Percentage	83.33%	77.78%	-	No assurance
Diversity	Percentage of employees by gender group, for each employee category - Senior management Female	Percentage	16.67%	22.22%	-	No assurance
Diversity	Percentage of directors by gender group - Male	Percentage	57.14%	50.00%	-	No assurance
Diversity	Percentage of directors by gender group - Female	Percentage	42.86%	50.00%	-	No assurance
Diversity	Percentage of directors by age group - Under 30	Percentage	0.00%	0.00%	-	No assurance
Diversity	Percentage of directors by age group - Between 30-50	Percentage	28.57%	33.33%	-	No assurance
Diversity	Percentage of directors by age group - Above 50	Percentage	71.43%	66.67%	-	No assurance
Energy management	Total energy consumption	Megawatt	8,450.90	7,438.10	-	No assurance
Labour practices and standards	Total hours of training by employee category - Non-executive	Hours	6,651.5	906.4	-	No assurance

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Labour practices and standards	Total hours of training by employee category - Junior management	Hours	1,663.1	6,673.9	-	No assurance
Labour practices and standards	Total hours of training by employee category - Middle management	Hours	608.0	3,284.1	-	No assurance
Labour practices and standards	Total hours of training by employee category - Senior management	Hours	93.5	440.0	-	No assurance
Labour practices and standards	Percentage of employees that are contractors or temporary staff	Percentage	0.00%	0.00%	-	No assurance
Labour practices and standards	Total number of employee turnover by employee category - Non-executive	Number	4	21	-	No assurance
Labour practices and standards	Total number of employee turnover by employee category - Junior management	Number	8	31	-	No assurance
Labour practices and standards	Total number of employee turnover by employee category - Middle management	Number	3	8	-	No assurance
Labour practices and standards	Total number of employee turnover by employee category - Senior management	Number	1	3	-	No assurance
Labour practices and standards	Number of substantiated complaints concerning human rights violations	Number	0	0	-	No assurance
Supply chain management	Proportion of spending on local suppliers	Percentage	96.93%	98.09%	-	No assurance

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Data privacy and security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	-	No assurance
Water	Total volume of water used	Megalitres	0.81	1.77	-	No assurance
Emissions management	Scope 1 emissions	Metric tonnes	939.76	894.21	-	No assurance
Emissions management	Scope 2 emissions	Metric tonnes	1,213.23	501.25	-	No assurance
Emissions management	Scope 3 emissions	Metric tonnes	492.76	427.28	-	No assurance

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
GHG emissions	Scope 1	Metric tonnes of carbon dioxide equivalents (tCO2e)	939.76	894.21	-	No assurance
GHG emissions	Scope 2 Location-based	Metric tonnes of carbon dioxide equivalents (tCO2e)	1,213.23	501.25	-	No assurance
GHG emissions	Scope 3 Cat.3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)	Metric tonnes of carbon dioxide equivalents (tCO2e)	264.99	200.63	-	No assurance
GHG emissions	Scope 3 Cat.6: Business travel	Metric tonnes of carbon dioxide equivalents (tCO2e)	227.77	226.65	-	No assurance

PKF RISK MANAGEMENT SDN BHD
(Co No 1217856-K)

To the Board of Directors of REDtone Digital Berhad

Independent Limited Assurance Report on the Common Sustainability Information Disclosed in the Sustainability Report 2026 for REDtone Digital Berhad

REDtone Digital Berhad ('REDtone') has engaged PKF Risk Management Sdn Bhd ('PKF') to independently verify and provide assurance on selected sustainability information in the REDtone Sustainability Statement 2026. The primary objective of this verification process is to provide assurance to REDtone and its stakeholders regarding the accuracy and reliability of the information presented in the statement.

The verification by PKF Risk Management Sdn Bhd focuses on the sustainable performance information (the subject matter) that falls within the scope of assurance, as outlined in the REDtone Sustainability Statement 2026.

The scope of work is limited to the common subject matter disclosed in the FY2026 Sustainability Report. It does not extend to data sets or information beyond the specified subject matter and related disclosures. In addition, the verification excludes information outside the FY2026 Sustainability Report, comparisons with historical data, and any forward-looking statements made by management.

Subject Matter

Our assurance engagement encompasses REDtone Digital Berhad. We conducted a limited assurance engagement on the selected common indicators listed in the table below, as disclosed in REDtone's Sustainability Report FY2026.

Common Sustainability Matters	Indicators
Health and Safety	**Building Competence and Emergency Readiness – Number of employees trained on health and safety standards**
Labour Practices and Standards	**Learning Development – Total training hours conducted**
Supply Chain Management	**Responsible Supply Chain – Proportion of spending on local suppliers**

Reporting Frameworks and Standards

REDtone Digital Berhad prepares the subject matter in alignment with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and draws guidance from the Sustainability Reporting Guide (3rd Edition).

REDtone Digital Berhad's Responsibilities

The management of REDtone Digital Berhad is responsible for selecting the criteria and for preparing the subject matter in accordance with those criteria, in all material respects. This responsibility includes designing and maintaining effective internal controls, keeping adequate records, and making relevant estimates to ensure the subject matter is free from material misstatement, whether due to fraud or error.

PKF RISK MANAGEMENT SDN BHD
(Co No 1217856-K)

Our Responsibilities

We conducted our assurance engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ("ISAE 3000 (Revised)") and International Standard for Assurance Engagements on Greenhouse Gas Statements ("ISAE 3410") (collectively referred to as the "Standards")* and in line with the terms of reference agreed with REDtone Digital Berhad on 16 September 2026. These Standards require that we plan and perform the engagement to obtain limited assurance about whether the Subject Matter is free from material misstatement. The nature, timing, and extent of the procedures performed were based on our professional judgement, including an assessment of the risk of material misstatement, whether due to fraud or error.

Based on our review, we believe the evidence obtained is sufficient and appropriate to form the basis for our limited assurance conclusion on the selected sustainability information presented in REDtone's Sustainability Report 2026.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("MIA") that are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

REDtone Digital Berhad's management retains full responsibility for the Sustainability Statement's preparation. PKF Risk Management Sdn Bhd affirms the independence of this verification, as our team had no participation in developing either the Sustainability Statement or the Integrated Annual Report 2026.

Our Approach

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

Our procedures included:

Interviews & Process Understanding:

- Engaged with personnel to gain insights into business operations and reporting workflows.
- Held discussions with key stakeholders to assess the process for gathering, consolidating, and reporting the Subject Matter during the relevant period.

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Evaluation of Methodology & Assumptions:

- Assessed the reasonableness of key factors applied in the Subject Matter Information calculations.
- Reviewed significant assumptions, underlying principles, and default values used in the Subject Matter Information against the Reporting Criteria.

Compliance & Accuracy Review:

- Verified that calculation methodologies aligned with the prescribed Reporting Criteria.
- Evaluated whether the Subject Matter Information adhered to the Reporting Criteria in all material respects.

Data Analysis & Validation:

- Performed analytical procedures on datasets and investigated material variances through management inquiries.
- Conducted sample-based document inspections and analytical reviews to validate the compilation and reporting of the Subject Matter.

Presentation & Consistency Assessment:

- Reviewed the overall presentation of the Subject Matter Information to ensure clarity and alignment with the Reporting Criteria.
- Verified consistency between the reported Subject Matter Information and the established Reporting Criteria.

We also performed such other procedures as we considered necessary in the circumstances.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter stated above in our report as of 6 October 2026 for the year ended 30 June 2026, in order for it to be in accordance with the Criteria.

Restricted use

The contents of this report are confidential and are to be used only by REDtone Digital Berhad.

PKF RISK MANAGEMENT SDN BHD
6 October 2026
Kuala Lumpur, Malaysia

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("**Board**") of REDtone Digital Berhad ("**REDtone**" or "**Company**") is committed to maintaining high standards of corporate governance and recognises that good governance is fundamental to the Group's long-term success, sustainability and the creation of sustainable value for its shareholders and stakeholders.

The Board believes that sound corporate governance enhances accountability, transparency, integrity and ethical business conduct, while supporting effective decision-making and robust risk management. The Board continually reviews and strengthens the Group's governance framework to ensure that it remains aligned with evolving regulatory requirements, business needs and stakeholder expectations.

The Company guided by Paragraph 15.25 of the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), has applied the principles and practices set out in the Malaysian Code on Corporate Governance ("**MCCG**") throughout the financial year ended 30 June 2026 ("**FY2026**"), taking into consideration the nature, size and complexity of the Group's businesses. Details of application for each practice of the MCCG during FY2026 are disclosed in the Corporate Governance Report ("**CG Report**"). The Board is satisfied that the Company's governance framework continues to support effective leadership, sound decision-making, prudent risk management and sustainable business performance.

This Statement is to be read together with other statements in this Annual Report including the Statement on Risk Management and Internal Control and Audit Committee Report and also the CG Report of the Company, which are available on the Company's website at www.redtone.com.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

A. Board Responsibilities

Board of Directors

The Board holds primary responsibility for providing strategic leadership, operational oversight, and safeguarding the long-term success of the Company and its subsidiaries ("**Group**"). In fulfilling its stewardship role, the Board ensures an optimal balance between commercial growth and sustainable, prudent operations to protect and enhance shareholder value.

Key responsibilities of the Board include, amongst others:

- Formulating and steering the Group's strategic plan and business direction;
- Instilling and nurturing a corporate culture grounded in good governance and ethical conduct;
- Evaluating and approving major investments, divestments, and strategic proposals;
- Ensuring the integrity of financial reporting and approving quarterly and annual financial statements;
- Overseeing the robustness of the Group's risk management and internal control frameworks;
- Overseeing succession planning for the Board and key Senior Management positions;
- Approving the appointment of Directors and Board Committee members, and setting their remuneration;
- Approving the appointment and remuneration of External Auditors; and
- Driving the governance of material sustainability risks and strategic sustainability opportunities.

The Chairman of the Board, YAM Tunku Tun Aminah Binti Sultan Ibrahim Ismail, provides executive leadership to the Board, fostering a culture of openness, constructive debate, and rigorous deliberation. To ensure independent oversight, the Chairman is not a member of any Board Committees.

To ensure a clear division of responsibilities and prevent the concentration of authority, the roles of the Chairman and the Group Chief Executive Officer ("**Group CEO**") are clearly separated and held by different individuals. The Chairman provides leadership to the Board, promotes high standards of corporate governance and facilitates effective Board deliberations and decision-making. The Group CEO is responsible for the day-to-day management of the Group's operations, implementing the strategies and decisions approved by the Board, driving business performance and executing the Group's strategic and operational plans.

The Board has established dedicated Board Committees to assist in discharging its oversight responsibilities efficiently. While these Committees operate under distinct mandates, the ultimate responsibility for decision-making rests with the full Board.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

A. Board Responsibilities (Cont'd)

Board of Directors (Cont'd)

The Board is supported by qualified, competent, and experienced Company Secretaries who provide ongoing guidance on regulatory requirements, statutory duties, and corporate governance standards. The Company Secretaries ensure proper documentation of Board and Board Committee proceedings and keep the Board apprised of emerging regulatory developments.

Board Meetings

Directors are required to dedicate sufficient time and attention to discharge their fiduciary duties effectively, including active participation in all scheduled Board and Board Committee meetings.

Board meetings are held quarterly, with annual meeting schedules fixed prior to the commencement of each calendar year to enable optimal attendance. Special meetings are convened on an ad-hoc basis when urgent matters demand the Board's attention.

During FY2026, five (5) Board meetings were convened. The attendance record of each Director is presented below:

NAME OF DIRECTORS	Attendance
YAM Tunku Tun Aminah Binti Sultan Ibrahim Ismail	4/5
Encik Syed Ali Shahul Hameed	5/5
Mr. Lau Bik Soon	5/5
Mr. Kua Choo Kai	5/5
Ms. Loh Paik Yoong	5/5
Puan Sabarina Binti Harun	5/5
Tan Sri Dato' Avinderjit Singh A/L Harjit Singh *	2/4

Note:

* Tan Sri Dato' Avinderjit Singh A/L Harjit Singh resigned as an Independent Non-Executive Director with effect from 18 February 2026.

To facilitate informed and meaningful deliberations, meeting agendas along with comprehensive board papers are distributed to Directors well in advance of each meeting. This ensures adequate time for Directors to review information, request further clarification from Management, or consult the Company Secretaries prior to decisions being rendered.

Minutes of all deliberations and decisions, including any Director's abstention from discussions due to potential conflicts of interest, are meticulously documented and circulated for confirmation.

Where necessary, Directors whether collectively as a Board or individually are empowered to seek independent professional advice at the Company's expense to support them in carrying out their responsibilities.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

A. Board Responsibilities (Cont'd)

Board Charter and Code of Conduct

The Board is guided by its Board Charter and Code of Conduct, both of which are published on the Company's website at www.redtone.com.

The Board Charter delineates the authority, responsibilities, and key functions of the Board, individual Directors, and Board Committees, as well as matters strictly reserved for full Board approval. Embedded within the Board Charter is the Directors' Code of Best Practice, which defines the ethical parameters expected of Directors to ensure the highest standards of integrity and accountability. The Board Charter is periodically reviewed to remain aligned with evolving regulatory requirements and institutional goals.

The Code of Conduct sets out the benchmark for ethical behaviour, operational integrity, workplace safety, and professionalism across the Group. It serves as an operational guide for employees at all levels to maintain conduct that reflects credit on the organisation.

Whistleblowing Policy

The Group maintains a comprehensive Whistleblowing Policy that establishes a secure, confidential channel for employees and external stakeholders to report genuine concerns regarding illegal, fraudulent, or unethical activities without fear of retaliation or adverse consequences. The Whistleblowing Policy is periodically evaluated and is accessible at www.redtone.com.

Anti-Bribery and Anti-Corruption Policy

In accordance with the Malaysian Anti-Corruption Commission Act 2009 ("**MACC Act**"), including Section 17A on corporate liability for corruption, the Guidelines on Adequate Procedures issued pursuant to Section 17A(5) of the MACC Act, the MMLR of Bursa Securities and other applicable laws and regulatory requirements, the Group maintains and implements an Anti-Bribery and Anti-Corruption Policy. The Policy provides guidance on identifying, preventing and managing bribery and corruption risks and promoting ethical business conduct across all business activities and is available on the Company's website at www.redtone.com.

B. Sustainability

The Board has overall responsibility for overseeing the integration of sustainability considerations into the Group's long-term strategy, business objectives, governance and risk management framework. In discharging this responsibility, the Board approves the Group's sustainability strategies, priorities and targets, oversees the Group's material sustainability matters and sustainability-related risks and opportunities, and monitors Management's implementation and performance against these objectives.

The implementation of the Group's sustainability initiatives is led by the Sustainability Working Committee ("**SWC**"), chaired by the Group CEO and supported by the Sustainability Officer and cross-functional representatives from key departments. Guided by the Board-approved Sustainability Framework, the SWC oversees the identification, assessment, monitoring and management of the Group's material sustainability matters and sustainability-related risks and opportunities, drives the implementation of sustainability initiatives across the Group, and provides regular updates to the Board on sustainability performance, key developments and emerging sustainability risks and opportunities.

During FY2026, the Group continued to engage proactively with its internal and external stakeholders through various communication channels to identify, review and respond to material sustainability matters, as described in the Sustainability Statement of this Annual Report. To further strengthen its oversight of sustainability matters, the Board continued to enhance its knowledge and competencies by participating in relevant sustainability and climate-related training programmes, including training on the National Sustainability Reporting Framework ("**NSRF**") and the International Financial Reporting Standards ("**IFRS**") Sustainability Disclosure Standards (IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures), enabling the Directors to remain abreast of evolving sustainability reporting requirements, climate-related developments and regulatory expectations.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

C. Board Composition

The Board currently comprises six (6) members whose combined expertise covers business leadership, finance, governance, and industry experience. The composition is structured as follows:

- Two (2) Independent Non-Executive Directors who bring objective scrutiny, independent judgement, and constructive challenge;
- Three (3) Non-Independent Non-Executive Directors who offer shareholder alignment and sector expertise; and
- One (1) Executive Director, who directs the Group's day-to-day operations and execution of strategy.

Detailed biographical profiles of the Directors are available in the Board of Directors' Profile section of this Annual Report.

In line with Practice 5.9 of the MCCG, female representation on the Board stood at 50% (three (3) out of six (6) Directors) as at the end of the financial year, exceeding the MCCG's recommended minimum of 30%. The Board remains committed to promoting diversity in accordance with the Group's Diversity, Equity and Inclusion Policy, while ensuring that Board appointments continue to be based on merit, skills, experience and the needs of the Group.

The collective mix of skills, operational insights, and independent oversight enables the Board to provide balanced and effective direction for the Group.

Board Committees

To assist the Board in the discharge of its responsibilities, the Board has established three (3) Board Committees, namely the Audit Committee ("**AC**"), Nomination Committee ("**NC**") and Remuneration Committee ("**RC**"). Each Board Committee operates within its clearly defined Terms of Reference ("**TOR**") approved by the Board, which set out its roles, responsibilities and authority. The TORs are periodically reviewed to ensure they remain relevant and are available on the Company's website at www.redtone.com.

All Board Committees comprise exclusively Non-Executive Directors, with a majority of Independent Non-Executive Directors, thereby supporting objective and independent deliberations. The Board Committees report to the Board on matters deliberated and make recommendations, where appropriate, for the Board's consideration and approval.

Nomination Committee

The NC supports the Board in matters relating to Board composition, succession planning, Board diversity, Directors' independence, annual performance evaluations, and the appointment and re-election of Directors. In carrying out its responsibilities, the NC, amongst others:

- reviews the size, composition, mix of skills, experience, independence, diversity and effectiveness of the Board and Board Committees;
- assesses the independence and tenure of the Independent Directors;
- identifies, evaluates and recommends suitable candidates for appointment to the Board and Board Committees;
- reviews and recommends the re-election of Directors, taking into consideration their performance, contribution and continued suitability;
- oversees the annual assessment of the effectiveness of the Board, Board Committees and individual Directors; and
- reviews Board succession planning to ensure an appropriate balance of skills, experience, diversity and leadership continuity.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

C. Board Composition (Cont'd)

Nomination Committee (Cont'd)

The present members of the NC as at the date of this Statement are as follows:

Director	Designation
Mr. Kua Choo Kai	Chairman, Independent Non-Executive Director
Puan Sabarina Binti Harun	Member, Independent Non-Executive Director
Ms. Loh Paik Yoong	Member, Non-Independent Non-Executive Director

Notes:

- Tan Sri Dato' Avinderjit Singh A/L Harjit Singh resigned as an Independent Non-Executive Director and ceased to be member of the NC with effect from 18 February 2026.
- Ms. Loh Paik Yoong was appointed as a member of the NC with effect from 15 May 2026.

The NC held one (1) meeting during FY2026, which was attended by all members who were in office at the time of the meeting.

The principal activities undertaken by the NC during FY2026 and up to the date of this Statement are summarised below:

- **Board Effectiveness and Composition**

  The NC conducted its annual assessment of the effectiveness of the Board as a whole, the Board Committees, and the individual performance and contribution of each Director. As part of this exercise, the NC also reviewed the Board's composition (including its size, mix of skills, experience, independence and diversity) and concluded that the existing composition remains appropriate to support the Group's strategic direction and business needs.

- **Independence and Tenure of Directors**

  The NC assessed the independence of the Independent Non-Executive Directors and was satisfied that they continued to demonstrate independence of judgement, objectivity and integrity in discharging their duties and responsibilities, and remained free from any business or other relationships that could materially interfere with the exercise of their independent judgement.

  The NC also reviewed the tenure of the Independent Directors in accordance with the Company's Board Charter and the MCCG. During FY2026, Tan Sri Dato' Avinderjit Singh A/L Harjit Singh resigned as an Independent Non-Executive Director upon completing twelve (12) years of service on the Board.

  Following his resignation, the NC undertook a review of the Board's size, composition, skills matrix and succession planning requirements. Having considered the current needs of the Group and the effectiveness of the Board, the NC was satisfied that the existing Board composition remained appropriate and that the Board continued to function effectively. Accordingly, the NC did not recommend the appointment of a replacement Independent Non-Executive Director during FY2026 and will continue to review the Board's composition as part of its ongoing succession planning process.

- **Re-election and Succession Planning**

  Taking into account the outcomes of the annual Board evaluation and each Director's individual performance and contribution, the NC reviewed and recommended the re-election of Directors retiring by rotation at the forthcoming Annual General Meeting ("**AGM**"). The NC also reviewed the Board's succession planning to ensure an appropriate balance of skills, experience, diversity and continuity of leadership going forward.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

C. Board Composition (Cont'd)

Nomination Committee (Cont'd)

The principal activities undertaken by the NC during FY2026 and up to the date of this Statement are summarised below: (Cont'd)

- **Audit Committee Review**

  Pursuant to Paragraph 15.20 of the MMLR of Bursa Securities, the NC reviewed the terms of office and performance of the AC and each of its members, and was satisfied that the AC had effectively discharged its duties in accordance with its TOR.

Tenure of Independent Directors

The Board recognises the value that experienced Independent Directors bring through their knowledge of the Group's business, industry experience, professional expertise and independent judgement. At the same time, the Board acknowledges the importance of periodic Board refreshment to preserve independence, promote diversity of perspectives and support effective succession planning.

In accordance with the Company's Board Charter and the MMLR of Bursa Securities, the tenure of an Independent Director shall not exceed a cumulative term of twelve (12) years. Where the Board intends to retain an Independent Director who has served for a cumulative term exceeding nine (9) years, the Board will provide appropriate justification and seek annual shareholders' approval through a two-tier voting process at the Company's AGM, in accordance with the MCCG.

The NC conducts an annual assessment of the independence of each Independent Director to determine whether he or she continues to exercise independent judgement, remains free from any business or other relationships that could interfere, or reasonably be perceived to interfere, with the exercise of independent judgement, and continues to act in the best interests of the Company.

Based on the assessment conducted during FY2026, the NC and the Board were satisfied that all Independent Directors continued to demonstrate independence of character and judgement, exercised objective oversight and effectively discharged their responsibilities.

Tan Sri Dato' Avinderjit Singh A/L Harjit Singh, who was appointed as an Independent Non-Executive Director on 19 February 2014, resigned from the Board on 18 February 2026 upon attaining the maximum cumulative tenure of twelve (12) years as an Independent Director, in accordance with the Company's Board Charter and the MMLR of Bursa Securities.

Boardroom Diversity

The Board values workplace diversity across age, gender, and ethnicity as an asset to sound decision-making. Candidate evaluations are merit-based, considering technical skill, competency, integrity, experience, and overall fit for the Group's requirements.

With three (3) female Directors, YAM Tunku Tun Aminah Binti Sultan Ibrahim Ismail, Ms. Loh Paik Yoong, and Puan Sabarina Binti Harun representing 50% of the Board, the Company maintains its alignment with Practice 5.9 of the MCCG.

This commitment to equitable representation is reinforced across all organisational tiers via the Group-wide Diversity, Equity, and Inclusion Policy.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

C. Board Composition (Cont'd)

Appointment and Re-election to the Board

The NC oversees the process for the identification, evaluation and recommendation of suitable candidates for appointment to the Board through a transparent, objective and merit-based approach. To broaden the pool of potential candidates, the NC may source candidates through recommendations from existing Directors, Management or major shareholders, external professional networks, director registries and independent search firms, where appropriate.

In evaluating candidates for appointment, the NC considers the criteria set out in the Company's Directors' Fit and Proper Policy, including the candidate's integrity, character, competence, experience, skills, independence (where applicable), diversity, time commitment and ability to discharge the responsibilities of a Director effectively. The NC also takes into consideration the existing composition of the Board, the balance of skills, experience, diversity and succession planning needs to ensure the Board remains effective in supporting the Group's long-term strategy and business objectives. The Directors' Fit and Proper Policy is available on the Company's website at www.redtone.com.

The NC reviews the re-election of Directors retiring by rotation before making its recommendation to the Board. In accordance with Clause 117 of the Company's Constitution, one-third (1/3) of the Directors shall retire by rotation at each AGM, with each Director being subject to retirement by rotation at least once every three (3) years and shall be eligible for re-election. Directors appointed during the financial year shall hold office until the next AGM following their appointment and are eligible for re-election pursuant to Clause 116 of the Company's Constitution.

In recommending Directors for re-election, the NC considers, amongst others, the outcome of the annual Board, Board Committee and individual Director evaluations, each Director's performance and contribution, attendance and participation at Board and Board Committee meetings, independence (where applicable), character, integrity, competence, experience, time commitment and continued ability to discharge his or her duties effectively, in accordance with the Directors' Fit and Proper Policy and Paragraph 2.20A of the MMLR of Bursa Securities.

The information of Directors standing for re-election are set out in the Notice of AGM accompanying this Annual Report. Based on the assessments conducted, the NC was satisfied that the Directors standing for re-election continued to meet the fit and proper criteria and remained effective in discharging their responsibilities. Accordingly, the NC recommended their re-election to the Board. Having considered the NC's recommendation, the Board endorsed the proposed re-election of YAM Tunku Tun Aminah Binti Sultan Ibrahim Ismail and Puan Sabarina Binti Harun pursuant to Clause 117 of the Company's Constitution, for shareholders' approval at the forthcoming AGM.

Board and Board Committees' Annual Assessment

The Board, through the NC, undertakes an annual evaluation of the effectiveness of the Board, Board Committees and individual Directors as part of its commitment to maintaining high standards of corporate governance and Board effectiveness. The assessment also supports Board succession planning and the recommendation for the re-election of Directors.

The annual evaluation encompasses the following areas:

- Board & Board Committee Evaluation;
- Board Skills Matrix review;
- Individual Director evaluation;
- AC evaluation;
- Independent Director self-assessment; and
- Directors' evaluation on sustainability governance and oversight.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

C. Board Composition (Cont'd)

Board and Board Committees' Annual Assessment (Cont'd)

The evaluations are conducted using assessment templates developed with reference to the Corporate Governance Guide (4th Edition) issued by Bursa Securities. The assessments are completed by the respective Board Committees and individual Directors, who provide constructive feedback and recommendations for continuous improvement. The NC reviews, consolidates and deliberates on the evaluation results before presenting its findings and recommendations to the Board.

The assessment considers, amongst others, the effectiveness of the Board's composition, the balance of skills, experience, independence and diversity, Board leadership, quality of deliberations and decision-making, Board and Committee processes, Directors' contributions and participation, as well as each Director's integrity, competence and time commitment. The Board Skills Matrix is also reviewed to assess whether the Board collectively possesses the appropriate competencies and experience required to support the Group's current and future strategic objectives.

Based on the outcome of the annual evaluation conducted for FY2026, the NC and the Board were satisfied that the Board, Board Committees and individual Directors continued to discharge their responsibilities effectively and that the existing Board composition remained appropriate in terms of size, independence, diversity, skills, experience and expertise. Accordingly, the NC concluded that no new Board appointment was necessary during FY2026, while continuing to monitor succession planning and Board composition to ensure the Board remains effective in meeting the Group's evolving business and governance needs.

Directors' Training

The Board recognises that continuous professional development is essential to enable Directors to discharge their duties effectively and to keep abreast of evolving legal, regulatory, governance, business and industry developments.

The training and development needs of the Directors are reviewed by the NC as part of the annual Board evaluation process, taking into consideration the Group's business direction, emerging regulatory developments and the individual development needs of the Directors. The Board encourages Directors to participate in relevant external programmes to enhance their knowledge and competencies in areas including corporate governance, finance, sustainability, risk management, technology, regulatory compliance and industry developments.

Consistent with the Board's responsibility for overseeing the Group's sustainability governance, the Directors continued to enhance the Board's collective competencies in sustainability matters through participation in relevant sustainability and climate-related training programmes, including the NSRF and the IFRS Sustainability Disclosure Standards (IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures). These programmes support the Board's oversight of the Group's material sustainability matters and sustainability-related risks and opportunities, while enabling the Directors to remain abreast of evolving sustainability reporting requirements and regulatory expectations.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

C. Board Composition (Cont'd)

Directors' Training (Cont'd)

During FY2026, the Directors attended various training programmes, seminars, conferences and briefings relevant to their respective roles and responsibilities. Details of the training programmes attended by each Director are set out below.

Director	Title of Programmes/Seminars/Courses/Forums
YAM Tunku Tun Aminah Binti Sultan Ibrahim Ismail	• Cybersecurity Awareness Training 2025
Encik Syed Ali Shahul Hameed	• Malaysian Institute of Accountants ("**MIA**") Navigating Trade-Based Money Laundering: Fundamentals in Anti-Money Laundering ("**AML**")/ Countering the Financing of Terrorism ("**CFT**") Compliance
Mr. Lau Bik Soon	• Understanding the 7 Malay Consumer Segments • Global, Regional and Malaysian Economic Updates • The Art of Negotiation: Psychological Negotiation Principles for the Management of your Business • Antifragile : Personal Strategies for Thriving Through Change and Chaos • Let Physiotherapist Teach You: How to Stay Away from Spinal Disease • The Strategic Command Center: Leveraging Gemini & NotebookLM for Sales Management
Mr. Kua Choo Kai	• Khazanah Megatrends Forum 2025 • Decoding Budget 2026: Capital Market & Business Outlook • Statement on Risk Management and Internal Control Guide 2026 - What's New? • Update on Sustainability-Related Reporting Requirements • From Conflict to Continuity: Building Long Term Business Resilience • Harnessing the Value of Board-Management Relationship • Audit Oversight Board ("**AOB**") Conversation with Audit Committees • MIA Navigating Trade-Based Money Laundering: Fundamentals in AML/CFT Compliance
Ms. Loh Paik Yoong	• Tax and Business Summit 2025 • Cybersecurity Awareness Training 2025 • 2025/2026 Stamp Duty • Critical Stamp Duty Update • AOB Conversation with Audit Committees • Exploring Corporate Proposals by Listed Companies
Puan Sabarina Binti Harun	• Talk on "Climate First…or Last" by Professor Mak Yuen Teen and Tina Thomas • Digital HERizon: Women Shaping the Future of Finance & Tech (KL) • 2025 Year in Review: Privacy, Protection & Preparedness Seminar by Shearn Delamore & Co • Neuroscience Development Programme for Effective Business Leaders • AOB Conversation with Audit Committees • Institute of Corporate Directors Malaysia Training: Inside the Grey Zone: Mastering Conflicts of Interest in the Boardroom • MIA Conference 2026 – Future Ready, Value Driven, Trust Centred • MIA Webinar - Carbon Tax Updates

In addition to external training programmes, the Directors receive regular updates and briefings from the Company Secretaries, Management, Internal Auditors, External Auditors and external advisers during Board and Board Committee meetings on changes to laws and regulations, corporate governance developments, sustainability reporting requirements, accounting and auditing standards, and other matters relevant to the Group's business and operations. These updates support the Directors in effectively discharging their fiduciary duties and oversight responsibilities.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

D. Remuneration

The Board has adopted a Remuneration Policy and Procedures to ensure that the remuneration of Directors and key Senior Management is fair, competitive and aligned with the Group's strategic objectives, business performance and long-term value creation. The remuneration framework is designed to attract, motivate and retain individuals with the appropriate calibre, experience and expertise required to lead and manage the Group effectively, while promoting sustainable performance and safeguarding shareholders' interests.

The RC assists the Board by reviewing and recommending the remuneration framework, policies and remuneration packages for the Executive Directors and key Senior Management, while ensuring that the remuneration of Non-Executive Directors appropriately reflects their responsibilities, experience, time commitment and contributions to the Group.

The principal responsibilities of the RC include:

- reviewing and recommending the remuneration framework and policies for Directors and Senior Management, and overseeing their continued alignment with the Group's strategic objectives and long-term shareholder interests;
- reviewing and recommending the remuneration packages of Executive Directors and Key Senior Management, taking into consideration the Group's performance, individual responsibilities, market practices and relevant performance considerations; and
- reviewing and recommending the fees and benefits payable to Non-Executive Directors for the Board's consideration and recommendation to shareholders for approval, where applicable.

The present members of the RC as at the date of this Statement are as follows:

Director	Designation
Mr. Kua Choo Kai	Chairman, Independent Non-Executive Director
Ms. Loh Paik Yoong	Member, Non-Independent Non-Executive Director
Puan Sabarina Binti Harun	Member, Independent Non-Executive Director

Notes:

- Tan Sri Dato' Avinderjit Singh A/L Harjit Singh resigned as an Independent Non-Executive Director and ceased to be Chairman of the RC with effect from 18 February 2026.
- Mr. Kua Choo Kai was re-designated as Chairman of the RC with effect from 15 June 2026.
- Puan Sabarina Binti Harun was appointed as a member of the RC with effect from 15 June 2026.

The RC held one (1) meeting during FY2026, which was attended by all members who were in office at the time of the meeting.

In reviewing the remuneration of the Executive Directors, the RC considers, amongst others, the Group's financial and operational performance, the achievement of corporate and individual performance objectives, the scope and complexity of responsibilities, leadership, experience, market competitiveness, retention considerations and the Group's long-term strategic objectives.

The RC's recommendations are submitted to the Board for consideration and approval. Directors abstain from deliberations and decisions relating to their own remuneration to avoid any conflict of interest. In accordance with the Companies Act 2016 and the Company's Constitution, the fees and benefits payable to the Non-Executive Directors are subject to shareholders' approval at a general meeting.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

D. Remuneration (Cont'd)

The Remuneration Policy and Procedures and the TOR of the RC are available on the Company's website at www.redtone.com.

Details of the Directors' remuneration for FY2026, analysed by the relevant remuneration components, are set out in the table below.

	Company				Group			
	Salaries/ Bonus	Fees	Allowance	Other Emoluments^	Salaries/ Bonus	Fees	Allowance	Other Emoluments^
	(RM)	(RM)	(RM)	(RM)	(RM)	(RM)	(RM)	(RM)
Executive Director								
Mr. Lau Bik Soon	–	–	–	–	1,171,200	–	95,600	159,500
Non-Executive Directors								
YAM Tunku Tun Aminah Binti Sultan Ibrahim Ismail	–	447,700	–	7,200	–	447,700	–	7,200
Encik Syed Ali Shahul Hameed	–	84,000	–	8,600	–	84,000	–	8,600
Mr. Kua Choo Kai	–	144,000	–	14,500	–	144,000	–	14,500
Ms. Loh Paik Yoong	–	60,000	–	14,500	–	60,000	–	14,500
Puan Sabarina Binti Harun	–	73,900	–	15,800	–	73,900	–	15,800
Tan Sri Dato' Avinderjit Singh A/L Harjit Singh *	–	38,200	–	5,700	–	318,200	–	5,700

Notes:-

^ Other emoluments are inclusive of meeting allowance and employer's provident fund contributions

* Tan Sri Dato' Avinderjit Singh A/L Harjit Singh resigned as an Independent Non-Executive Director with effect from 18 February 2026.

The Board has considered the disclosure of the remuneration of the Group's top five (5) Senior Management personnel on a named basis and is of the view that such disclosure is not in the best interests of the Group, having regard to the confidential and commercially sensitive nature of the information, the highly competitive market for talent within the telecommunications and technology industry, and the potential impact on the Group's ability to attract and retain key management personnel.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

A. Audit Committee

The AC assists the Board in discharging its responsibilities in relation to the integrity of the Group's financial reporting, the effectiveness of the system of internal controls and risk management, the internal and external audit functions, and the review of related party transactions and recurrent related party transactions.

The composition of the AC members' attendance at meetings and a summary of the activities undertaken during FY2026 are set out in the Audit Committee Report of this Annual Report.

During FY2026, the AC reviewed the Group's quarterly and annual financial statements, internal and external audit findings, the adequacy and effectiveness of the Group's systems of internal control and risk management, Management's implementation of corrective actions, related party transactions and recurrent related party transactions, and the Group's principal business risks, as well as sustainability-related risks and opportunities.

The AC maintains direct and open communication with the External Auditors, including through private sessions held without the presence of Management, to discuss audit planning, audit findings, the quality of financial reporting and other significant audit matters.

In maintaining the independence and objectivity of the External Auditors, the AC's TOR incorporate, in line with Practice 9.2 of the MCCG, a cooling-off period of at least three (3) years before a former partner of the Company's external audit firm and/or its affiliate firm may be appointed as a member of the AC. The AC also conducts an annual assessment of the performance, suitability, objectivity and independence of the External Auditors, including the nature and extent of non-audit services provided.

Based on the assessment conducted for FY2026, the AC was satisfied that Ernst & Young PLT remained independent and effective in carrying out the statutory audit and recommended its re-appointment as the Company's External Auditors for the ensuing financial year, subject to shareholders' approval at the forthcoming AGM.

B. Risk Management and Internal Control Framework

The Board has overall responsibility for maintaining a sound system of risk management and internal control and for reviewing its adequacy and effectiveness to safeguard shareholders' investments and the Group's assets, to support the achievement of the Group's strategic and operational objectives, and to ensure compliance with applicable laws, regulations and internal policies.

The Board oversees the Group's risk management framework through the AC and Management, and regularly reviews the Group's principal risks, including sustainability-related risks and opportunities, together with the adequacy and effectiveness of the Group's internal control environment.

Details of the Group's internal audit function are set out in the Audit Committee Report, while a comprehensive overview of the Group's risk management and internal control framework is provided in the Statement on Risk Management and Internal Control contained in this Annual Report.

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

A. Communication with Stakeholders

The Board recognises the importance of maintaining effective, transparent and timely communication with shareholders, investors, regulators and other stakeholders. The Company is committed to ensuring that material information relating to its business, operations, financial performance and corporate developments is disclosed in a timely, accurate, balanced and consistent manner in accordance with the MMLR of Bursa Securities and other applicable regulatory requirements.

The Board has adopted a Shareholders' Communication Policy to facilitate effective engagement with shareholders and investors, while ensuring that all shareholders have equitable access to information necessary to make informed investment decisions.

The principal channels of communication with shareholders and stakeholders include:

- Corporate Website – The Company's website at www.redtone.com serves as a central platform for disseminating corporate information, including announcements to Bursa Malaysia, Annual Reports, Corporate Governance Reports, Sustainability Statements, Financial Results, Notices of General Meetings, Circulars, Corporate Policies and other relevant information relating to the Group.

- General Meetings – The AGM and other general meetings provide an important forum for dialogue between the Board, Management and shareholders. Shareholders are encouraged to participate actively, raise questions and seek clarification on the Group's performance, strategy, corporate developments and resolutions proposed for shareholders' approval.

- Investor Relations – The Company maintains ongoing engagement with shareholders, investors, analysts and the investment community through meetings, briefings, email and other appropriate communication channels, while ensuring compliance with the Company's disclosure obligations and applicable regulatory requirements.

- Social Media Platforms – The Company also communicates with stakeholders through its official social media platforms, including Facebook (redtonemalaysia), LinkedIn (redtone), Instagram (redtonemalaysia) and YouTube (redtonemalaysia), by sharing updates on corporate activities, business developments, sustainability initiatives and other relevant announcements to enhance stakeholder engagement.

B. Conduct of General Meetings

The AGM serves as the principal forum for dialogue and engagement between the Company and its shareholders. In line with good corporate governance practices, the Notice of AGM, together with the Annual Report and other relevant meeting documents, is issued at least twenty-eight (28) days before the AGM, providing shareholders with sufficient time to review the proposed resolutions and make informed voting decisions. Each item of special business included in the Notice of AGM is accompanied by an explanatory statement setting out the purpose and effect of the proposed resolution.

The Board encourages active shareholder participation at general meetings. Shareholders are given the opportunity to raise questions, seek clarification and provide feedback on the Group's business, operations, financial performance, sustainability matters and the resolutions proposed. The Board, the Chairmen of the respective Board Committees, Senior Management and the External Auditors/advisors (where appropriate) attend the AGM/Extraordinary General Meeting ("**EGM**") to respond to shareholders' questions and facilitate meaningful two-way communication.

The Company's Twenty-Third AGM and EGM were held on 2 December 2025 as a fully physical meeting, providing shareholders with the opportunity to engage directly with the Board and Management. In compliance with Paragraph 8.29A of the MMLR of Bursa Securities, all resolutions were voted on by poll, with an independent scrutineer appointed to validate the poll results. The outcome of each resolution, including the number and percentage of votes cast for and against each resolution, was announced at the meeting and released to Bursa Securities on the same day.

The minutes of the general meetings were published on the Company's website within thirty (30) business days.

Corporate Governance Overview Statement
(Cont'd)

KEY FOCUS AREAS AND FUTURE PRIORITIES

The Board is satisfied that the Group has continued to maintain sound corporate governance practices throughout the financial year and remains committed to upholding high standards of integrity, accountability, transparency and ethical conduct in the management of the Group's business and affairs, in compliance with applicable laws, regulations and recognised best practices.

The Board will continue to provide effective leadership and oversight, working closely with Management to execute the Group's strategic objectives, strengthen its governance and risk management framework, and deliver sustainable long-term value for shareholders and other stakeholders.

This Corporate Governance Overview Statement and the Corporate Governance Report were approved by the Board on 6 October 2026.

ADDITIONAL COMPLIANCE INFORMATION

UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

There were no corporate proposals involving fund raising carried out during the financial year under review.

AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid and payable by the Company and the Group to the External Auditors and/or its affiliates for the financial year ended 30 June 2026 are as below:-

	Group RM'000	Company RM'000
Audit fees:		
Ernst & Young PLT	497	130
Other auditors	24	–
Non-Audit fees:		
Ernst & Young PLT	20	9
Other auditors	4	–
Total Audit and Non-Audit Fees	**545**	**139**

The non-audit services include the following:-

(i) review on the Statement on Risk Management and Internal Control of the Company; and
(ii) review of regulatory compliance reporting.

MATERIAL CONTRACTS INVOLVING DIRECTORS, CHIEF EXECUTIVE AND MAJOR SHAREHOLDERS

There were no material contracts entered into by the Group involving the interest of Directors, Chief Executive (who is not a Director) and Major Shareholders of the Group, either still subsisting as at the end of the financial year or entered into since the end of the previous financial year.

RECURRENT RELATED PARTY TRANSACTIONS ("RRPTs")

At the Twenty-Third Annual General Meeting of the Company held on 2 December 2025, the Company obtained mandates from its shareholders for RRPTs of a revenue or trading in nature with related parties.

Additional Compliance Information

(Cont'd)

RECURRENT RELATED PARTY TRANSACTIONS ("RRPTs") (CONT'D)

Pursuant to Paragraph 10.09(2)(b) of the Main Market Listing Requirements and Paragraph 3.1.5 of the related Practice Note 12 of Bursa Malaysia Securities Berhad, the details of RRPTs conducted during the financial year ended 30 June 2026 pursuant to the shareholders' mandates are set out below:-

	REDtone and/or its subsidiaries	Transacting Parties	Nature of Transactions	Aggregate value of transactions during the financial year from 1 July 2025 to 30 June 2026 (RM'000)
Berjaya Corporation Berhad ("**BCorporation**") and/or its unlisted subsidiary companies ("**BCorporation Group**")				
1.	REDtone	BCorporation	Management fees payable by REDtone for services rendered that include, inter-alia, the receipt of finance and general administrative services.	60
2.	REDtone Data Centre Sdn. Bhd. ("**RDC**")	BCorporation Group	Provision of data centre and cloud related services by RDC.	45
3.	REDtone Telecommunications Sdn. Bhd. ("**RTC**")	BCorporation Group	Provision of Information and Communication Technologies ("**ICT**") products and services by RTC.	46
4.	REDtone IOT Sdn. Bhd. ("**RIOT**")	BCorporation Group	Provision of ICT products and services by RIOT.	1,287
5.	REDtone	Berjaya Registration Services Sdn. Bhd.	Receipt of share registration services, printing and mailing services by REDtone.	142
6.	REDtone Group	E.V.A Management Sdn. Bhd.	Receipt of human resource management services by the REDtone Group.	1
Berjaya Property Berhad *(formerly known as Berjaya Land Berhad)* ("**BProperty**") and/or its unlisted subsidiary companies ("**BProperty Group**")				
7.	RTC	BProperty Group	Provision of ICT products and services by RTC.	372
7-Eleven Malaysia Holdings Berhad ("**SEM**") and/or its unlisted subsidiary company				
8.	RTC	7-Eleven Malaysia Sdn Bhd	Provision of managed network services by RTC.	506
9.	RTC	7-Eleven Malaysia Sdn Bhd	Provision of ICT products and services by RTC.	226
Berjaya Assets Berhad ("**BAssets**") and/or its unlisted subsidiary company				
10.	RTC	Berjaya Times Square Sdn. Bhd.	Rental payable by RTC at RM2,750 per month for renting of rooftop space at Lot No. TB-Roof-02B at Berjaya Times Square, Jalan Imbi, Kuala Lumpur. Tenure of the rental agreement is for a period of 3 years.	33
11.	RTC	Berjaya Times Square Sdn. Bhd.	Rental payable by RTC at RM3,300 per month for renting of rooftop space at Lot No. TB-Roof-02D at Berjaya Times Square, Jalan Imbi, Kuala Lumpur. Tenure of the rental agreement is for a period of 3 years.	40

RECURRENT RELATED PARTY TRANSACTIONS ("RRPTs") (CONT'D)

Pursuant to Paragraph 10.09(2)(b) of the Main Market Listing Requirements and Paragraph 3.1.5 of the related Practice Note 12 of Bursa Malaysia Securities Berhad, the details of RRPTs conducted during the financial year ended 30 June 2026 pursuant to the shareholders' mandates are set out below:- (Cont'd)

	REDtone and/or its subsidiaries	Transacting Parties	Nature of Transactions	Aggregate value of transactions during the financial year from 1 July 2025 to 30 June 2026 (RM'000)
Other Related Parties				
12.	SEA Telco Technology Sdn. Bhd. ("**STT**")	U Mobile Sdn. Bhd.	Procurement of contract work service by STT for the construction of mobile base stations and related operations and maintenance.	747
13.	REDtone Engineering & Network Services Sdn. Bhd. ("**RENS**")	U Mobile Sdn. Bhd.	Provision of interconnect and related services by RENS.	37
14.	RENS	U Mobile Sdn. Bhd.	Procurement of interconnect and related services by RENS.	14
15.	RTC	U Mobile Sdn. Bhd.	Procurement of ICT and telecommunication products and services by RTC.	254
16.	RENS	U Mobile Sdn. Bhd.	Provision of ICT and telecommunication products and services by RENS.	54

Notes:

(1) BCorporation is a major shareholder of BProperty, SEM and BAssets. Its direct and indirect interests in these companies as at 30 June 2026 are as follows:-

	% of Interest	
	Direct	*Indirect*
BProperty	*8.54*	*64.50* [(a)]
SEM	*2.52*	*9.58* [(a)]
BAssets	–	*18.28* [(a)]

Note:

(a) Deemed interested by virtue of its 100% interest in Berjaya Group Berhad.

(2) KDYMM Seri Paduka Baginda Yang Di-Pertuan Agong Sultan Ibrahim ("**KDYMM Sultan Ibrahim**") is a major shareholder of REDtone and BAssets by virtue of His Majesty's direct interest of 17.34% and 12.35% in REDtone and BAssets respectively as at 30 June 2026. YAM Tunku Tun Aminah Binti Sultan Ibrahim Ismail ("**Tunku Tun Aminah**"), the Non-Independent Non-Executive Chairman of REDtone, BCorporation, BProperty and BAssets, is a daughter of KDYMM Sultan Ibrahim. Tunku Tun Aminah is also a shareholder of BAssets by virtue of Her Royal Highness' direct interest of 0.01% in BAssets as at 30 June 2026. Hence, Tunku Tun Aminah and KDYMM Sultan Ibrahim are persons connected with each other.

(3) Tunku Tun Aminah is the Chairman of U Mobile Sdn. Bhd.. KDYMM Sultan Ibrahim is a major shareholder of U Mobile Sdn. Bhd. by virtue of His Majesty's direct interest of 11.72% in U Mobile Sdn. Bhd..

Additional Compliance Information

(Cont'd)

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

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

(a) Group Total Income and Total Assets

Total Income	Remarks	Group	
		2026 (RM'000)	2025 (RM'000)
Revenue		208,624	324,926
Interest Income		1,888	792
Dividend Income		909	1,878
Others	Office rental income	85	92
Others	Fair value gain on short term investments	310	4,919
Others	Fair value gain on warrants	820	–
Others	Fair value gain on investment properties	290	–
Others	Bad debt recovery	318	–
Others	Others	383	20
Total		**213,627**	**332,627**
Total Assets		**369,919**	**398,728**

(b) Business Activities

Shariah Non-Compliant Activities	Remarks	Group	
		2026 (RM'000)	2025 (RM'000)
Interest income		609	605
Dividend income received from conventional shares and instruments		876	1,801
Other Shariah non-compliant activities	Fair value gain on short term investments	–	118
Total		**1,485**	**2,524**

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING (CONT'D)

(c) Component of Financial Position

(i) Cash Component

Islamic Account/ Instruments	Remarks	Group	
		2026 (RM'000)	2025 (RM'000)
Cash at bank (exclude cash in hand)		442	39,767
Cash in hand		49	49
Investment in cash funds		73,727	–
Total		**74,218**	**39,816**

Conventional Account/ Instruments	Remarks	Group	
		2026 (RM'000)	2025 (RM'000)
Cash at bank (exclude cash in hand)		15,346	9,358
Deposits with licensed bank		17,626	17,392
Investment in cash funds		–	403
Other cash equivalents	Medium Term Note	13,000	–
Total		**45,972**	**27,153**

(ii) Debt Component

Islamic Financing	Remarks	Group	
		2026 (RM'000)	2025 (RM'000)
Current		–	–
Non-Current		–	–
Total		–	–

Conventional Borrowing	Remarks	Group	
		2026 (RM'000)	2025 (RM'000)
Current			
Term loans		128	121
Other interest bearing debt	Margin Facility	9,076	7,686
Non-Current			
Term loans		768	887
Total		**9,972**	**8,694**

AUDIT COMMITTEE REPORT

The Board of Directors ("**Board**") of REDtone Digital Berhad ("**Company**") is pleased to present the Audit Committee Report, which provides an overview of how the Audit Committee of the Company ("**AC**") discharged its functions and responsibilities during the financial year ended 30 June 2026 ("**FY2026**").

OBJECTIVE

The AC is established to assist and support the Board in discharging its fiduciary responsibilities by overseeing the adequacy and integrity of the financial administration, financial reporting, risk management, and internal control systems of the Company and its subsidiaries ("**Group**"), in accordance with the AC's Terms of Reference ("**TOR**").

MEMBERSHIP AND MEETING ATTENDANCE

The present members of the AC are as follows:

Chairman
Mr. Kua Choo Kai (Independent Non-Executive Director)

Members
Ms. Loh Paik Yoong (Non-Independent Non-Executive Director)
Puan Sabarina binti Harun (Independent Non-Executive Director)

The composition of the AC is in compliance with Paragraphs 15.09(1)(a) and (b) of the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), where all three (3) AC members are Non-Executive Directors, with a majority being Independent Directors.

All three (3) AC members are members of the Malaysian Institute of Accountants ("**MIA**"). Accordingly, the Company complies with Paragraph 15.09(1)(c)(i) of the MMLR of Bursa Securities, which stipulates that at least one (1) member of the AC is a member of the MIA.

The AC convened seven (7) meetings during FY2026. The details of attendance record of the AC members are as follows:

Director	Designation	Attendance
Mr. Kua Choo Kai	Chairman	7/7
Ms. Loh Paik Yoong	Member	7/7
Puan Sabarina binti Harun	Member	7/7

AC MEMBERS' TRAINING

All AC members are financially literate and possess a sound understanding of financial reporting, corporate governance, risk management and internal controls. During the financial year under review, the AC members attended continuous professional development programmes to keep abreast of developments in accounting standards, sustainability reporting, governance practices and relevant laws, enabling them to effectively discharge their oversight responsibilities. The details of the training attended by the AC members during FY2026 are disclosed under the Corporate Governance Overview Statement on page 101 of the Company's Annual Report 2026.

AC EFFECTIVENESS EVALUATION

The performance and effectiveness of the AC, as well as the commitment and performance of each individual member were evaluated through the annual Board Assessment conducted by the Nomination Committee of the Company for FY2026 pursuant to Paragraph 15.20 of the MMLR of Bursa Securities. The Board was satisfied that the AC and its members had effectively discharged their duties and responsibilities in accordance with the AC's TOR.

TERMS OF REFERENCE

The TOR of the AC (included in the Board Charter) is reviewed periodically by the AC to ensure alignment with the applicable regulatory requirements and the Malaysian Code on Corporate Governance. The Board Charter, including the TOR of the AC, is available for reference on the Company's website at www.redtone.com.

SUMMARY OF WORK OF THE AC FOR THE FINANCIAL YEAR UNDER REVIEW

In line with its responsibilities outlined in its TOR, the AC discharged its functions and duties for FY2026 and up to the date of this AC Report through the completion of the following work:-

Financial Reporting

Reviewed the Group's quarterly financial results and annual audited financial statements for FY2026 prior to recommending them to the Board for approval. This included:

- Examining significant audit and accounting matters highlighted including provisions, Management's judgements, estimates and assessments, and the impact of new accounting standards.
- Deliberating with Management and the External Auditors to ensure compliance with the MMLR of Bursa Securities, the Companies Act 2016, Malaysian Financial Reporting Standards (MFRS) and other legal and regulatory requirements; where applicable.

External Audit

- Held three (3) private sessions with External Auditors on 18 August 2025, 19 May 2026 and 18 August 2026, without the presence of the Executive Directors and/or Management, facilitating candid discussion on audit issues, accounting practices, and operational cooperation.
- Reviewed the Audit Planning Memorandum for the Group and Company for FY2026 prepared by the External Auditors, setting out the responsibilities of the External Auditors, their audit scoping, audit approach, audit timelines, audit process and execution, the areas of audit emphasis and the independence of the External Auditors in connection with their audit of the Group and Company.
- Reviewed the Audit Status Report prepared by the External Auditors in respect of the audit for FY2026 covering updates on the status and findings on the areas of audit emphasis by the External Auditors.
- Reviewed the Audit Results Report prepared by the External Auditors for FY2026 covering the executive summary, summary of procedures and audit findings on the areas of audit emphasis including the key audit matters, fraud considerations and the risk of management override and the draft Auditors Report.
- Reviewed the overall performance of the External Auditors, including an assessment of their independence, suitability, objectivity, adequacy of resources, audit quality, and the nature and extent of non-audit services rendered to ensure these did not compromise their independence or objectivity. The AC took into account the assessment of the lead audit engagement partner and engagement team's performance based on their quarterly presentations and private meetings held between the AC and External Auditors together with the input from the Management who had substantial contact with the external audit team throughout the year. The AC was satisfied with the competency, quality, and independence demonstrated throughout the engagement and recommended to the Board the re-appointment of the External Auditors at the forthcoming Annual General Meeting.
- Reviewed the proposed audit fees of the entities within the Group for FY2026 and recommended to the Board for approval.

Audit Committee Report
(Cont'd)

SUMMARY OF WORK OF THE AC FOR THE FINANCIAL YEAR UNDER REVIEW (CONT'D)

In line with its responsibilities outlined in its TOR, the AC discharged its functions and duties for FY2026 and up to the date of this AC Report through the completion of the following work:- (Cont'd)

Internal Audit

- Assessed the scope, competency, independence, and resources of the internal audit function and concluded that the Internal Auditors possess the necessary resources, objectivity, and expertise to discharge their duties effectively. The AC took into account the input from the Management who had substantial contact with the internal audit team throughout the year, for the performance, qualifications, independence, and effectiveness of the outsourced internal audit function.
- Reviewed and approved the annual Internal Audit Plan for FY2026.
- Reviewed audit findings, Management's responses, and agreed action plans to strengthen internal controls. There were no major weaknesses in internal controls or significant issues noted from the internal audit review.
- Monitored the outcome of the audits and follow-up audits conducted to ascertain all agreed action plans were adequately implemented and recommended to the Board on additional measures as deemed fit.
- Held two (2) private sessions with the Internal Auditors on 19 May 2026 and 18 August 2026 without Management present. No major issues or integrity concerns were noted.

Whistleblowing and Anti-Corruption Oversight

- Monitored the implementation and effectiveness of the Group's Whistleblowing Policy and Anti-Bribery and Anti-Corruption Framework.
- Reviewed internal audit findings on Anti-Corruption Compliance to ensure internal controls over ethics and integrity remain robust.

There were no whistleblowing reports or complaints relating to corruption received during FY2026.

Related Party Transactions and Conflict of Interest

- Examined potential conflict of interest ("**COI**") situations involving Directors and Key Senior Management and assessed the adequacy of COI declaration procedures to uphold business integrity, transparency, and compliance with the Group's Code of Conduct. The AC noted that there were no material COI situations (excluding related party transactions) requiring intervention during the reporting period.
- Reviewed the Group's recurrent related party transactions on a quarterly basis and against the annual mandate approved by the shareholders at the Twenty-Third Annual General Meeting held on 2 December 2025.
- Reviewed proposed related party transactions to ensure that they are conducted on arm's length basis and on normal commercial terms; not detrimental to the interests of the Company and its minority shareholders; and in compliance with the applicable laws, regulations, and MMLR of Bursa Securities, before recommending to the Board for approval.
- Reviewed the draft Circular to Shareholders for the Proposed Renewal of and New Shareholders' Mandates for Recurrent Related Party Transactions before recommendation to the Board for approval.

Oversight of Risk Management and Internal Control

- Reviewed updates from the Risk Management Working Committee on the Group's risk environment, including gross and net risk rating assessments for key risks identified across the Group.
- Reviewed the adequacy of scope, functions, competency and resources of the risk management functions.
- Reviewed and recommended this AC Report and Statement on Risk Management and Internal Control to the Board for approval and for inclusion in the Annual Report.

SUMMARY OF WORK OF THE INTERNAL AUDIT FUNCTION

The internal audit function provides an independent assessment of the system of internal controls established by the Management and makes appropriate recommendations for improvement or enhancements in relation thereto.

The AC is supported by an independent professional consulting firm, Crowe Governance Sdn. Bhd. in the discharge of its duties and responsibilities with regards to the internal audit function of the Group. Based on the audits, the outsourced Internal Auditors had provided the AC with independent and objective reports on the state of internal control of the various operating units within the Group and the extent of compliance of the units with the Group's established policies and procedures.

The Internal Auditors adopt a risk-based audit methodology in developing the internal audit plan and carrying out their audit activities. All internal audits are conducted in accordance with the International Professional Practices Framework issued by The Institute of Internal Auditors Inc., a globally recognised professional body for internal auditors.

For the financial year under review, the Internal Auditors in teams of three (3) had conducted three (3) cycles of internal audit as stipulated in the approved Internal Audit Plan. The three (3) cycles of internal audit were in respect of:-

- Branch Operations Processes of the Johor, Penang, and Kelantan branches;
- Anti-Corruption Compliance of REDtone Digital Berhad; and
- Personal Data Protection (Amendment) Act 2024 - Compliance and Business Application Review of REDtone Digital Berhad.

The Internal Auditors' engagements were carried out based on the annual Internal Audit Plan approved by the AC. The Internal Auditors conducted follow-up audits on key engagements to ensure that corrective actions were implemented appropriately.

The total cost incurred for the internal audit function of the Group for FY2026 was RM97,263.

This AC Report was approved by the Board on 6 October 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ("**Board**") of REDtone Digital Berhad ("**REDtone**" or "**Company**") and its subsidiaries ("**Group**") is committed to maintaining a sound and effective risk management and internal control system to safeguard shareholders' investments and the Group's assets, while supporting the achievement of the Group's strategic objectives and substantial growth.

The Statement on Risk Management and Internal Control ("**Statement**") is prepared pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), the Malaysian Code on Corporate Governance and guided by the Statement on Risk Management and Internal Control Guide 2025: Guidelines for Directors of Listed Companies ("**SORMIC Guide 2025**") issued by the Institute of Internal Auditors Malaysia ("**IIAM**").

This Statement provides shareholders and stakeholders with meaningful information on the principal features of the Group's risk management and internal control systems, the governance and oversight arrangements established by the Board, the processes undertaken to identify and manage significant risks, and the basis upon which the Board has assessed the adequacy and effectiveness of these systems for the financial year ended 30 June 2026 ("**FY2026**") and up to the date of approval of this Statement.

The Board recognises that risk management and internal control are integral to the Group's strategy, decision-making and operational resilience, and are therefore subject to continuous review and enhancement in response to changes in the Group's business environment and risk profile.

BOARD RESPONSIBILITY

The Board assumes ultimate responsibility and accountability for the Group's risk management framework and system of internal control. The Board determines the Group's risk appetite and risk tolerance in the context of its strategic objectives, business model, operating environment and capacity to absorb potential adverse outcomes.

In discharging its responsibilities, the Board:

- provides strategic direction and sets the tone from the top for effective risk management and internal control;
- ensures that material risks inherent in the Group's strategies, business plans and significant decisions are appropriately identified and considered;
- oversees the identification, assessment, management and monitoring of the Group's principal and emerging risks;
- reviews the Group's risk profile against the approved risk appetite and risk tolerance;
- challenges Management on significant risk exposures, control deficiencies and the effectiveness of mitigation measures; and
- ensures that appropriate actions are taken where risks approach or exceed the Group's established tolerance levels.

The Board is supported by the Audit Committee ("**AC**"), the Risk Management Working Committee ("**RMWC**"), Management and the Internal Audit function in discharging these responsibilities.

The Board recognises that the risk management and internal control system is designed to manage, rather than eliminate risks, and can provide only reasonable, and not absolute, assurance against material misstatement, loss, fraud or failure to achieve business objectives.

The Board undertakes periodic reviews of the adequacy, effectiveness and integrity of the Group's risk management and internal control systems. These reviews are informed by risk management reports, management representations and assessments, internal audit findings, monitoring activities and other relevant assurance received by the Board.

The risk management and internal control processes described in this Statement were in place throughout FY2026 and continued to operate up to the date of approval of this Statement.

BOARD RESPONSIBILITY (CONT'D)

For associate companies over which the Group does not exercise direct management control, the Group does not directly administer their risk management and internal control systems. Nevertheless, the Group exercises appropriate oversight through its representation on the respective boards of the associate companies, where applicable, and through the review of financial and management information made available to the Group.

Such oversight enables the Group to monitor the performance, financial position and significant matters affecting its investments and to facilitate timely consideration of matters that may have a material impact on the Group's interests.

Where significant risks relating to an associate company are identified, the Group will, where appropriate and within its rights and influence, engage with the relevant management or board representatives to seek appropriate mitigating measures.

MANAGEMENT RESPONSIBILITY

Management is accountable to the Board for implementing the Group's risk management framework and maintaining an effective system of internal control within the approved risk appetite and risk tolerance.

Management, through the RMWC and the respective business and functional heads, is responsible for:

- Implementing policies approved by the Board;
- Identifying, assessing and managing risks that may affect the achievement of the Group's strategic, operational and financial objectives;
- Designing, implementing and maintaining appropriate controls and processes to manage identified risks;
- Ensuring that risk mitigation strategies and management action plans are implemented within agreed timelines;
- Establishing clear ownership and accountability for risks and controls across the Group;
- Monitoring changes in the Group's risk profile, including emerging risks and changes in the external operating environment;
- Escalating material risk exposures, control deficiencies and breaches of risk tolerance to the appropriate governance forum in a timely manner;
- Formulating relevant policies and procedures to manage risks in accordance with the Group's strategic vision and overall risk appetite;
- Cultivating a risk-aware culture at all levels of the organisation;
- Taking corrective actions to address compliance deficiencies as directed by the Board; and
- Reporting material changes in the Group's risk profile, including emerging risks and the status of mitigation actions, to the Board in a timely manner.

Management is committed to continuously reviewing and enhancing the Group's risk management and internal control systems to ensure that they remain appropriate and responsive to changes in the Group's business, operating environment and risk profile.

ENTERPRISE RISK MANAGEMENT FRAMEWORK

Risk management is embedded within the Group's strategy formulation, business planning, project execution and day-to-day operations. The Group's Enterprise Risk Management ("**ERM**") Framework provides a structured approach for identifying, assessing, treating, monitoring and reporting risks that may affect the achievement of the Group's strategic and business objectives.

The Group's ERM Framework is aligned with the principles of ISO 31000:2018 and is applied across the Group's operating entities. Risk ownership resides with the respective Heads of Department, Project Managers and functional management, who are responsible for managing risks within their areas of responsibility.

ENTERPRISE RISK MANAGEMENT FRAMEWORK (CONT'D)

The Group maintains risk registers which document material risks, their underlying causes and potential consequences, existing controls, residual risk exposures, risk owners and mitigation measures. Risks are assessed based on their likelihood and potential impact, with management attention and resources prioritised according to the resulting risk exposure. The Group distinguishes between gross risk exposure, representing the level of risk before considering existing controls, and residual risk exposure after considering the effectiveness of existing controls and mitigation measures. This enables Management and the Board to assess whether residual risks remain within the Group's approved risk appetite and risk tolerance.

Risk treatment measures are determined having regard to the nature and severity of the risk and may include tolerating, treating, transferring or terminating the risks. Management action plans are assigned to responsible owners and monitored for timely implementation.

During FY2026, the RMWC reviewed the Group's key risk profile, including changes in risk ratings, control effectiveness, mitigation measures and emerging risk exposures. Significant matters and material changes in the Group's risk profile were escalated to the AC and the Board for deliberation.

The Board recognises that environmental, social and governance (ESG) and sustainability-related factors may affect the Group's financial performance, operational resilience, reputation and long-term value creation. Accordingly, material sustainability-related risks are progressively integrated into the Group's ERM Framework and considered alongside other enterprise risks. Where relevant, sustainability-related matters are monitored through the Sustainability Working Committee ("**SWC**") and escalated through the Group's established risk governance structure.

The Group adopts the IIAM's Three Lines Model to establish clear accountability, effective governance and independent assurance across the Group's risk management and internal control environment. The roles and responsibilities are as follows:

Line	REDtone
Governing Body	Board and AC
First Line	Heads of Department & Project Managers (risk owners)
Second Line	RMWC and SWC
Third Line	Internal Auditors

Governing Body

- The Board and the AC: Retains ultimate accountability for risk management and internal control. The AC assists the Board by providing oversight over the adequacy and effectiveness of the Group's risk management and internal control processes and by reviewing significant risk and control matters brought to its attention.

Management and Assurance

- First Line (Operational Management): Owns and manages risks within their respective areas of responsibility. They are responsible for identifying and assessing risks, implementing controls and mitigation measures, monitoring risk exposures and escalating significant matters.
- Second Line (Risk, Compliance and Sustainability): Provides structured oversight, establishes risk management expectations, monitors risk exposures and supports Management in maintaining an effective risk management and control environment.
- Third Line (Internal Audit): Delivers independent and objective assurance on the adequacy and effectiveness of governance, risk management and internal control processes and reports directly to the AC.

The Three Lines Model is intended to ensure that risk ownership, oversight and independent assurance remain appropriately separated while operating as an integrated governance system.

During FY2026, the RMWC reviewed the Group's risk profile on a periodic basis and reported its findings to the AC and Board. No significant changes in risk exposure, breaches of approved risk tolerance or material emerging risks requiring escalation outside the regular reporting process were identified during FY2026.

KEY INTERNAL CONTROL ELEMENTS

The Group's internal control system comprises governance, financial, operational, compliance, information technology and monitoring controls designed to manage risks within the Group's approved risk appetite and support the achievement of its strategic and business objectives.

The key elements of the Group's internal control environment include:

- **Governance and Organisational Structure**

  A clearly defined governance structure establishes appropriate reporting lines, authority, accountability and responsibilities across the Group. Board and Board Committee terms of reference, policies and delegated authorities provide the framework for decision-making and oversight.

- **Operational Controls**

  Operational processes are governed by established policies, procedures and standard operating procedures. Control activities are periodically reviewed to ensure that they remain appropriate as business processes and operating conditions evolve.

- **Limits of Authority**

  The Group maintains defined limits of authority for key business, financial and operational decisions. The Limits of Authority is periodically reviewed to ensure that approval limits remain relevant to the Group's organisational structure, business activities and risk profile.

- **Strategic Planning and Budgetary Control**

  Annual business plans and budgets are prepared by Management and reviewed by the Board. Actual performance is monitored against the approved plans and budgets, with significant variances reviewed and addressed by Management and material matters arising therefrom, where appropriate, reported to the Board.

- **Financial and Management Reporting**

  Financial and management information is subject to established review and approval processes to support the accuracy, completeness and timeliness of information used for decision-making.

- **Information Technology and Cybersecurity Controls**

  Controls are maintained over information technology access, system security, data integrity, system availability and cybersecurity. The Group continues to enhance its technology and cybersecurity controls in response to evolving digital threats and technology-related risks.

- **Compliance and Regulatory Controls**

  The Group monitors applicable laws, regulations and regulatory developments relevant to its operations. Compliance responsibilities are assigned to the relevant functions, supported by policies, procedures, training and periodic reviews.

- **Integrity and Ethical Values**

  (a) Code of Conduct

  The Board believes ethical corporate culture begins from the top where the control environment sets the tone for the Group by providing fundamental discipline and structure. The Board has set the tone at the top for ethical corporate behavior and good corporate governance.

  All employees shall adhere to the Code of Conduct of the Group, which sets out the principles and standards to guide employees in carrying out their duties and responsibilities to the highest standards of personal and corporate integrity when dealing with parties within the Group and external parties.

KEY INTERNAL CONTROL ELEMENTS (CONT'D)

- **Integrity and Ethical Values (Cont'd)**

  (b) Whistleblowing Policy and Procedures

  The Board has formalised a Whistleblowing Policy and Procedures to provide an avenue for stakeholders of the Company to raise concerns related to possible breach of business conduct, non-compliance with laws and regulations, or other malpractices. The Whistleblowing Policy and Procedures also outlines the protection accorded to whistleblowers who disclose such irregularities in good faith. The Whistleblowing Policy and Procedures is available on the Company's website at www.redtone.com.

  (c) Anti-Bribery and Anti-Corruption Policy

  The Group adopts an Anti-Bribery and Anti-Corruption Policy and Guidelines ("**ABAC Policy & Guidelines**") to reinforce the Group's utmost commitment and practice in conducting its affairs in the highest standard of integrity and ethics. The ABAC Policy & Guidelines establishes the Group's principles and control measures for preventing, detecting and responding to bribery and corruption risks. Employees are required to acknowledge their understanding and compliance with the ABAC Policy & Guidelines.

  The Group also undertakes appropriate awareness and training initiatives and maintains reporting channels for concerns relating to unethical conduct or suspected misconduct. The Anti-Bribery and Anti-Corruption framework forms part of the Group's broader risk management and internal control environment, with significant integrity and corruption risks escalated through the established governance channels.

  The ABAC Policy & Guidelines is available on the Company's website at www.redtone.com.

INTERNAL AUDIT FUNCTION

The Group outsources its internal audit function to an independent professional service provider to provide independent and objective assurance to the AC and Board on the adequacy and effectiveness of the Group's governance, risk management and internal control processes.

This function is undertaken by Crowe Governance Sdn. Bhd., led by its Executive Director, Amos Law, a Certified Internal Auditor, Chartered Member of the IIAM, and holder of the Certification in Risk Management Assurance. The Internal Auditors report independently and directly to the AC and have unrestricted access to the Group's records, personnel, properties and information necessary to discharge their responsibilities. The Internal Audit function operates in accordance with the International Professional Practices Framework issued by the Institute of Internal Auditors, including the applicable Global Internal Audit Standards.

The annual internal audit plan is developed using a risk-based methodology, taking into consideration the Group's enterprise risk profile, emerging risks, previous audit findings, changes in the operating environment and the adequacy of existing controls. The plan is reviewed and approved by the AC.

The functions of the outsourced Internal Auditors include:

- Perform audits in accordance with the pre-approved internal audit plan, which covers reviews of the internal control system and follow-up audits to address observations reported in preceding internal audit reviews;
- Review and evaluate the effectiveness and adequacy of the existing internal control policies and procedures;
- Assess Management's compliance with the policies and procedures established by the Board;
- Recommend improvements to strengthen the Group's internal control framework, where necessary; and
- Discuss audit findings with the respective process custodians and report the findings, together with Management's responses and agreed action plans, to the AC.

INTERNAL AUDIT FUNCTION (CONT'D)

During FY2026, the Internal Auditors completed three (3) audit cycles covering:

- Branch Operations Processes of the Johor, Penang and Kelantan branches;
- Anti-Corruption Compliance of REDtone; and
- Personal Data Protection (Amendment) Act 2024 - Compliance and Business Application Review of REDtone.

The audit results, including significant findings, risk implications and management action plans, were reported to the AC for deliberation. Follow-up reviews were undertaken to monitor the implementation of agreed management actions.

Based on the Internal Auditors' reports for FY2026, identified control issues were subject to management remediation and follow-up. No control deficiencies identified during the year under review resulted in material losses, contingencies or uncertainties requiring separate disclosure in the Annual Report for FY2026.

The AC periodically evaluates the independence, objectivity, competency, resources and performance of the outsourced internal audit function and is satisfied that the function has the appropriate access and resources to discharge its responsibilities effectively.

MANAGEMENT ASSURANCE

The Board received formal written assurance from the Group Chief Executive Officer, being the highest-ranking executive responsible for the overall management and operations of the Group, and the Chief Financial Officer, being the executive primarily responsible for the management of the Group's financial affairs, that the Group's risk management and internal control system had operated adequately and effectively, in all material respects, throughout FY2026 and up to the date of this Statement.

In providing their assurance, Management considered, amongst other matters, the Group's enterprise risk reports, risk and control assessments, management monitoring activities, significant control issues identified during the year, internal audit findings and the status of corrective and remediation actions.

The Board considered the Management's assurance together with the reports and deliberations of the AC, risk management updates, internal audit findings and other relevant information in assessing the adequacy and effectiveness of the Group's risk management and internal control systems.

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the MMLR of Bursa Securities, the External Auditors have reviewed this Statement for inclusion in the Annual Report for FY2026.

Their review was performed in accordance with the *Audit and Assurance Practice Guide ("**AAPG**") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report*, issued by the IIAM. Based on their review, the External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement has not been prepared, in all material respects, in accordance with the disclosures required by Section 7 of the SORMIC Guide 2025, nor that the Statement is factually inaccurate.

AAPG 3 does not require the External Auditors to consider whether this Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Directors and Management thereon. The report from the External Auditors was made solely for and directed solely to the Board in connection with their compliance with the MMLR of Bursa Securities and for no other purposes or parties. The External Auditors do not assume responsibility to any person other than the Board in respect of any aspect of this Statement.

Statement on Risk Management and Internal Control

(Cont'd)

CONCLUSION

Based on the Board's review of the Group's risk management activities and risk profile, the reports and deliberations of the AC and RMWC, the results of internal audit activities, Management's monitoring and remediation of identified control matters, and the formal assurance provided by the Group Chief Executive Officer and Chief Financial Officer, the Board is of the view that the Group's risk management and internal control systems were adequate and effective, in all material respects, for FY2026 and up to the date of approval of this Statement.

The Board is not aware of any material weaknesses or deficiencies in the Group's risk management and internal control systems that have resulted in material losses, contingencies or uncertainties requiring separate disclosure in the Annual Report. The Board acknowledges that risk management and internal control are dynamic processes and that the Group's risk profile will continue to evolve in response to changes in market conditions, technology, regulatory requirements, stakeholder expectations and other external developments.

Accordingly, the Board remains committed to continuously strengthening the Group's risk management and internal control environment, including enhancing risk monitoring, the use of relevant risk indicators, management information, scenario analysis and assurance activities, to ensure that the Group remains resilient and capable of responding effectively to emerging and evolving risks.

This Statement was approved by the Board on 6 October 2026.

DIRECTORS' RESPONSIBILITY STATEMENT

In Respect of the Audited Financial Statements for the Financial Year Ended 30 June 2026

The Companies Act 2016 ("**Act**") requires the Directors to present the financial statements of the Company and the Group in accordance with the Act and applicable approved accounting standards, ensuring they provide a true and fair view of the financial performance and position of both the Group and the Company as at the end of the financial year.

In fulfilling this obligation, the Directors have relied on the internal control system of the Company and the Group, which serve as a foundation for ensuring that the accounting systems and records maintained reflect a true and fair view of the financial standing of the Company and the Group.

Additionally, the Directors are responsible for maintaining accurate accounting records, enabling the Company and the Group to present a true and fair view of its financial results. The annual audited financial statements have been prepared using appropriate accounting policies, which have been applied consistently, and supported by reasonable, prudent and informed judgements and estimates.

The Directors also have a general responsibility to take all reasonable steps to safeguard the assets of the Company and the Group and to prevent and detect fraud and other irregularities.

In line with these responsibilities, the Directors hereby present the financial statements of the Company and the Group for the financial year ended 30 June 2026, as set out on pages 133 to 193 of this Annual Report.



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DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2026.

Principal activities

The principal activities of the Company are investment holding and the provision of management services. The principal activities of the subsidiaries are described in Note 15 to the financial statements. There have been no significant changes in the nature of the principal activities during the financial year.

Results

	Group RM'000	Company RM'000
Profit for the financial year, net of tax	18,507	17,220
Profit/(loss) attributable to:		
Owners of the parent	18,729	17,220
Non-controlling interests	(222)	-
	18,507	17,220

There were no material transfers to or from reserves or provisions during the financial year.

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than as disclosed in Note 6 to the financial statements.

Dividend

The dividend paid by the Company since 30 June 2025 was as follows:

	RM'000
In respect of the financial year ended 30 June 2025	
Interim single-tier dividend of 2.0 sen per ordinary share, declared on 21 August 2025 and paid on 16 October 2025	15,459

On 24 August 2026, the Directors declared an interim single-tier dividend of 2.0 sen per ordinary share amounting to RM15,459,038 in respect of the financial year ended 30 June 2026 payable on 16 October 2026. The financial statements for the current financial year do not reflect this dividend. This dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 30 June 2027.

Treasury shares

The number and carrying amount of treasury shares as at 30 June 2026 were as follows:

	Average price per share RM	Number of shares '000	Amount RM'000
At 1 July 2025/30 June 2026	0.59	9,502	5,653

As at 30 June 2026, the issued ordinary share capital of the Company with voting rights was 772,951,885 (2025: 772,951,885) ordinary shares.

Warrants

During the financial year, the Company undertook a bonus issue of 386,475,740 free warrants ("Warrant(s)") which were issued and allotted on 22 December 2025, on the basis of one (1) Warrant for every two (2) existing ordinary shares held in the Company. The Warrants were subsequently listed on 26 December 2025.

The tenure of the Warrants is five (5) years commencing from and inclusive of the issue date of the Warrants on 22 December 2025. The Warrants may be exercised at any time commencing from and inclusive of the issue date and ending at 5.00 p.m. on the expiry date (both dates inclusive) on 20 December 2030 ("Exercise Period"). As such, the Exercise Period of the Warrants is five (5) years.

Each Warrant entitles the registered holder to subscribe for one (1) new ordinary share in the Company at an exercise price of RM0.48 per Warrant, and at any time during the Exercise Period, subject to the adjustments in accordance with the provisions of the Deed Poll dated 2 December 2025 constituting the Warrants. Any Warrant not exercised during the Exercise Period will thereafter lapse and cease to be valid for any purpose.

As at 30 June 2026, none of the 386,475,740 warrants have been exercised.

Directors

The names of the directors 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:

YAM Tunku Tun Aminah Binti Sultan Ibrahim Ismail
Syed Ali Shahul Hameed
Lau Bik Soon
Kua Choo Kai
Loh Paik Yoong
Sabarina Binti Harun
Tan Sri Dato' Avinderjit Singh A/L Harjit Singh (Resigned on 18 February 2026)

Directors of the Company's subsidiaries

The names of the directors of the Company's subsidiaries in office during the financial year and during the period from the end of the financial year to the date of this report excluding those who are also the directors of the Company are:

Yau Chee Keong
Kenny Foo Jin Teck
Redza Imran Bin Abdul Rahim
Lu Chong Mui
Gan Chern Ning David
Datuk Mohd Taib Bin Hassan
Ahmed Ariff Meah Bin Azlan Meah
Tan Sri Dato' Avinderjit Singh A/L Harjit Singh

Directors' benefits

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

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by directors or the fixed salary of a full-time employee of the Company as shown below) by reason of a contract made by the Company or a related corporation with 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 Company maintained a Directors' and Officers' Liability Insurance in respect of any legal action taken against the directors and officers in the discharge of their duties while holding office for the Company and the Group. The total amount of insurance premium effected for any director and officer of the Company and of the Group as at the financial year end was RM27,091. The directors and officers shall not be indemnified by such insurance for any deliberate negligence, fraud, intentional breach of law or breach of trust proven against them. There was no indemnity given or paid in respect of such liability during the financial year.

The directors' benefits are as follows:

	Group RM'000	Company RM'000
Executive directors' remuneration:		
- Salaries and bonuses	1,858	-
- Other emoluments	395	-
	2,253	-
Non-executive directors' remuneration:		
- Fees	1,128	848
- Other emoluments	66	66
	1,194	914
Total directors' remuneration	3,447	914

Directors' Report
(Cont'd)

Directors' interests

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

	Number of ordinary shares			
	At 1 July 2025	Acquired	Disposed	At 30 June 2026
The Company				
Direct interests				
Lau Bik Soon	2,308,160	-	-	2,308,160

	Number of 5-year warrants 2025/2030			
	At 1 July 2025	Allotted	Disposed	At 30 June 2026
The Company				
Direct interests				
Lau Bik Soon	-	1,154,080	-	1,154,080

	Number of ordinary shares			
	At 1 July 2025	Acquired	Disposed	At 30 June 2026
Ultimate holding company, Berjaya Corporation Berhad ("BCorp")				
Direct interests				
Loh Paik Yoong	60	1,000*	-	1,060

	Number of 2% Irredeemable Convertible Unsecured Loan Stock ("ICULS") 2016/2026			
	At 1 July 2025	Acquired	Exercised	At 30 June 2026
Ultimate holding company, BCorp				
Direct interests				
Loh Paik Yoong	1,000	-	(1,000)*	-

Directors' interests (contd.)

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in share, options over shares and warrants of the Company and its related corporations during the financial year are as follows: (contd.)

	Number of 5-year warrants 2026/2031			
	At 1 July 2025	Allotted	Disposed	At 30 June 2026
Ultimate holding company, BCorp				
Direct interests				
Loh Paik Yoong	-	19	-	19

	Number of 10-year warrants 2016/2026			
	At 1 July 2025	Acquired	Expired	At 30 June 2026
Ultimate holding company, BCorp				
Direct interests				
Loh Paik Yoong	1,000	-	(1,000)	-

	Number of ordinary shares			
	At 1 July 2025	Acquired	Disposed	At 30 June 2026
Related company, Berjaya Property Berhad ("BProperty") (formerly known as Berjaya Land Berhad)				
Direct interests				
Loh Paik Yoong	16,400	-	-	16,400

*During the financial year, the interests of the Director in the ordinary shares of the ultimate holding company increased following the conversion of ICULS into ordinary shares.

The other directors in office at the end of the financial year had no interest in shares, options over shares and warrants of the Company or its related corporations during the financial year.

Other statutory information

(a) Before the statements of financial position and statements of profit or loss and other comprehensive income of the Group and of the Company were made out, the directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for impairment on receivables and satisfied themselves that all known bad debts had been written off and that adequate allowance for impairment had been made for receivables; and

(ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business have been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the directors are not aware of any circumstances which would render:

(i) the amount written off for bad debts or the amount of allowance for impairment on receivables in the financial statements of the Group and of the Company inadequate to any substantial extent; and

(ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

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

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

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

(i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

(ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

(f) In the opinion of the directors:

(i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

Holding company

The ultimate holding company is Berjaya Corporation Berhad, a public listed company incorporated in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

Auditors

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

Auditors' remuneration is as follows:

	Group RM'000	Company RM'000
Ernst & Young PLT	497	130
Other auditors	24	-
	521	130

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young PLT since the beginning of the financial year up to the date of this report.

Signed on behalf of the Board in accordance with a resolution of the directors dated 6 October 2026.

Lau Bik Soon

Loh Paik Yoong

STATEMENT BY DIRECTORS

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

We, Lau Bik Soon and Loh Paik Yoong, being two of the directors of REDtone Digital Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 133 to 193 are drawn up in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2026 and their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 6 October 2026.

Lau Bik Soon

Loh Paik Yoong

STATUTORY DECLARATION

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

I, Lau Hock Chye, being the officer primarily responsible for the financial management of REDtone Digital Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 133 to 193 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared
by the abovenamed Lau Hock Chye
at Seri Kembangan, Selangor Darul Ehsan
on 6 October 2026

Lau Hock Chye

Before me,

Julian Khor Yun Ling (B524)
Commissioner for Oaths

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 30 June 2026

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Revenue	3	208,624	324,926	-	-
Cost of sales		(131,905)	(205,168)	-	-
Other income	4	5,003	7,701	20,951	29,357
General and administrative expenses		(51,829)	(50,601)	(3,040)	(2,571)
(Provision for)/reversal of impairment of receivables and contract assets		(191)	(37,450)	502	(4,201)
Finance costs	5	(2,673)	(3,827)	-	(4,673)
Profit before tax	6	27,029	35,581	18,413	17,912
Taxation	9	(8,522)	(8,856)	(1,193)	(924)
Profit for the financial year		18,507	26,725	17,220	16,988
Other comprehensive loss:					
Item that will not be reclassified subsequently to profit or loss					
Net changes in fair value of other investments measured at fair value through other comprehensive income ("FVTOCI")	17	(19,605)	(34,027)	(17,582)	(30,040)
Item that will be reclassified subsequently to profit or loss					
Foreign currency translation		(3)	(1)	-	-
Total comprehensive loss for the financial year		(1,101)	(7,303)	(362)	(13,052)
Profit/(loss) attributable to:					
- Owners of the parent		18,729	26,617	17,220	16,988
- Non-controlling interests		(222)	108	-	-
		18,507	26,725	17,220	16,988
Total comprehensive (loss)/income attributable to:					
- Owners of the parent		(879)	(7,411)	(362)	(13,052)
- Non-controlling interests		(222)	108	-	-
		(1,101)	(7,303)	(362)	(13,052)
Earnings per share attributable to owners of the parent:					
- Basic (sen)	10	2.42	3.44		

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

STATEMENTS OF FINANCIAL POSITION
as at 30 June 2026

		Group		Company	
		2026	2025	2026	2025
	Note	RM'000	RM'000	RM'000	RM'000
Assets					
Non-current assets					
Goodwill	11	423	423	-	-
Property, plant and equipment	12	19,772	14,097	-	-
Right-of-use assets	28	14,899	16,021	-	-
Investment properties	13	5,000	4,710	-	-
Intangible assets	14	2,602	2,131	51	27
Investments in subsidiaries	15	-	-	43,967	43,967
Investments in associates	16	-	-	-	-
Other investments	17	55,282	73,369	51,045	68,613
Derivative financial instruments	30	820	-	820	-
Deferred tax assets	18	7,936	9,202	-	-
		106,734	119,953	95,883	112,607
Current assets					
Inventories	19	3,775	739	-	-
Trade and other receivables	20	75,045	133,088	17,109	29,062
Contract assets	21	47,543	64,136	-	-
Tax recoverable		16,632	13,843	4,713	4,325
Short term investments	22	86,727	403	13,000	403
Cash and bank balances	23	33,463	66,566	754	861
		263,185	278,775	35,576	34,651
Total assets		369,919	398,728	131,459	147,258

Statements of Financial Position

as at 30 June 2026

(Cont'd)

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Equity and liabilities					
Equity attributable to owners of the parent					
Share capital	24	149,813	149,813	149,813	149,813
Treasury shares	25	(5,653)	(5,653)	(5,653)	(5,653)
Reserves	26	103,680	120,018	(12,960)	2,861
		247,840	264,178	131,200	147,021
Non-controlling interests		3,130	3,352	-	-
Total equity		250,970	267,530	131,200	147,021
Non-current liabilities					
Loans and borrowings	27	768	887	-	-
Lease liabilities	28	12,658	13,941	-	-
		13,426	14,828	-	-
Current liabilities					
Trade and other payables	29	64,733	103,675	259	237
Contract liabilities	21	28,664	1,283	-	-
Loans and borrowings	27	9,204	7,807	-	-
Lease liabilities	28	2,922	2,569	-	-
Tax payable		-	1,036	-	-
		105,523	116,370	259	237
Total liabilities		118,949	131,198	259	237
Total equity and liabilities		369,919	398,728	131,459	147,258

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

STATEMENTS OF CHANGES IN EQUITY

for the financial year ended 30 June 2026

	Share capital RM'000 (Note 24)	Treasury shares RM'000 (Note 25)	Foreign exchange reserve RM'000 (Note 26(b))	Revaluation reserve RM'000 (Note 26(c))	FVTOCI reserve RM'000 (Note 26(d))	Distributable retained profits RM'000 (Note 26(a))	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
Group									
At 1 July 2024	149,813	(5,653)	(661)	641	8,425	142,195	294,760	3,262	298,022
Profit for the financial year	-	-	-	-	-	26,617	26,617	108	26,725
Other comprehensive loss	-	-	(1)	-	(34,027)	-	(34,028)	-	(34,028)
Total comprehensive (loss)/income	-	-	(1)	-	(34,027)	26,617	(7,411)	108	(7,303)
Effect arising from the disposal of equity investments measured at FVTOCI (Note 17)	-	-	-	-	(601)	601	-	-	-
Transactions with owners									
- Arising from increase in equity interest in subsidiary company	-	-	-	-	-	18	18	(18)	-
- Dividend (Note 38)	-	-	-	-	-	(23,189)	(23,189)	-	(23,189)
At 30 June 2025	149,813	(5,653)	(662)	641	(26,203)	146,242	264,178	3,352	267,530
At 1 July 2025	149,813	(5,653)	(662)	641	(26,203)	146,242	264,178	3,352	267,530
Profit/(loss) for the financial year	-	-	-	-	-	18,729	18,729	(222)	18,507
Other comprehensive loss	-	-	(3)	-	(19,605)	-	(19,608)	-	(19,608)
Total comprehensive (loss)/income	-	-	(3)	-	(19,605)	18,729	(879)	(222)	(1,101)
Effect arising from the disposal of equity investments measured at FVTOCI (Note 17)	-	-	-	-	(62)	62	-	-	-
Transaction with owners									
- Dividend (Note 38)	-	-	-	-	-	(15,459)	(15,459)	-	(15,459)
At 30 June 2026	149,813	(5,653)	(665)	641	(45,870)	149,574	247,840	3,130	250,970

Statements of Changes in Equity

for the financial year ended 30 June 2026

(Cont'd)

	Share capital RM'000 (Note 24)	Treasury shares RM'000 (Note 25)	FVTOCI reserve RM'000 (Note 26(d))	Distributable retained profits RM'000 (Note 26(a))	Total equity RM'000
Company					
At 1 July 2024	149,813	(5,653)	8,425	30,677	183,262
Total comprehensive (loss)/income	-	-	(30,040)	16,988	(13,052)
Effect arising from the disposal of equity investments measured at FVTOCI (Note 17)	-	-	(601)	601	-
Transaction with owners					
- Dividend (Note 38)	-	-	-	(23,189)	(23,189)
At 30 June 2025	149,813	(5,653)	(22,216)	25,077	147,021
At 1 July 2025	149,813	(5,653)	(22,216)	25,077	147,021
Total comprehensive (loss)/income	-	-	(17,582)	17,220	(362)
Effect arising from the disposal of equity investments measured at FVTOCI (Note 17)	-	-	(62)	62	-
Transaction with owners					
- Dividend (Note 38)	-	-	-	(15,459)	(15,459)
At 30 June 2026	149,813	(5,653)	(39,860)	26,900	131,200

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

STATEMENTS OF CASH FLOWS

for the financial year ended 30 June 2026

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cash flows from operating activities				
Receipts from customers	352,660	405,584	-	-
Payments of operating expenses	(229,114)	(295,778)	-	-
Tax refund	3,313	207	280	-
Payments of taxes	(14,394)	(30,069)	(1,861)	(8,768)
Payment of short term leases and leases of low-value assets	(7,302)	(6,809)	-	-
Other receipts/(payments)	65	(115)	10,672	(18,099)
Net cash generated from/(used in) operating activities	105,228	73,020	9,091	(26,867)
Cash flows from investing activities				
Increase in deposits and short term investments	(86,558)	(299)	(12,597)	-
Proceeds from disposal of equity instruments	1,859	33,410	1,859	33,410
Acquisition of equity instruments	(3,377)	(56,750)	(1,872)	(48,006)
Acquisition of property, plant and equipment (Note 12)	(11,505)	(1,168)	-	-
Proceeds from sale of property, plant and equipment	200	-	-	-
Payment of investment property	(2,118)	(1,412)	-	-
Payment of intangible assets	(19,907)	(20,185)	(46)	(27)
Interest received	1,806	671	66	42
Dividend received	909	1,878	18,851	31,878
Net cash (used in)/generated from investing activities	(118,691)	(43,855)	6,261	17,297
Cash flows from financing activities				
Payment of principal portion of lease liabilities	(3,020)	(2,827)	-	-
Drawdown of loans and borrowings	2,426	69,888	-	-
Net withdrawal from banks as security pledged for borrowings and other facilities	-	4,994	-	-
Repayment of loans and borrowings	(1,148)	(66,119)	-	-
Dividend paid	(15,459)	(23,189)	(15,459)	(23,189)
Lease interest paid	(1,089)	(1,109)	-	-
Other interest paid	(1,584)	(2,718)	-	-
Net cash used in financing activities	(19,874)	(21,080)	(15,459)	(23,189)
Net change in cash and cash equivalents	(33,337)	8,085	(107)	(32,759)
Cash and cash equivalents at beginning of financial year	49,174	41,089	861	33,620
Cash and cash equivalents at end of financial year (Note 23)	15,837	49,174	754	861

Statements of Cash Llows

for the financial year ended 30 June 2026
(Cont'd)

(a) Reconciliation of liabilities arising from financing activities:

	Lease liabilities RM'000	Loans and borrowings RM'000	Total RM'000
Group			
2026			
At beginning of financial year	16,510	8,694	25,204
Addition	2,090	-	2,090
Drawdown	-	2,426	2,426
Repayment	(3,020)	(1,148)	(4,168)
Interest paid	(1,089)	(51)	(1,140)
Accretion of interest	1,089	51	1,140
At end of financial year	15,580	9,972	25,552
2025			
At beginning of financial year	12,548	4,925	17,473
Addition	6,789	-	6,789
Drawdown	-	69,888	69,888
Repayment	(2,827)	(66,119)	(68,946)
Interest paid	(1,109)	(774)	(1,883)
Accretion of interest	1,109	774	1,883
At end of financial year	16,510	8,694	25,204

(b) Reconciliation of payment of investment property:

	2026 RM'000	2025 RM'000
Cash	2,118	1,412
Other payables	(2,118)	2,118
Addition (Note 13)	-	3,530

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

NOTES TO THE FINANCIAL STATEMENTS
30 June 2026

1. Corporate information

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia. The principal place of business is located at Suites 22-30, 5th Floor, IOI Business Park, 47100 Puchong, Selangor Darul Ehsan, Malaysia.

The penultimate holding company is Berjaya Group Berhad, a company incorporated in Malaysia. The ultimate holding company is Berjaya Corporation Berhad ("BCorp"), a public listed company incorporated in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

The principal activities of the Company are investment holding and the provision of management services. The principal activities of the subsidiaries are described in Note 15. There have been no significant changes in the nature of the principal activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 6 October 2026.

2. Accounting policies

2.1 Basis of preparation

The financial statements of the Group and the Company have been prepared under the historical cost convention unless otherwise indicated in the accounting policies below and comply with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements are presented in Ringgit Malaysia (“RM”) and all values are rounded to the nearest thousand (“RM’000”) except when otherwise indicated.

2.2 Changes in accounting policies

During the financial year, the Group and the Company adopted the following pronouncements that have been issued by the Malaysian Accounting Standards Board ("MASB"), which is effective for financial periods beginning on or after 1 January 2025:

- Amendments to MFRS 121: The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability

The adoption of the above pronouncements did not have any material impact on the financial statements of the Group and of the Company.

2. Accounting policies (contd.)

2.3 Standards issued but not yet effective

At the date of authorisation of these financial statements, the following pronouncements have been issued by the MASB, will become effective in future financial periods and have not been adopted by the Group and the Company:

Effective for financial periods beginning on or after 1 January 2026:

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

Effective for financial periods beginning on or after 1 January 2027:

- MFRS 18: Presentation and Disclosure in Financial Statements
- MFRS 19: Subsidiaries without Public Accountability: Disclosures
- Amendments to MFRS 19: Subsidiaries without Public Accountability: Disclosures
- Amendments to MFRS 121: The Effects of Changes in Foreign Exchange Rates - Translation to a Hyperinflationary Presentation Currency
- Amendments to MFRS 128: Investments in Associates and Joint Ventures: Amendments to the Fair Value Option for Investments in Associates and Joint Ventures

Effective for financial periods beginning on or after 1 January 2029:

- MFRS 20: Regulatory Assets and Regulatory Liabilities

Effective date yet to be determined:

- Amendments to MFRS 10: Consolidated Financial Statements and MFRS 128: Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Deferred)

The Group and the Company are expected to apply the abovementioned pronouncements beginning from the respective dates the pronouncements become effective. The initial application of the abovementioned pronouncements is not expected to have any material impact on the financial statements of the Group and of the Company, except for the presentation and disclosure required by MFRS 18 which introduces new categories and subtotals in the statements of profit or loss and statements of other comprehensive income. It also requires disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of financial information.

2.4 Summary of accounting policies

2.4.1 Subsidiaries

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

2. Accounting policies (contd.)

2.4 Summary of accounting policies (contd.)

2.4.2 Associates

In the Company's separate financial statements, investments in associates are stated at cost less impairment losses.

2.4.3 Property, plant and equipment and depreciation

All items of property, plant and equipment ("PPE") are initially recorded at cost. Subsequent to recognition, property, plant and equipment except for freehold land are stated at cost less accumulated depreciation and any accumulated impairment losses.

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

Office lots	2%
Computers	20%
Furniture, fittings and office equipment	20%
Equipment, plant and machinery	20%
Renovation	20%
Motor vehicles	20%

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

2.4.4 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value.

Gains or losses arising from changes in the fair values of investment properties are recognised in profit or loss in the year in which they arise.

2.4.5 Inventories

Inventories are stated at the lower of cost (determined on a weighted average basis) and net realisable value. Other inventories not to be resold and for consumption purposes are classified as spares and consumables.

Contract work in progress consists of inventories costs incurred to date on customer projects where the performance obligations are yet to be fully met. These costs will be recognised as cost of sales when the related revenue is recognised in the income statement.

2. Accounting policies (contd.)

2.4 Summary of accounting policies (contd.)

2.4.6 Intangible assets

(1) Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets acquired and liabilities assumed. Following the initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

(2) Spectrum rights

For spectrum rights acquired with a finite useful life, costs are amortised over the estimated useful lives and assessed for impairment when there is an indication that the spectrum rights may be impaired. The amortisation period and the amortisation method are reviewed at least during each financial year end. Further details are disclosed in Note 14.

(3) Network software license

Network software license acquired separately is measured on initial recognition at cost. Following the initial recognition, network software license is carried at cost less accumulated amortisation and any accumulated impairment losses. Network software license is amortised on a straight-line basis over its estimated economic useful lives and assessed for impairment whenever there is an indication that the network software license may be impaired. Further details are disclosed in Note 14.

2.4.7 Impairment of non-financial assets

For goodwill, intangible assets that have indefinite useful lives and intangible assets that are not yet available for use, the recoverable amount is estimated at each reporting date or more frequently when there is any indication of impairment.

2.4.8 Financial instruments

(1) Financial assets

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

2. Accounting policies (contd.)

2.4 Summary of accounting policies (contd.)

2.4.8 Financial instruments (contd.)

(1) Financial assets (contd.)

Subsequent measurement of a financial asset depends on its classification, as described below:

(a) Amortised cost

Subsequent to initial recognition, the amortised cost of a financial asset is the amount at initial recognition minus principal repayments plus cumulative amortisation using the effective interest method and reduced by any impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Gain or loss is recognised in profit or loss when the asset is derecognised, modified or impaired.

(b) Fair value through other comprehensive income ("FVTOCI")

Equity instrument

This category comprises investments in equity instruments that are not held for trading, and where the Group irrevocably elects to account for subsequent changes in the investments' fair value in other comprehensive income. This election is made on an investment-by-investment basis. Dividends are recognised as income in profit or loss unless the dividends clearly represent part recovery of the cost of investment. Other net gains and losses are recognised in other comprehensive income.

On derecognition of these financial assets, fair value changes and other net gains and losses accumulated in other comprehensive income are not recycled to profit or loss.

(c) Fair value through profit or loss ("FVTPL")

All financial assets not classified as amortised cost or FVTOCI as described above are classified as FVTPL. This includes derivative financial assets (except for derivatives that are designated as effective hedging instruments) and listed equity instruments.

Financial assets at FVTPL are carried in the statements of financial position at fair value with net changes in fair value recognised in profit or loss. Other net gains or losses, including any interest or dividend income, are also recognised in profit or loss.

All financial assets, except for those measured at FVTPL and FVTOCI, are subject to impairment assessment.

2. Accounting policies (contd.)

2.4 Summary of accounting policies (contd.)

2.4.8 Financial instruments (contd.)

(2) Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at amortised cost or financial liabilities at FVTPL.

The Group initially measures a financial liability at its fair value minus, in the case of a financial liability not at FVTPL, transaction costs that are directly attributable to the issue of the financial liability.

Subsequent measurement of a financial liability depends on its classification, as described below:

(a) Amortised cost

Financial liability is measured at amortised cost using the effective interest method, which allocates interest expenses at a constant rate over the term of the financial liability.

Subsequent to initial recognition, the amortised cost of a financial liability is the amount at initial recognition minus repayments, plus the cumulative amortisation using the effective interest method. Gain or loss is recognised in profit or loss when the liability is derecognised as well as through the effective interest rate amortisation process.

2.4.9 Impairment of financial assets

The Group recognises loss allowance for expected credit losses ("ECLs") on financial assets measured at amortised cost and contract assets.

For trade receivables and contract assets, the Group applies the simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Group recognises impairment loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

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

2. Accounting policies (contd.)

2.4 Summary of accounting policies (contd.)

2.4.10 Leases

(1) Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets.

(a) Right-of-use ("ROU") assets

ROU assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The depreciation periods are as follows:

Leasehold office lots	50 years
Warehouse, office and sites	3 - 9 years
Equipment and machinery	3 years

(b) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of asset (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low-value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(2) Group as a lessor

As a lessor, the Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfer substantially all of the risks and rewards incidental to ownership of the underlying asset to the lessee.

(a) Operating lease

Leases in which the Group retains substantially all the risks and rewards incidental to ownership of the underlying asset are classified as operating leases. Lease income from operating lease is accounted for on a straight-line basis.

2. Accounting policies (contd.)

2.4 Summary of accounting policies (contd.)

2.4.11 Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer except for sales of software licenses.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. non-cash consideration and consideration payable to the customer, if any). Depending on the terms of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

Revenue from contracts with customers is measured at its transaction price which is the amount of consideration that the Group expects to be entitled in exchange for transferring the promised goods or services to a customer, net of applicable taxes, returns, rebates and discounts. Transaction price is allocated to each distinct performance obligation on the basis of its relative stand-alone selling price.

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The Group's revenue from contracts with customers is further described below:

(i) Telecommunication Services

(a) Revenue from voice and data services

Revenue from sale of voice, interconnection revenue and other network based services is recognised based on actual traffic volume net of rebates/discounts, when services are rendered.

Revenue from sale of data services, which are unlimited in usage, is recognised proportionately over the subscription period.

Revenue from sale of prepaid starter packs and prepaid phone cards where services have not been rendered are deferred (i.e. as disclosed as contract liabilities in trade and other payables) and recognised as revenue based on the actual use of the cards, net of taxes and discounts.

2. Accounting policies (contd.)

2.4 Summary of accounting policies (contd.)

2.4.11 Revenue recognition (contd.)

The Group's revenue from contracts with customers is further described below: (contd.)

(i) Telecommunication Services (contd.)

(b) Revenue from international airtime transfer ("IAT")

The Group purchases airtime value from suppliers and repackages the IAT cards and sells to end customers through third party dealers. Revenue from IAT is recognised net of service tax and discounts upon the transfer of control of the IAT cards to the dealers.

(ii) Managed Telecommunications Network Services ("MTNS")

Revenue from MTNS mainly comprises of revenue from contracts with customers to construct, maintain and provide support services of telecommunication infrastructure and Universal Service Provision ("USP") sites.

Revenue is recognised over time where the Group uses the input method by reference to the proportion of costs incurred for work performed to date to the estimated total costs to measure the progress towards the satisfaction of performance obligation.

(iii) Non-operating Spectrum Related Income

Non-operating Spectrum Related Income relates to the fees for utilising the spectrums. Revenue is recognised over time when services are rendered.

(iv) Digital Technology Solutions ("DTS")

Revenue from DTS mainly comprises revenue from data centre services, cloud services and applications, smart farming solutions, IT related services, provision of software licenses, sales of hardware, software integration services, and managed IT services. Revenue is recognised when goods are transferred or when services are rendered.

2. Accounting policies (contd.)

2.4 Summary of accounting policies (contd.)

2.4.11 Revenue recognition (contd.)

The recognition of other classes of revenue that are not within the scope of MFRS 15 are set out below:

(1) Dividend income

Dividend income is recognised when the shareholders' rights to receive the dividend payment are established.

(2) Interest income

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

(3) Rental income

Rental income is recognised on an accrual basis.

2.5 Significant accounting estimates and judgements

2.5.1 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(1) Revenue recognition from MTNS - Construction, maintenance and support services of telecommunication infrastructure and USP sites

The Group recognises revenue from construction, maintenance and support services of telecommunication infrastructure and USP sites based on input method in accordance with the accounting policies set out in Note 2.4.11(ii).

Significant judgement is required in determining the extent of progress towards completion, the extent of the contract costs incurred, the estimated total revenue and total estimated costs and the recoverability of the contract. In making these judgements, management relies on past experience and project leaders and engineers.

2. Accounting policies (contd.)

2.5 Significant accounting estimates and judgements (contd.)

2.5.1 Key sources of estimation uncertainty (contd.)

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below: (contd.)

(2) Impairment of trade receivables and contract assets

The Group has applied the simplified approach to calculate expected credit losses which uses a lifetime expected loss allowance on all trade receivables and contract assets. The Group's provision matrix is based on its historical credit loss experience with customers of similar credit risk characteristics.

The Group also considers a trade receivable or contract asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding receivables in full before taking into account any credit enhancements held by the Group.

The information about impairment on the Group's trade receivables and contract assets is disclosed in Note 20 and Note 21, respectively.

(3) Deferred tax assets

Deferred tax assets are recognised for all unutilised tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the losses and capital allowances can be utilised. Significant management estimates are required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profit together with future tax planning strategies. The total unutilised tax losses, unabsorbed capital allowances and other deductible temporary differences of the Group that have not been recognised as deferred tax assets are disclosed in Note 18.

(4) Income taxes

Significant estimation is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

2.5.2 Critical judgements made in applying accounting policies

No judgements that may have significant effects on the amount recognised in the financial statement were made by management in the process of applying the Group's accounting policies.

3. Revenue

	Group	
	2026	**2025**
	RM'000	**RM'000**
Revenue from contract with customers	206,194	324,926
Revenue from other source of income		
- Lease of equipment	2,430	-
	208,624	324,926

Set out below is the disaggregation of the Group's revenue from contract with customers.

	Group	
	2026	**2025**
	RM'000	**RM'000**
Type of goods or services		
Telecommunication Services	50,530	49,919
Managed Telecommunications Network Services	96,605	192,453
Non-operating Spectrum Related Income	10,887	48,323
Digital Technology Solutions*	48,172	34,231
	206,194	324,926
Timing of revenue recognition		
At a point in time	43,254	23,149
Over time	162,940	301,777
	206,194	324,926

* Revenue from Digital Technology Solutions mainly comprises revenue from data centre services, cloud services and applications, smart farming solutions, IT related services, provision of software licenses, sales of hardware, software integration services, and managed IT services. Revenue is recognised when goods are transferred or when services are rendered.

4. Other income

	Group		Company	
	2026	**2025**	**2026**	**2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Interest income				
- Subsidiaries	-	-	382	4,518
- Others	1,888	792	66	42
Dividend income	909	1,878	19,351	19,878
Office rental income	85	92	-	-
Fair value gain on short term investments	310	4,919	-	4,919
Fair value gain on warrants (Note 30)	820	-	820	-
Fair value gain on investment properties (Note 13)	290	-	-	-
Miscellaneous income				
- Subsidiaries	-	-	103	-
- Bad debt recovery	318		226	
- Others	383	20	3	-
	5,003	7,701	20,951	29,357

5. Finance costs

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Accretion of interest for				
- leases (Note 28)	1,089	1,109	-	-
- sundry payables	844	1,560	-	-
Interest expense on:				
- bank overdrafts	1	4	-	-
- term loans	51	59	-	-
- invoice financing	-	715	-	-
- margin facility	583	304	-	-
- amounts due to subsidiary companies	-	-	-	4,673
Others	105	76	-	-
	2,673	3,827	-	4,673

6. Profit before tax

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

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Audit fee:				
- statutory audits				
- auditors of the Company (Ernst & Young PLT)	497	414	130	125
- other auditors	24	24	-	-
- other services				
- auditors of the Company (Ernst & Young PLT)	20	19	9	8
- other auditors	4	4	-	-
Amortisation of intangible assets (Note 14)	2,437	22,044	22	-
Depreciation of:				
- property, plant and equipment (Note 12)	5,302	4,332	-	-
- right-of-use assets (Note 28)	3,064	2,623	-	-
Loss on disposal of property, plant and equipment	56	-	-	-
Impairment of:				
- property, plant and equipment (Note 12)	272	766	-	-
- right-of-use assets (Note 28)	148	148	-	-
Inventories written down	-	5	-	-
Employee benefits expense (Note 7)	36,935	35,934	-	-
Provision for Universal Service Fund Contribution (Note 29(c))	1,476	1,269	-	-

6. Profit before tax (contd.)

The following items have been included in arriving at profit before tax: (contd.)

	Group		Company	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Loss/(gain) on foreign exchange	617	(4)	-	-
Write off of:				
- property, plant and equipment (Note 12)	-	1	-	-
- intangible assets (Note 14)	-	116	-	-
- amount due from associated company	66	-	-	-
Expenses relating to leases:				
- short-term lease expenses (Note 28)	7,099	6,673	-	-
- expenses for leases of low-value assets (Note 28)	203	136	-	-

7. Employee benefits expense

	Group	
	2026 RM'000	**2025 RM'000**
Salaries, wages, bonuses and allowances	30,822	30,498
Defined contribution plan	3,657	3,585
Social security contribution	361	335
Other benefits	2,095	1,516
	36,935	35,934

Included in the employee benefits expense are Executive Directors' remuneration payable to the Directors of the Company amounting to RM2,253,000 (2025: RM2,747,000) as disclosed in Note 8.

8. Directors' remuneration

	Group		Company	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Executive directors' remuneration:				
- Salaries and bonuses	1,858	2,295	-	-
- Other emoluments	395	452	-	-
	2,253	2,747	-	-
Non-executive directors' remuneration:				
- Fees	1,128	1,041	848	801
- Other emoluments	66	65	66	65
	1,194	1,106	914	866
Total directors' remuneration	3,447	3,853	914	866

9. Taxation

The major components of income tax expense are as follows:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Current income tax:				
- Malaysian income tax	6,339	14,355	111	1,594
- Under/(over) provision in prior years	917	(1,386)	1,082	(45)
	7,256	12,969	1,193	1,549
Deferred tax (Note 18):				
- Origination and reversal of temporary differences	1,763	(4,003)	-	(534)
- Over provision in prior years	(497)	(110)	-	(91)
	1,266	(4,113)	-	(625)
Total income tax expense	8,522	8,856	1,193	924

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2025: 24%) of the estimated assessable profit for the financial year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

Pillar Two Taxes

As at reporting date, the ultimate holding company ("UHC") and its subsidiaries ("UHC Group") of which the Group is part of, has performed an assessment of its exposure to Pillar Two income taxes and the UHC Group satisfied the requirements of the Transitional Country-by-Country Reporting Safe Harbour test. Accordingly, no top-up tax was required for the current financial year.

The UHC Group will continue to monitor Pillar Two legislative developments and evaluate the potential future exposure to top-up tax.

9. Taxation (contd.)

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective tax rate of the Group and of the Company are as follows:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Profit before tax	27,029	35,581	18,413	17,912
Taxation at Malaysian statutory tax rate of 24%	6,487	8,539	4,419	4,299
Different tax rates in other countries	(17)	(11)	-	-
Income not subject to tax	(467)	(401)	(4,526)	(4,771)
Expenses not deductible	1,504	852	218	1,532
Utilisation of previously unrecognised deferred tax assets	(55)	(315)	-	-
Deferred tax assets not recognised during the financial year	650	1,688	-	-
Under/(over) provision of income tax in prior years	917	(1,386)	1,082	(45)
Over provision of deferred tax in prior years	(497)	(110)	-	(91)
Income tax expense for the financial year	8,522	8,856	1,193	924

10. Earnings per share

(a) Basic

The basic earnings per share is calculated by dividing profit for the financial year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue with voting rights during the financial year.

	Group	
	2026	2025
Profit attributable to owners of the parent (RM'000)	18,729	26,617
Weighted average number of ordinary shares in issue with voting rights ('000)	772,952	772,952
Basic earnings per share (sen):	2.42	3.44

Diluted earnings per share is not presented as there were no potential dilutive ordinary shares during the financial year.

11. Goodwill

	Group	
	2026	2025
	RM'000	RM'000
Net carrying amount	423	423

(a) The carrying amount of goodwill allocated to cash-generating unit is as follows:

	Group	
	2026	2025
	RM'000	RM'000
REDtone Engineering & Network Services Sdn. Bhd.	423	423

(b) The recoverable amount of the cash-generating unit is determined using the value-in-use approach, and this is derived from the present value of the future cash flows computed based on the projections of financial budgets approved by directors covering a period of 3 years. The key assumptions were based on the Earnings Before Interest, Tax, Depreciation, and Amortisation ("EBITDA") margin and discount rate of 10.50% (2025: 10.30%). The EBITDA margin was determined by management based on past performance and management's assessment of future trends in the telecommunication industry. The discount rates used are computed based on the weighted average cost of capital of the industry that the Group operates in.

Sensitivity to changes in assumptions

The management believes that no reasonable possible changes in any of the above key assumptions would cause the carrying value of the goodwill to be materially higher than its recoverable amount.

12. Property, plant and equipment

	Office lots RM'000	Computers RM'000	Furniture, fittings and office equipment RM'000	Equipment, plant and machinery RM'000	Renovation RM'000	Motor vehicles RM'000	Total RM'000
Group							
2026							
Cost							
At 1 July 2025	5,498	3,138	1,170	28,395	3,114	1,150	42,465
Additions	979	9,267	105	486	378	290	11,505
Disposal	-	-	-	-	-	(290)	(290)
Written off	-	-	(52)	-	(663)	-	(715)
At 30 June 2026	6,477	12,405	1,223	28,881	2,829	1,150	52,965
Accumulated depreciation							
At 1 July 2025	1,968	1,731	1,037	17,966	2,687	453	25,842
Charge for the year (Note 6)	121	1,321	10	3,455	168	227	5,302
Disposal	-	-	-	-	-	(34)	(34)
Written off	-	-	(52)	-	(663)	-	(715)
At 30 June 2026	2,089	3,052	995	21,421	2,192	646	30,395
Accumulated impairment							
At 1 July 2025	-	447	133	1,933	13	-	2,526
Impairment during the year (Note 6)	-	-	88	184	-	-	272
At 30 June 2026	-	447	221	2,117	13	-	2,798
Net carrying amount	4,388	8,906	7	5,343	624	504	19,772

12. Property, plant and equipment (contd.)

	Office lots RM'000	Computers RM'000	Furniture, fittings and office equipment RM'000	Equipment, plant and machinery RM'000	Renovation RM'000	Motor vehicles RM'000	Total RM'000
Group							
2025							
Cost							
At 1 July 2024	5,498	3,561	1,136	28,082	3,114	1,150	42,541
Additions	-	661	36	471	-	-	1,168
Transfer	-	(1,084)	-	(158)	-	-	(1,242)
Written off	-	-	(2)	-	-	-	(2)
At 30 June 2025	5,498	3,138	1,170	28,395	3,114	1,150	42,465
Accumulated depreciation							
At 1 July 2024	1,849	2,017	990	14,350	2,555	260	22,021
Charge for the year (Note 6)	119	216	48	3,624	132	193	4,332
Transfer	-	(502)	-	(8)	-	-	(510)
Written off	-	-	(1)	-	-	-	(1)
At 30 June 2025	1,968	1,731	1,037	17,966	2,687	453	25,842
Accumulated impairment							
At 1 July 2024	-	553	-	1,301	12	-	1,866
Impairment during the year (Note 6)	-	-	133	632	1	-	766
Transfer	-	(106)	-	-	-	-	(106)
At 30 June 2025	-	447	133	1,933	13	-	2,526
Net carrying amount	3,530	960	-	8,496	414	697	14,097

Included in the cost of property, plant and equipment of the Group are costs of fully depreciated assets which are still in use amounting to RM16,625,000 (2025: RM15,695,000).

12. Property, plant and equipment (contd.)

During the financial year, the Group conducted a review of the recoverable amount of certain property, plant and equipment and recognised an impairment loss of RM272,000 (2025: RM766,000). The impairment loss was due to a decline in the recoverable amount of certain property, plant and equipment for which the value in use was less than the carrying value.

The office lots of the Group with net book value of RM1,794,000 (2025: RM1,854,000) have been pledged to licensed banks as security of banking facilities granted to the Group as disclosed in Note 27.

13. Investment properties

Group

2026	**Freehold land RM'000**	**Office lots RM'000**	**Total RM'000**
At beginning of financial year	3,530	1,180	4,710
Fair value gain recognised in profit or loss (Note 4)	250	40	290
At end of financial year	3,780	1,220	5,000

2025	**Freehold land RM'000**	**Office lots RM'000**	**Total RM'000**
At beginning of financial year	-	1,180	1,180
Addition	3,530	-	3,530
At end of financial year	3,530	1,180	4,710

Details of the fair value of investment properties are as follows:

	Valuation method	**Fair value measurement using significant unobservable inputs (Level 3) RM'000**
Investment properties, at fair value	Comparison method	5,000

The investment properties are valued by reference to transactions of similar properties in the surrounding area taking into consideration adjustments for differences in location, size of the floor area, tenure and other relevant characteristics. The fair value of the existing investment properties (i.e. office lots and freehold land) were performed by accredited independent valuers.

The significant unobservable input is the price per square meter. Increase/decrease in estimated price per square meter would result in higher/lower value.

The office lots of the Group with net book value of RM1,220,000 (2025: RM1,180,000) have been pledged to licensed banks as security of banking facilities granted to the Group as disclosed in Note 27.

14. Intangible assets

	Spectrum rights RM'000	Computer software RM'000	Network software license RM'000	Others RM'000	Total RM'000
Group					
2026					
Cost					
At 1 July 2025	89,595	1,459	-	250	91,304
Addition	2,162	101	645	-	2,908
Written off	(77,481)	-	-	-	(77,481)
At 30 June 2026	14,276	1,560	645	250	16,731
Accumulated amortisation and impairment					
At 1 July 2025	88,151	772	-	250	89,173
Amortisation (Note 6)	2,165	207	65	-	2,437
Written off	(77,481)	-	-	-	(77,481)
At 30 June 2026	12,835	979	65	250	14,129
Analysed as:					
Accumulated amortisation	7,749	873	65	250	8,937
Accumulated impairment	5,086	106	-	-	5,192
	12,835	979	65	250	14,129
Net carrying amount	1,441	581	580	-	2,602
2025					
Cost					
At 1 July 2024	86,707	-	-	250	86,957
Addition	2,888	491	-	-	3,379
Transfer	-	1,084	-	-	1,084
Written off	-	(116)	-	-	(116)
At 30 June 2025	89,595	1,459	-	250	91,304
Accumulated amortisation and impairment					
At 1 July 2024	66,271	-	-	250	66,521
Amortisation (Note 6)	21,880	164	-	-	22,044
Transfer	-	608	-	-	608
At 30 June 2025	88,151	772	-	250	89,173
Analysed as:					
Accumulated amortisation	83,065	666	-	250	83,981
Accumulated impairment	5,086	106	-	-	5,192
	88,151	772	-	250	89,173
Net carrying amount	1,444	687	-	-	2,131

Spectrum rights consists of both upfront and annual fees for the spectrum assignment for the frequency band of 2500 MHz paired with 2600 MHz ("2600 SA") from 1 July 2022 to 6 November 2025 and 2300 MHz to 2330 MHz ("2300 SA") from 1 April 2023 to 31 March 2028. During the financial year, the Group has fully written off 2600 SA upon expiry.

14. Intangible assets (contd.)

	Company	
	2026	**2025**
	RM'000	**RM'000**
Computer software		
Cost		
At beginning of financial year	27	-
Addition	46	27
At end of financial year	73	27
Accumulated amortisation		
At beginning of financial year	-	-
Amortisation (Note 6)	22	-
At end of financial year	22	-
Net carrying amount	51	27

15. Investments in subsidiaries

	Company	
	2026	**2025**
	RM'000	**RM'000**
Unquoted shares, at cost	37,898	37,898
ESOS granted to employees of subsidiary companies	10,367	10,367
	48,265	48,265
Accumulated impairment losses	(4,298)	(4,298)
	43,967	43,967

The details of the subsidiaries are as follows:

Name of subsidiary companies	**Country of incorporation**	**Equity interest held 2026 %**	**2025 %**	**Principal activities**
REDtone Telecommunications Sdn. Bhd. ("RTC")	Malaysia	100	100	Provision of end-to-end telecommunication and technology related products and services.
SEA Telco Technology Sdn. Bhd. ("STT")	Malaysia	100	100	Provision of total solutions in telecommunication related products and services and investment holding.
REDtone Engineering & Network Services Sdn. Bhd. ("RENS")	Malaysia	100	100	Provision of telecommunication and technology related products and services, including cyber security solutions, and investment holding.

15. Investments in subsidiaries (contd.)

Name of subsidiary companies	Country of incorporation	Equity interest held 2026 %	Equity interest held 2025 %	Principal activities
REDtone Data Centre Sdn. Bhd. ("RDC")	Malaysia	70	70	Provision of information technology solutions including data centre and cloud related products and services such as hosting, cloud-based computing infrastructure, data storage software solutions, and consultancy.
Ansar Mobile Sdn. Bhd. ("ANM") ^	Malaysia	100	100	Provision of telecommunications services including fixed and mobile services and telecom-munications related services.
REDtone IOT Sdn. Bhd. ("RIOT")	Malaysia	100	100	Provision of information technology solutions including Internet of Things ("IoT") related products and services.
CRM International Sdn. Bhd. ("CRM") ^	Malaysia	100	100	Provision of customer relationship management solutions and services.
REDtone XArmour Sdn. Bhd. ^	Malaysia	100	100	Provision of cyber security and related services, consultancy, software resale, distribution and security operations center services.
Held through STT				
REDtone Technology Pte. Ltd. ^	Singapore	100	100	Provision of telecommunication related products and services.
SEA Telco Engineering Services Sdn. Bhd. ("STE")	Malaysia	80	80	Provision of information technology and telecommunication related products and services.
REDtone Equity Sdn. Bhd. ("REQ") ^	Malaysia	100	100	Investment holding.
Held through RENS				
Bytebuilder Sdn. Bhd. ("BBSB") ^	Malaysia	60	60	Provision of fibre optic transmission network services and project management services relating to telecommunications.

^ Subsidiaries audited by firms of chartered accountants other than Ernst & Young PLT.

15. Investments in subsidiaries (contd.)

(a) Subsidiary companies with material non-controlling interests

The Group regards the non-controlling interests of the following subsidiary companies as material to the Group and is set out below. The equity interests held by non-controlling interests are as follows:

	Equity interest held by non-controlling interests	
	2026	**2025**
Name	**%**	**%**
STE	20	20
RDC	30	30

Summarised financial information of subsidiary companies which have non-controlling interests that are material to the Group is set out below. The summarised financial information presented below exclude inter-company elimination.

	STE	**RDC**
At 30 June 2026	**RM'000**	**RM'000**
Non-current assets	1,463	939
Current assets	36,201	1,321
Non-current liabilities	-	(686)
Current liabilities	(14,049)	(15,871)
Net assets/(liabilities)	23,615	(14,297)
Year ended 30 June 2026		
Revenue	8,768	2,135
Loss for the financial year	(382)	(41)
Loss attributable to:		
- Owners of the parent	(306)	(29)
- Non-controlling interests	(76)	(12)
	(382)	(41)
Year ended 30 June 2026		
Net cash generated from/(used in):		
Operating activities	3,008	834
Investing activities	(4,409)	-
Financing activities	(2,600)	(459)
Net change in cash and cash equivalents	(4,001)	375

15. Investments in subsidiaries (contd.)

(a) Subsidiary companies with material non-controlling interests (contd.)

	STE RM'000	RDC RM'000
At 30 June 2025		
Non-current assets	1,444	-
Current assets	40,179	684
Non-current liabilities	(40)	-
Current liabilities	(15,277)	(14,940)
Net assets/(liabilities)	26,306	(14,256)
Year ended 30 June 2025		
Revenue	9,959	2,243
(Loss)/profit for the financial year	(565)	759
(Loss)/profit attributable to:		
- Owners of the parent	(452)	531
- Non-controlling interests	(113)	228
	(565)	759
Year ended 30 June 2025		
Net cash generated from/(used in):		
Operating activities	11,170	664
Investing activities	(2,391)	-
Financing activities	(4,724)	(556)
Net change in cash and cash equivalents	4,055	108

16. Investments in associates

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Unquoted shares in Malaysia, at cost	3,305	3,305	3,305	3,305
Share of post-acquisition reserves	(2,464)	(2,464)	-	-
Accumulated impairment losses	(841)	(841)	(3,305)	(3,305)
	-	-	-	-

16. Investments in associates (contd.)

Details of the associates are as follows:

Name of associated companies	Country of incorporation	Equity interest held 2026 %	Equity interest held 2025 %	Principal activities
REDtone Network Sdn. Bhd. ("RTN")	Malaysia	49	49	Research and development and marketing of communication applications.
REDtone MEX Sdn. Bhd. ("REX")	Malaysia	56	56	Building of teleconsultation/ teleradiology exchange and distributing, customising, designing and development of information system, mobile solutions and healthcare solution.

The Group classifies its investment in REX as an associate notwithstanding its 56% shareholding as the Group only has significant influence over the investee by virtue of Board representation to participate in the financial and operating policy decisions and not control or joint control over those policies.

The Group has not recognised losses relating to the following associates as its share of losses has exceeded the Group's interest in these associates. The Group's cumulative share of unrecognised losses at the reporting date is as follows:

	2026 RM'000	2025 RM'000
RTN	1,049	1,044
REX	8,369	7,898

16. Investments in associates (contd.)

The summarised financial information of the material associated company are as follows:

Summarised statement of financial position of REX:

	2026 RM'000	2025 RM'000
Assets and liabilities		
Current assets	77	76
Non-current assets	-	1
Current liabilities	(10,781)	(9,939)
Net liabilities	(10,704)	(9,862)

Summarised statement of comprehensive income of REX:

	2026 RM'000	2025 RM'000
Revenue	20	55
Loss for the financial year, representing total comprehensive loss for the financial year	(842)	(910)

Reconciliation of the summarised financial information presented above to the carrying amount of the Group's interest in REX:

	2026 RM'000	2025 RM'000
Net liabilities at beginning of financial year	(9,862)	(8,952)
Loss for the year	(842)	(910)
Net liabilities at end of financial year	(10,704)	(9,862)
Group's equity interest	56%	56%
Interest in associated company	(5,994)	(5,523)
Group's share of net liabilities	5,994	5,523
Carrying amount	-	-

17. Other investments

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
At fair value through other comprehensive income ("FVTOCI")				
- Shares quoted in Malaysia	55,282	73,369	51,045	68,613

During the financial year, the Group and the Company recognised fair value changes of investments classified as FVTOCI, amounting to a loss of RM19,605,000 for Group (2025: loss of RM34,027,000) and RM17,582,000 for Company (2025: loss of RM30,040,000) to the FVTOCI reserve.

During the financial year, the Group and the Company disposed of certain equity investments as part of their financial management plan. The fair value of the investments at the date of the disposal was RM1,859,000 (2025: RM1,939,000), and the accumulated gain of RM62,000 (2025: RM601,000) was then reclassified from FVTOCI reserve to retained earnings.

Further details on fair value hierarchy and classification of equity investments are disclosed in Note 35.

18. Deferred tax assets

	Group	
	2026 RM'000	2025 RM'000
At beginning of financial year	(9,202)	(5,089)
Recognised in profit or loss (Note 9)	1,266	(4,113)
At end of financial year	(7,936)	(9,202)

Deferred tax asset recognised at group represents the net deferred tax asset position presented after applying the appropriate offsetting at the respective entity level.

Deferred tax assets of the Group:

	Unutilised losses and unabsorbed capital allowances RM'000	Intangible assets RM'000	Provisions and lease liabilities RM'000	Total RM'000
At 1 July 2025	(2,576)	(4,817)	(5,572)	(12,965)
Recognised in profit or loss	2,576	4,817	(5,852)	1,541
At 30 June 2026	-	-	(11,424)	(11,424)
Less: Offset against deferred tax liabilities				3,488
				(7,936)
At 1 July 2024	-	(4,817)	(3,621)	(8,438)
Recognised in profit or loss	(2,576)	-	(1,951)	(4,527)
At 30 June 2025	(2,576)	(4,817)	(5,572)	(12,965)
Less: Offset against deferred tax liabilities				3,763
				(9,202)

18. Deferred tax assets (contd.)

Deferred tax liabilities of the Group:

	Investment properties RM'000	Short term investments RM'000	Property, plant and equipment and right-of-use assets RM'000	Total RM'000
At 1 July 2025	-	-	3,763	3,763
Recognised in profit or loss	24	-	(299)	(275)
At 30 June 2026	24	-	3,464	3,488
Less: Offset against deferred tax assets				(3,488)
				-
At 1 July 2024	-	625	2,724	3,349
Recognised in profit or loss	-	(625)	1,039	414
At 30 June 2025	-	-	3,763	3,763
Less: Offset against deferred tax assets				(3,763)
				-

Deferred tax liabilities of the Company:

	Other investments RM'000
At 1 July 2024	625
Recognised in profit or loss (Note 9)	(625)
At 30 June 2025, 1 July 2025 and 30 June 2026	-

Deferred tax assets of the Group has not been recognised in respect of the following items:

	Group	
	2026 RM'000	2025 RM'000
Unutilised tax losses	29,110	28,267
Unabsorbed capital allowances	13,384	9,491
Other deductible temporary differences	4,479	6,734
	46,973	44,492

At the reporting date, the Group has unutilised tax losses and unabsorbed capital allowances that are available for offset against future taxable profits, for which no deferred tax asset is recognised due to uncertainty of its recoverability.

18. Deferred tax assets (contd.)

The availability of the unutilised tax losses and unabsorbed capital allowances for offsetting against future taxable profits of the Group are subject to no substantial changes in shareholdings under the Income Tax Act, 1967 and guidelines issued by the tax authority. Other deductible temporary differences are available indefinitely for offset against future taxable profits of the Group and of the Company.

The Malaysia Finance Act gazetted on 27 December 2018 has imposed a time limitation to restrict the carry forward of the unutilised tax losses to seven (7) consecutive years of assessment. However, this time limitation was extended to ten (10) consecutive years of assessment by the subsequent Malaysia Finance Act gazetted on 31 December 2021. As such, the unutilised tax losses accumulated up to the year of assessment 2018 are allowed to be carried forward for ten (10) consecutive years of assessment (i.e. from years of assessment 2019 to 2028) and any balance of the unutilised tax losses thereafter shall be disregarded.

In addition, any unutilised tax losses that originated from the year of assessment 2019 onwards are allowed to be carried forward for a maximum period of ten (10) consecutive years of assessment immediately following that originating year of assessment and any balance of the unutilised tax losses thereafter shall be disregarded.

The unutilised tax losses at the end of the reporting period will expire as follows:

	Group	
	2026	**2025**
	RM'000	**RM'000**
Expiring in 2036	1,722	-
Expiring in 2035	3,770	2,951
Expiring in 2034	2,189	2,197
Expiring in 2033	3,630	3,630
Expiring in 2032	5,096	5,096
Expiring in 2031	2,273	2,273
Expiring in 2030	810	810
Expiring in 2029	2,490	2,490
Expiring in 2028	7,130	8,820
	29,110	28,267

19. Inventories

	Group	
	2026	**2025**
	RM'000	**RM'000**
Net realisable value		
Finished goods	608	739
Contract work in progress	3,167	-
	3,775	739

During the financial year, the amount of inventories recognised as an expense in cost of sales of the Group was RM28,685,000 (2025: RM7,678,000).

20. Trade and other receivables

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Trade receivables				
Third parties	44,080	84,052	-	-
Less: Impairment loss	(2,718)	(2,527)	-	-
Trade receivables, net	41,362	81,525	-	-
Other receivables				
Third parties	3,026	3,478	-	30
Amounts due from associated companies	5,529	5,584	5,217	5,206
Amounts due from subsidiary companies	-	-	30,517	42,983
Deposits	1,693	1,788	-	-
Prepayments (Note 20(a))	28,993	46,271	41	11
	39,241	57,121	35,775	48,230
Less: Impairment loss	(5,558)	(5,558)	(18,666)	(19,168)
Other receivables, net	33,683	51,563	17,109	29,062
	75,045	133,088	17,109	29,062
Total trade and other receivables	75,045	133,088	17,109	29,062
Add: Cash and bank balances (Note 23)	33,463	66,566	754	861
Less: Prepayments	(28,993)	(46,271)	(41)	(11)
Total financial assets carried at amortised cost	79,515	153,383	17,822	29,912

(a) Prepayments

Prepayments relate to advances made to suppliers for services and purchase of equipment for the contracts.

20. Trade and other receivables (contd.)

Ageing analysis of trade receivables

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

	Gross carrying amount at default RM'000	Impairment loss RM'000	Net carrying amount RM'000
Group			
2026			
Current	8,298	-	8,298
1 to 30 days	13,490	-	13,490
31 to 60 days	1,250	-	1,250
61 to 90 days	16,250	-	16,250
91 to 120 days	348	-	348
More than 121 days	4,444	(2,718)	1,726
Total	44,080	(2,718)	41,362
2025			
Current	9,807	-	9,807
1 to 30 days	16,798	-	16,798
31 to 60 days	727	-	727
61 to 90 days	15,101	-	15,101
91 to 120 days	31,726	-	31,726
More than 121 days	9,893	(2,527)	7,366
Total	84,052	(2,527)	81,525

The Group's trade receivables are non-interest bearing and are subject to normal trade credit terms ranging from 30 to 60 days (2025: 30 to 60 days). They are recognised at their original invoice amounts which represents their fair value on initial amount. More than 73% (2025: 74%) of the Group's trade receivables arise from customers with more than 5 years of business relationship with the Group and there is no concern on the credit-worthiness of the counterparties and the recoverability of these debts.

20. Trade and other receivables (contd.)

Movement in impairment loss for trade and other receivables

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

Movement in impairment loss:

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Trade receivables				
At beginning of financial year	2,527	3,393	-	-
Net impairment loss/(reversal)	191	(866)	-	-
At end of financial year	2,718	2,527	-	-
Other receivables				
At beginning of financial	5,558	5,551	19,168	14,967
Net impairment loss/(reversal)	-	7	(502)	4,201
At end of financial year	5,558	5,558	18,666	19,168

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

The total impairment loss for the Company of RM18,666,000 (2025: RM19,168,000) comprises of impairment loss of RM13,460,000 (2025: RM13,962,000) relating to amount due from subsidiary companies and RM5,206,000 (2025: RM5,206,000) relating to amount due from associated companies.

(a) Credit risk

The Group's primary exposure to credit risk arises through its trade receivables. The Group's trading terms with its customers are mainly on credit. The credit period is generally for a period of one month and each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. As at reporting date, the concentration of credit risk in the form of outstanding balances is mainly due to four (2025: two) customers representing approximately 70% (2025: 73%) of the total trade receivables.

(b) Amounts due from subsidiary companies

Amounts due from subsidiary companies are non-trade in nature, interest-bearing at 4.00% p.a. (2025: 4.20% p.a.), unsecured and are repayable on demand.

(c) Amount due from associated companies

Amount due from associated companies are non-trade in nature, interest-bearing at 4.00% p.a. (2025: 4.20% p.a.), unsecured and are repayable on demand.

21. Contract assets/liabilities

	Group	
	2026	**2025**
	RM'000	**RM'000**
Current		
Contract assets	47,543	64,136
Contract liabilities	(28,664)	(1,283)
	18,879	62,853
Contract assets		
Contract assets	85,852	102,445
Less: Impairment loss	(38,309)	(38,309)
Contract assets, net	47,543	64,136

Contract assets primarily relate to the Group's right to consideration for service transferred for which the receipt of the consideration is conditional on the completion and final acceptance of the customers. Contract assets are transferred to receivables when the right becomes unconditional.

Contract liabilities primarily relate to the Group's obligations to transfer goods or services to customers for which the Group has received the consideration in advance or has billed the customer. Contract liabilities are recognised as revenue as the Group performs its obligations under the contract.

	Group	
	2026	**2025**
	RM'000	**RM'000**
Movements in net contract assets:		
At beginning of financial year	62,853	178,860
Recognised in profit or loss	183,577	341,632
Impairment loss	-	(38,309)
Billings raised during the financial year	(227,551)	(419,330)
At end of financial year	18,879	62,853

The transaction price allocated to the remaining performance obligations as at the reporting date is as follows:

	Group	
	2026	**2025**
	RM'000	**RM'000**
Within one year	102,857	109,131
More than one year	287,856	359,642
	390,713	468,773

Movement in impairment loss on contract assets:

	Group	
	2026	**2025**
	RM'000	**RM'000**
Contract assets		
At beginning of financial year	38,309	-
Impairment loss	-	38,309
At end of financial year	38,309	38,309

22. Short term investments

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Fair value through profit or loss				
Medium term note	13,000	-	13,000	-
Cash management fund*	73,727	403	-	403
	86,727	403	13,000	403

* The above investments are in respect of a discretionary investment management agreement entered into with a fund manager as part of the Group's short term cash management fund purposes.

Further details on fair value hierarchy and classification of equity instruments are disclosed in Note 35.

23. Cash and bank balances

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cash in hand and at banks	15,837	49,174	754	861
Deposits with financial institutions	17,626	17,392	-	-
	33,463	66,566	754	861
Less: Deposits pledged to licensed banks	(17,626)	(17,392)	-	-
Total cash and cash equivalents	15,837	49,174	754	861

The interest rates per annum of deposits with financial institutions at the reporting date were as follows:

	Group		Company	
	2026	2025	2026	2025
Deposits with financial institutions	1.97%	2.43%	-	-

The average maturity of deposits with licensed banks at the reporting date were as follows:

	Group	
	2026 Days	2025 Days
Deposits with licensed banks	78	82

The deposits with licensed banks are pledged or deposited to banks for bank guarantee facilities granted to the Group.

Other information on financial risks of cash and bank balances are disclosed in Note 34.

24. Share capital

Issued and fully paid-up:

	Group/Company			
	Number of shares		Amount	
	2026	2025	2026	2025
			RM'000	RM'000
Ordinary shares				
At beginning and end of financial year	782,453,885	782,453,885	149,813	149,813

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. The ordinary shares have no par value.

Warrants

During the financial year, the Company undertook a bonus issue of 386,475,740 free warrants ("Warrant(s)") which were issued and allotted on 22 December 2025, on the basis of one (1) Warrant for every two (2) existing ordinary shares held in the Company. The Warrants were subsequently listed on 26 December 2025.

The tenure of the Warrants is five (5) years commencing from and inclusive of the issue date of the Warrants on 22 December 2025. The Warrants may be exercised at any time commencing from and inclusive of the issue date and ending at 5.00 p.m. on the expiry date (both dates inclusive) on 20 December 2030 ("Exercise Period"). As such, the Exercise Period of the Warrants is five (5) years.

Each Warrant entitles the registered holder to subscribe for one (1) new ordinary share in the Company at an exercise price of RM0.48 per Warrant, and at any time during the Exercise Period, subject to the adjustments in accordance with the provisions of the Deed Poll dated 2 December 2025 constituting the Warrants. Any Warrant not exercised during the Exercise Period will thereafter lapse and cease to be valid for any purpose.

As at 30 June 2026, none of the 386,475,740 warrants have been exercised.

25. Treasury shares

	Group/Company			
	Number of shares		Amount	
	2026	2025	2026	2025
			RM'000	RM'000
At beginning and end of financial year	9,502,000	9,502,000	5,653	5,653

26. Reserves

		Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Retained profits	(a)	149,574	146,242	26,900	25,077
Foreign exchange reserve	(b)	(665)	(662)	-	-
Revaluation reserve	(c)	641	641	-	-
FVTOCI reserve	(d)	(45,870)	(26,203)	(39,860)	(22,216)
		103,680	120,018	(12,960)	2,861

(a) Retained profits
The Company may distribute dividends out of its entire retained profits as at 30 June 2026 under the single-tier system.

(b) Foreign exchange reserve
Foreign exchange reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

(c) Revaluation reserve
The revaluation reserve arose from the revaluation of office lots when the office lots were transferred from property, plant and equipment to investment properties.

(d) FVTOCI reserve
FVTOCI reserve relates to the fair value changes of other investments classified as FVTOCI as disclosed in Note 17.

27. Loans and borrowings

		Group	
	Maturity	2026 RM'000	2025 RM'000
Current			
Secured:			
Margin facility	On demand	9,076	7,686
Term loans:-			
Fixed loan 1 at BLR -1.65% p.a.	2027	19	18
Fixed loan 2 at BLR -1.65% p.a.	2027	43	41
Refinancing loan 1 at BLR -1.65% p.a.	2027	15	14
Refinancing loan 2 at BLR -1.65% p.a.	2027	35	33
Refinancing loan 3 at BLR -1.65% p.a.	2027	16	15
		9,204	7,807
Non-current			
Secured:			
Term loans:-			
Fixed loan 1 at BLR -1.65% p.a.	2028 - 2029	106	123
Fixed loan 2 at BLR -1.65% p.a.	2028 - 2029	250	290
Refinancing loan 1 at BLR -1.65% p.a.	2028 - 2029	98	112
Refinancing loan 2 at BLR -1.65% p.a.	2028 - 2029	219	252
Refinancing loan 3 at BLR -1.65% p.a.	2028 - 2029	95	110
		768	887

27. Loans and borrowings (contd.)

	Group	
	2026	**2025**
	RM'000	**RM'000**
Total loans and borrowings		
Secured:		
Margin facility	9,076	7,686
Term loans:-		
Fixed loan 1 at BLR -1.65% p.a.	125	141
Fixed loan 2 at BLR -1.65% p.a.	293	331
Refinancing loan 1 at BLR -1.65% p.a.	113	126
Refinancing loan 2 at BLR -1.65% p.a.	254	285
Refinancing loan 3 at BLR -1.65% p.a.	111	125
	9,972	8,694

The remaining maturities of the loans and borrowings as at the reporting date are as follows:

	Group	
	2026	**2025**
	RM'000	**RM'000**
On demand or within one year	9,204	7,807
More than 1 year and less than 2 years	134	127
More than 2 years and less than 5 years	634	760
	9,972	8,694

Term loans

The term loans are secured by:

(i) a first party legal charge over the Group's office lots as disclosed in Note 12 and Note 13; and

(ii) a corporate guarantee provided by the Company.

The repayment terms of the term loans are as follows:

Fixed loan 1 at effective interest rate of 4.82% per annum	Repayable in 240 monthly instalments of RM1,881, effective June 2009.
Fixed loan 2 at effective interest rate of 4.82% per annum	Repayable in 240 monthly instalments of RM4,428, effective June 2009.
Refinancing loan 1 at effective interest rate of 4.82% per annum	Repayable in 240 monthly instalments of RM1,538, effective September 2009.
Refinancing loan 2 at effective interest rate of 4.82% per annum	Repayable in 240 monthly instalments of RM3,635, effective September 2009.
Refinancing loan 3 at effective interest rate of 4.82% per annum	Repayable in 240 monthly instalments of RM1,604, effective September 2009.

28. Right-of-use assets and lease liabilities

Carrying amounts of right-of-use assets recognised and the movements during the financial year:

	At beginning of financial year RM'000	Additions RM'000	Depreciation RM'000	Impairment RM'000	At end of financial year RM'000
Group					
At 30 June 2026					
Leasehold office lots	325	-	(14)	-	311
Warehouse, office and sites	15,692	2,005	(3,022)	(148)	14,527
Equipment and machinery	4	85	(28)	-	61
Total	16,021	2,090	(3,064)	(148)	14,899
At 30 June 2025					
Leasehold office lots	338	-	(13)	-	325
Warehouse, office and sites	11,481	6,789	(2,504)	(74)	15,692
Equipment and machinery	184	-	(106)	(74)	4
Total	12,003	6,789	(2,623)	(148)	16,021

Set out below are the carrying amounts of lease liabilities recognised and the movements during the financial year.

	Group	
	2026 RM'000	2025 RM'000
At beginning of financial year	16,510	12,548
Additions	2,090	6,789
Accretion of interest	1,089	1,109
Lease payments	(4,109)	(3,936)
At end of financial year	15,580	16,510
Analysed as:		
- Current	2,922	2,569
- Non-current	12,658	13,941
	15,580	16,510
The following are the amount recognised in profit or loss:		
- Depreciation of right-of-use assets (Note 6)	3,064	2,623
- Interest expense on lease liabilities (Note 5)	1,089	1,109
- Impairment of right-of-use assets (Note 6)	148	148
- Short term leases (Note 6)	7,099	6,673
- Leases of low-value assets (Note 6)	203	136
	11,603	10,689

The Group has total cash outflow for leases including short-term and low-value lease amounting to RM11,411,000 (2025: RM10,745,000).

29. Trade and other payables

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Trade payables				
Third parties	7,076	15,024	-	-
Accruals	34,759	44,328	-	-
	41,835	59,352	-	-
Other payables				
Amounts due to subsidiary companies (Note 29(b))	-	-	-	9
Provision for Universal Service Fund Contribution ("USOF") (Note 29(c))	7,776	6,300	-	-
Accruals	8,787	8,240	151	140
Deposits payable	2,131	2,056	-	-
Sundry payables (Note 29(d))	4,204	27,727	108	88
	22,898	44,323	259	237
Total	64,733	103,675	259	237
Total trade and other payables	64,733	103,675	259	237
Add: Loans and borrowings (Note 27)	9,972	8,694	-	-
Add: Lease liabilities (Note 28)	15,580	16,510	-	-
Less: Provision for USOF	(7,776)	(6,300)	-	-
Total financial liabilities carried at amortised cost	82,509	122,579	259	237

(a) Trade payables

Trade payables are interest-bearing and the normal trade credit terms granted to the Group range from 30 to 60 (2025: 30 to 60) days.

(b) Amounts due to subsidiary companies

Amounts due to subsidiary companies are non-trade in nature, interest-bearing at 4.00% p.a. (2025: 4.20% p.a.), unsecured and are repayable on demand.

29. Trade and other payables (contd.)

(c) Provision for USOF

	Group	
	2026	2025
	RM'000	RM'000
At beginning of financial year	6,300	7,214
Recognised in profit or loss (Note 6)	1,476	1,269
Payment	-	(2,183)
At end of financial year	7,776	6,300

In accordance with the Communications and Multimedia (Universal Service Provision) Regulations 2002, a licensee whose revenue exceeds RM2,000,000 (derived from the designated services as specified in the Return of Net Revenue), shall contribute 6% of its total weighted net revenue to the USOF.

(d) Sundry payables

Sundry payables of the Group relate to annual fees payable to the Malaysian Communications and Multimedia Commission ("MCMC") in relation to the 2300 SA. Further details of the 2300 SA is disclosed in Note 14.

30. Derivative financial instruments

	Group/Company	
	2026	2025
	RM'000	RM'000
Non-current		
Warrants - Quoted	820	-

31. Commitment

	Group	
	2026	2025
	RM'000	RM'000
Capital commitment		
Approved and contracted for:		
- Property, plant and equipment	754	8,680

32. Guarantees

The Company provided corporate guarantees to certain financial institutions for credit facilities granted to its subsidiary companies. The Company has assessed and regarded that the credit enhancements provided by these guarantees are minimal. As such, the Company did not ascribe any values to these corporate guarantees.

33. Related party disclosures

In addition to the related party information disclosed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

	Note	Group 2026 RM'000	2025 RM'000
Revenue:			
Telecommunication Services			
Data:			
BCorp	a	4	23
BProperty	b	4	23
Berjaya Sompo Insurance Berhad	c	753	798
Sports Toto Berhad	b	4	23
Berjaya Waterfront Sdn. Bhd.	d	85	87
Berjaya Securities Sdn. Bhd.	b	10	10
The Taaras Beach & Spa Resort (Redang) Sdn. Bhd.	b	218	206
Berjaya Hills Resort Berhad	b	540	572
BTS Hotel Sdn. Bhd.	b	163	21
Tioman Island Resort Berhad	b	20	58
Voice:			
BCorp	a	13	19
STM Lottery Sdn. Bhd.	b	12	3
U Mobile Sdn. Bhd.	e	-	10
Interconnect:			
U Mobile Sdn. Bhd.	e	37	36
Information and Communication Technologies:			
BCorp	a	46	70
7-Eleven Malaysia Sdn. Bhd.	f	226	679
BProperty	b	20	20
Berjaya Hotel & Resorts (M) Sdn. Bhd.	b	20	20
STM Lottery Sdn. Bhd.	b	281	20
Berjaya Waterfront Sdn. Bhd.	d	36	-
BTS Hotel Sdn. Bhd.	b	15	-
Berjaya Hills Resort Berhad	b	1,287	1,316
U Mobile Sdn. Bhd.	e	54	-
Managed Network Services:			
7-Eleven Malaysia Sdn. Bhd.	f	506	1,519
Managed Telecommunications Network Services			
U Mobile Sdn. Bhd.	e	747	28,403
Digital Technology Solutions			
Data centre services:			
BLoyalty Sdn. Bhd.	g	45	137
Expenses:			
Telecommunication Services			
Staff handphone charges:			
U Mobile Sdn. Bhd.	e	100	103
Interconnect charges:			
U Mobile Sdn. Bhd.	e	14	172

33. Related party disclosures (contd.)

In addition to the related party information disclosed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year: (contd.)

		Group	
	Note	2026 RM'000	2025 RM'000
Expenses: (contd.)			
Telecommunication Services (contd.)			
Information and Communication Technologies:			
U Mobile Sdn. Bhd.	e	254	-
Managed Telecommunications Network Services			
Provision of civil engineering contracting works:			
Berjaya Construction Berhad	b	-	12,706
Others			
Management fees:			
BCorp	a	60	60
Share registration:			
Berjaya Registration Services Sdn. Bhd.	b	142	68
Insurance:			
Berjaya Sompo Insurance Berhad	c	513	523
Rental co-location:			
Berjaya Times Square Sdn. Bhd.	d	73	73
Human resources management services:			
E.V.A. Management Sdn. Bhd.	b	1	22
E-Voucher:			
BLoyalty Sdn. Bhd.	g	-	46
Loyalty reward charges:			
BLoyalty Sdn. Bhd.	g	-	1
Brokerage fees:			
Berjaya Securities Sdn. Bhd.	b	12	230

		Company	
	Note	2026 RM'000	2025 RM'000
Other income:			
Interest income from subsidiaries:			
RTC		214	458
RENS		166	3,983
REQ		2	21
RDC		-	24
RIOT		-	31
Expenses:			
Interest charged by subsidiaries:			
STE		-	153
STT		-	4,520
Management fees:			
BCorp	a	60	60
Administrative support cost:			
RTC		235	217

33. Related party disclosures (contd.)

The relationships of the related party transactions are as follows:

(a) Ultimate holding company of the Company;
(b) Related companies other than subsidiary companies of the Company;
(c) Associated company of BCorp group;
(d) A subsidiary company of Berjaya Assets Berhad ("BASSET"). BCorp, K.D.Y.M.M. Seri Paduka Baginda Yang Di-Pertuan Agong Sultan Ibrahim ("K.D.Y.M.M. Sultan Ibrahim") and Tan Sri Dato' Seri Vincent Tan Chee Yioun ("TSVT") are major shareholders of BASSET;
(e) K.D.Y.M.M. Sultan Ibrahim is a major shareholder of the Company and U Mobile Sdn. Bhd.;
(f) A subsidiary company of 7-Eleven Malaysia Holdings Berhad ("SEM"). TSVT is a major shareholder of SEM; and
(g) Former subsidiary of BCorp.

Compensation of key management personnel

The remuneration of key management personnel during the financial year was as follows:

	Group	
	2026	**2025**
	RM'000	**RM'000**
Short-term employee benefits	5,593	7,431

Included in compensation for key management personnel of the Group are directors' remuneration amounting to RM2,253,000 (2025: RM2,747,000) as disclosed in Note 8.

34. Financial instruments

(a) Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include interest rate risk, foreign currency risk, liquidity risk, credit risk and market price risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management. The Audit Committee provides independent oversight to the effectiveness of the risk management process.

It is, and has been throughout the current and previous financial year, the Group's policy that no investment in derivatives shall be undertaken.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

34. Financial instruments (contd.)

(b) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risks is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Group's exposure to interest rate risk arises mainly from interest-bearing financial assets and liabilities. The Group's policy is to obtain the most favourable interest rates available. Any surplus funds of the Group will be placed with licensed financial institutions to generate interest income.

The Group has minimal exposure to interest rate risk at the reporting date. The following table sets out the carrying amounts, the weighted average effective interest rates ("WAEIR") as at the reporting date and the remaining maturities of the Group's and of the Company's financial instruments that are exposed to interest rate risk:

	Note	WAEIR %	Within 1 year RM'000	1-2 years RM'000	2-5 years RM'000	Over 5 years RM'000	Total RM'000
Group							
At 30 June 2026							
Loans and borrowings	27	4.82%	(9,204)	(134)	(634)	-	(9,972)
Lease liabilities	28	6.99%	(2,922)	(2,632)	(7,239)	(2,787)	(15,580)
Deposits with financial institutions	23	1.97%	17,626	-	-	-	17,626
At 30 June 2025							
Loans and borrowings	27	5.07%	(7,807)	(127)	(760)	-	(8,694)
Lease liabilities	28	7.00%	(2,569)	(2,263)	(6,546)	(5,132)	(16,510)
Deposits with financial institutions	23	2.43%	17,392	-	-	-	17,392

34. Financial instruments (contd.)

(c) Foreign currency risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than Ringgit Malaysia. The currency giving rise to this risk is primarily United States Dollar ("USD"). The Group's exposure of sensitivity of other foreign currencies risk is insignificant. Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

The Group's exposure to foreign currency is as follows:

	USD RM'000
Group	
At 30 June 2026	
Financial assets	
Trade receivables	154
Cash and bank balances	7,119
	7,273
Financial liabilities	
Trade payables	(1,597)
Net financial assets	5,676
At 30 June 2025	
Financial assets	
Trade receivables	81
Cash and bank balances	2,300
	2,381
Financial liabilities	
Trade payables	(11,786)
Other payables and accruals	(18)
	(11,804)
Net financial liabilities	(9,423)

34. Financial instruments (contd.)

(c) Foreign currency risk (contd.)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in the foreign currency exchange rates against the functional currencies of the Group entities, with all other variables held constant.

		Group	
		2026 RM'000 Increase/ (decrease) in profit before tax	**2025 RM'000 (Decrease)/ increase in profit before tax**
USD/RM	- strengthened 5%	284	(471)
	- weakened 5%	(284)	471

(d) Liquidity risk

The Group manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities at a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from both capital markets and financial institutions and balances its portfolio with some short-term funding so as to achieve overall cost effectiveness.

34. Financial instruments (contd.)

(d) Liquidity risk (contd.)

Analysis of undiscounted financial liabilities by remaining contractual maturities:

	On demand within 1 year RM'000	1 – 5 years RM'000	Over 5 years RM'000	Total RM'000
Group				
30 June 2026				
Loans and borrowings	9,240	821	-	10,061
Lease liabilities	3,866	11,909	2,916	18,691
Trade and other payables	56,957	-	-	56,957
Total undiscounted financial liabilities	70,063	12,730	2,916	85,709
30 June 2025				
Loans and borrowings	7,850	976	-	8,826
Lease liabilities	3,587	11,368	5,510	20,465
Trade and other payables	97,375	-	-	97,375
Total undiscounted financial liabilities	108,812	12,344	5,510	126,666
Company				
30 June 2026				
Other payables and accruals, representing total undiscounted financial liabilities	259	-	-	259
30 June 2025				
Other payables and accruals, representing total undiscounted financial liabilities	237	-	-	237

(e) Credit risk

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade receivables and contract assets. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including quoted investments and cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties. The Group has assessed that the credit risk from these financial instruments are low.

34. Financial instruments (contd.)

(e) Credit risk (contd.)

The Group establishes an allowance for impairment that represents the estimate of impairment in respect of the trade and other receivables, and contract assets. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. Expected credit losses are estimated by management based on prior experience and the current economic environment.

Further details on credit risk exposure from trade and other receivables is disclosed in Note 20.

Exposure to credit risk

As the Group does not hold any collateral, the maximum exposure to credit risk is represented by the carrying amount of the financial assets (net of allowance for impairment) as at the end of the reporting date.

Credit risk concentration profile

The Group's major concentration of credit risk relates to the amounts owing by four (2025: two) customers which constituted approximately 70% (2025: 73%) of its trade receivables at the end of the reporting date.

(f) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates).

The Group is exposed to equity price risk arising from its investment in quoted instruments. The quoted instruments in Malaysia are listed on Bursa Malaysia. These instruments are classified as fair value through profit or loss or fair value through other comprehensive income financial assets. To manage its market price risk arising from investments in quoted instruments, the Group diversifies its portfolio and diversification of the portfolio is done in accordance with the limits set by the Group.

35. Fair values

The following table shows an analysis of the assets measured at fair value at the reporting date according to the level in the fair value hierarchy:

	Level 1 RM'000	Level 3 RM'000
Group		
2026		
Asset at FVTOCI		
Other investments (Note 17)	55,282	-
Assets at FVTPL		
Short term investments (Note 22)	86,727	-
Warrants (Note 30)	820	-
Investment properties (Note 13)	-	5,000
2025		
Asset at FVTOCI		
Other investments (Note 17)	73,369	-
Assets at FVTPL		
Short term investments (Note 22)	403	-
Investment properties (Note 13)	-	4,710

35. Fair values (contd.)

The following table shows an analysis of the assets measured at fair value at the reporting date according to the level in the fair value hierarchy: (contd.)

	Level 1 RM'000	Level 3 RM'000
Company		
2026		
Asset at FVTOCI		
Other investments (Note 17)	51,045	-
Assets at FVTPL		
Short term investments (Note 22)	13,000	-
Warrant (Note 30)	820	-
2025		
Asset at FVTOCI		
Other investments (Note 17)	68,613	-
Asset at FVTPL		
Short term investments (Note 22)	403	-

Determination of fair value

Other investments and short term investment relate to quoted equity instruments in Malaysia and outside Malaysia, where the fair values of the investment are determined using market observable inputs.

There are no liabilities measured at fair value.

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

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables	20
Cash and bank balances	23
Loans and borrowings	27
Trade and other payables (current)	29

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

36. Capital management

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholders' value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on debt-to-equity ratio that complies with debt covenants, if any. The debt-to-equity ratio is calculated as total net borrowings from financial institutions divided by total equity.

The debt-to-equity ratio of the Group at the end of the reporting period is not presented as its cash and bank balances exceeded the total borrowings from financial institutions.

37. Segment information

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group Executive Committee as its chief operating decision maker in order to allocate resources to segments and to assess their performance. For management purposes, the Group is organised into business units based on their products and services provided.

While the operating results are monitored based on the respective segments (i.e. Telecommunication Services, MTNS and Digital Technology Solutions), the statement of financial position is monitored as a whole by the Group Executive Committee. The Group operates mainly in Malaysia and therefore no geographical segmental information is presented.

	External RM'000	Inter-segment RM'000	Total RM'000
Revenue			
2026			
Telecommunication Services	61,417	430	61,847
Managed Telecommunications Network Services	96,605	152	96,757
Digital Technology Solutions	50,602	-	50,602
Inter-segment elimination	-	(582)	(582)
	208,624	-	208,624
2025			
Telecommunication Services	98,242	156	98,398
Managed Telecommunications Network Services	192,453	607	193,060
Digital Technology Solutions	34,231	-	34,231
Inter-segment elimination	-	(763)	(763)
	324,926	-	324,926

37. Segment information (contd.)

	2026 RM'000	2025 RM'000
Results		
Telecommunication Services	15,434	25,461
Managed Telecommunications Network Services	16,089	6,952
Digital Technology Solutions	(4,047)	1,940
	27,476	34,353
Unallocated corporate expenses	(2,076)	(2,626)
Profit from operations	25,400	31,727
Investment related income	4,302	7,681
Finance costs	(2,673)	(3,827)
Profit before tax	27,029	35,581
Taxation	(8,522)	(8,856)
Profit after tax	18,507	26,725

Assets and liabilities	Assets RM'000	Liabilities RM'000
2026		
Telecommunication Services	22,965	46,170
Managed Telecommunications Network Services	341,699	225,712
Digital Technology Solutions	41,467	41,044
Inter-segment elimination	(180,798)	(264,641)
	225,333	48,285
Unallocated items	144,586	70,664
Total assets and liabilities	369,919	118,949
2025		
Telecommunication Services	42,463	30,055
Managed Telecommunications Network Services	423,326	305,739
Digital Technology Solutions	28,479	31,762
Inter-segment elimination	(287,766)	(300,795)
	206,502	66,761
Unallocated items	192,226	64,437
Total assets and liabilities	398,728	131,198

37. Segment information (contd.)

	Capital expenditure RM'000	Depreciation and amortisation RM'000	Impairment loss on PPE and ROU RM'000	Impairment loss on trade and other receivables and contract assets RM'000	Other non-cash expenses RM'000
Other information					
2026					
Telecommunication Services	3,395	5,685	184	129	-
Managed Telecommunications Network Services	-	2,862	-	-	-
Digital Technology Solutions	9,188	1,388	148	62	-
	12,583	9,935	332	191	-
Unallocated items	1,830	868	88	-	66
Total	14,413	10,803	420	191	66
2025					
Telecommunication Services	3,108	25,459	706	(144)	5
Managed Telecommunications Network Services	257	2,765	-	38,309	-
Digital Technology Solutions	375	96	-	(723)	-
	3,740	28,320	706	37,442	5
Unallocated items	4,337	679	208	8	117
Total	8,077	28,999	914	37,450	122

Major customers

Revenue from two (2025: two) major customers amounted to RM68,230,000 and RM14,342,000 (2025: RM150,944,000 and RM45,469,000) respectively, arising from Managed Telecommunications Network Services and Digital Technology Solutions (2025: Managed Telecommunications Network Services and Non-operating Spectrum Related Income).

38. Dividend

	2026 RM'000	2025 RM'000
In respect of the financial year ended 30 June 2025		
Interim single-tier dividend of 2.0 sen per ordinary share declared on 21 August 2025 and paid on 16 October 2025	15,459	-
In respect of the financial year ended 30 June 2024		
Interim single-tier dividend of 3.0 sen per ordinary share declared on 22 August 2024 and paid on 18 October 2024	-	23,189

On 24 August 2026, the Directors declared an interim single-tier dividend of 2.0 sen per ordinary share amounting to RM15,459,038 in respect of the financial year ended 30 June 2026 payable on 16 October 2026. The financial statements for the current financial year do not reflect this dividend. This dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 30 June 2027.

INDEPENDENT AUDITORS' REPORT

to the members of REDtone Digital Berhad (Incorporated in Malaysia)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of REDtone Digital Berhad, which comprise the statements of financial position as at 30 June 2026 of the Group and of the Company, and statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 133 to 193.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2026, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for opinion

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

Independence and other ethical responsibilities

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

Key audit matters

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

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

Report on the audit of the financial statements (contd.)

Key audit matters (contd.)

Revenue recognition

(a) Revenue recognition on Telecommunication Services

Refer to Note 2.4.11(i) – Revenue Recognition (Telecommunication Services) and Note 3 – Revenue.

Revenue from Telecommunication Services recognised by the Group during the year amounted to RM50,530,000 representing 24% of the total revenue of the Group. The Group relies on complex information technology systems in accounting for its telecommunication revenue. Such information systems process large volumes of data, which consist of individually low value transactions.

The above factors give rise to a higher risk of material misstatement in the timing and amount of the recognition of revenue from Telecommunication Services. Accordingly, we identified this as an area of focus.

Our audit sought to place a high level of reliance on the Group's information technology systems and key controls that management relies on in recording telecommunication revenue, where we:

- Involved our information technology specialists to test the operating effectiveness of the automated controls over the billing system. We also performed direct application-control testing, direct testing on information provided by the entity and tested the accuracy of the data interface between the billing system and the general ledger;

- Tested the effectiveness of the non-automated controls to ensure the accuracy of revenue recognised, including timely updating of approved rate changes to the billing system;

- Evaluated management's estimate of unbilled revenue by comparing such amount to the billings raised subsequent to the reporting period;

- Performed a three-way correlation between revenue, receivables and cash and bank balances using data analytics; and

- Performed cut-off procedures to determine if revenue is recorded in the correct accounting period.

Report on the audit of the financial statements (contd.)

Key audit matters (contd.)

Revenue recognition (contd.)

(b) Revenue recognition from Managed Telecommunications Network Services ("MTNS") - Construction, maintenance and support services of telecommunication infrastructure and Universal Service Provision ("USP") sites

Refer to Note 2.4.11(ii) – Revenue Recognition (Managed Telecommunications Network Services - Construction, maintenance and support services of telecommunication infrastructure and Universal Service Provision ("USP") sites) and Note 3 - Revenue.

The Group is involved in a number of significant long-term construction and maintenance and support services of telecommunication infrastructure and USP sites which span more than one accounting period. Revenues from these long term contracts amount to RM96,605,000, representing 46% of the Group's total revenue.

The Group recognises revenue for construction, maintenance and support services of telecommunication infrastructure and USP sites over time and uses the input method in measuring progress towards complete satisfaction of the performance obligation.

We focused on this area because of the significance of the total revenue recognised during the year and it involves management judgement and estimates, particularly in the determination of total estimated contract costs (which forms part of the computation of percentage of completion) and total estimated revenue, where applicable.

In addressing this area of focus:

- We read the contracts to obtain an understanding of the specific terms and conditions;
- We obtained an understanding of the Group's internal controls over the accuracy and timing of revenue recognition including controls performed by management in estimating the total estimated contract cost and where applicable, total estimated revenue;
- We evaluated the assumptions applied in estimating the total estimated cost by examining documentary evidence such as letter of awards issued to contractors, on a sampling basis;
- We reviewed and recomputed the progress towards complete satisfaction of the performance obligation using the input method, including tracing of the actual costs incurred to date to sub-contractors' claims and invoices; and
- We also discussed the progress of projects with project leaders and corroborated the information gathered from these discussions with letters of award and/or user acceptance forms acknowledged by customers.

Report on the audit of the financial statements (contd.)

Information other than the financial statements and auditors' report thereon

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon, which we obtained prior to the date of this auditors' report, and the annual report which is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we will 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 identified above 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 on the other information that we obtained prior to the date of this auditors' report, 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Company and take appropriate action.

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

Independent Auditors' Report

to the members of REDtone Digital Berhad (Incorporated in Malaysia)
(Cont'd)

Report on the audit of the financial statements (contd.)

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

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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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 REDtone Digital Berhad (Incorporated in Malaysia)
(Cont'd)

Report on the audit of the financial statements (contd.)

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

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

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 15 to the financial statements.

Other matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

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

Niki Poon Tuck King
No. 03868/12/2026 J
Chartered Accountant

Kuala Lumpur, Malaysia
6 October 2026

LIST OF PROPERTIES

as at 30 June 2026

Beneficial Owner/ Location	Description/ Existing Use	Land/ Built-Up Area (square metres)	Tenure Leasehold/ Freehold	Approx. Age of Building (Years)	Carrying Amount as at 30 June 2026 (RM'000)	Date of Valuation/ Effective Year of Purchase
REDtone Telecommunications Sdn Bhd ("**RTC**")/ Unit No: 6-12, Storey: 6th, Pusat Perdagangan KLH Menara KLH, Bandar Puchong Jaya, 47170 Puchong, Selangor Darul Ehsan	Office/ Vacant	N/A/ 86.0	Leasehold 99 years expiring on 22 Nov 2094	28	67	30 Jun 2026/ 10 Feb 1999
RTC/ Unit No: 6-13, Storey: 6th, Pusat Perdagangan KLH Menara KLH, Bandar Puchong Jaya, 47170 Puchong, Selangor Darul Ehsan	Office/ Vacant	N/A/ 117.0	Leasehold 99 years expiring on 22 Nov 2094	28	71	N/A/ 10 Feb 1999
RTC/ Unit No: 6-13A, Storey: 6th, Pusat Perdagangan KLH Menara KLH, Bandar Puchong Jaya, 47170 Puchong, Selangor Darul Ehsan	Office/ Vacant	N/A/ 94.0	Leasehold 99 years expiring on 22 Nov 2094	28	86	N/A/ 10 Feb 1999
RTC/ Unit No: 6-16, Storey: 6th, Pusat Perdagangan KLH Menara KLH, Bandar Puchong Jaya, 47170 Puchong, Selangor Darul Ehsan	Office/ Vacant	N/A/ 129.0	Leasehold 99 years expiring on 22 Nov 2094	28	87	N/A/ 10 Feb 1999
RTC/ Unit No: 26 Storey: 2nd, Pusat Perdagangan IOI Bandar Puchong Jaya, 47100 Puchong, Selangor Darul Ehsan	Office/ Tenanted	N/A/ 137.0	Freehold	29	610	30 Jun 2026/ 1 Mar 2005
RTC/ Unit No: 27 Storey: 2nd, Pusat Perdagangan IOI Bandar Puchong Jaya, 47100 Puchong, Selangor Darul Ehsan	Office/ Occupied	N/A/ 314.0	Freehold	29	757	30 Apr 2009/ 1 Mar 2005
RTC/ Unit No: 26 Storey: 3rd, Pusat Perdagangan IOI Bandar Puchong Jaya, 47100 Puchong, Selangor Darul Ehsan	Office/ Tenanted	N/A/ 137.0	Freehold	29	610	30 Jun 2022/ 16 Feb 2009
RTC/ Unit No: 27 Storey: 3rd, Pusat Perdagangan IOI Bandar Puchong Jaya, 47100 Puchong, Selangor Darul Ehsan	Office/ Occupied	N/A/ 300.0	Freehold	29	570	30 Jun 2026/ 16 Feb 2009
RTC/ Unit No: 23 Storey: 4th, Pusat Perdagangan IOI Bandar Puchong Jaya, 47100 Puchong, Selangor Darul Ehsan	Office/ Occupied	N/A/ 120.0	Freehold	29	146	30 Jun 2026/ 28 Mar 2005

List of Properties

as at 30 June 2026

(Cont'd)

Beneficial Owner/ Location	Description/ Existing Use	Land/ Built-Up Area (square metres)	Tenure Leasehold/ Freehold	Approx. Age of Building (Years)	Carrying Amount as at 30 June 2026 (RM'000)	Date of Valuation/ Effective Year of Purchase
RTC/ Unit No: 24 Storey: 4th, Pusat Perdagangan IOI Bandar Puchong Jaya, 47100 Puchong, Selangor Darul Ehsan	Office/ Occupied	N/A/ 145.0	Freehold	29	184	N/A/ 21 Jun 2005
RTC/ Unit No: 22 & 23 Storey: 5th, Pusat Perdagangan IOI Bandar Puchong Jaya, 47100 Puchong, Selangor Darul Ehsan	Office/ Occupied	N/A/ 240.0	Freehold	29	976	N/A / 13 May 2026
RTC/ Unit No: 24, 25, 26, 27, 28, 29 & 30 Storey: 5th, Pusat Perdagangan IOI Bandar Puchong Jaya, 47100 Puchong, Selangor Darul Ehsan	Office/ Occupied	N/A/ 1,144.0	Freehold	29	1,288	N/A/ 29 Mar 2004
RTC/ Unit No: 28 Storey: 6th, Pusat Perdagangan IOI Bandar Puchong Jaya, 47100 Puchong, Selangor Darul Ehsan	Office/ Occupied	N/A/ 142.0	Freehold	29	467	31 Mar 2018/ 7 Jul 2005
REDtone Engineering & Network Services Sdn Bhd Lot 012 Anyara Hills (Geran 331651, Lot 1909 and Geran 330883, Lot 1150) Mukim Ulu Semenyih, Daerah Ulu Langat Selangor Darul Ehsan	Freehold land/ Vacant	4,386.0/ N/A	Freehold	Not applicable	3,780	30 Jun 2026/ 27 Sep 2024

STATISTICS OF SECURITIES

as at 25 September 2026

ORDINARY SHARES

Total Number of Issued Shares	:	772,181,885 Ordinary Shares (excluding 10,272,000 Treasury Shares)
Class of Shares	:	Ordinary Shares
Voting rights	:	One (1) vote per ordinary share

ANALYSIS OF SHAREHOLDINGS

(based on Record of Depositors)

Size of shareholdings	No. of Shareholders	% of Total Shareholders	No. of Shares Held	% of Issued Capital
Less than 100 shares	654	10.092	9,772	0.001
100 – 1,000 shares	1,103	17.022	475,012	0.061
1,001 – 10,000 shares	2,479	38.256	13,588,276	1.760
10,001 – 100,000 shares	1,833	28.287	62,203,503	8.056
100,001 – less than 5% of issued shares	409	6.312	522,905,322	67.718
5% and above of issued shares	2	0.031	173,000,000	22.404
TOTAL	6,480	100.000	772,181,885#	100.000

excluded 10,272,000 shares bought back and retained as Treasury Shares

DIRECTORS' SHAREHOLDINGS

(based on the Register of Directors' Shareholdings)

No	Directors	No. of Shares Held			
		Direct	%#	Indirect	%#
1	YAM Tunku Tun Aminah Binti Sultan Ibrahim Ismail	–	–	–	–
2	Syed Ali Shahul Hameed	–	–	–	–
3	Lau Bik Soon	2,308,160	0.30	–	–
4	Kua Choo Kai	–	–	–	–
5	Loh Paik Yoong	–	–	–	–
6	Sabarina Binti Harun	–	–	–	–

based on the total number of 768,291,885 Ordinary Shares (excluding 14,162,000 shares bought back and retained as Treasury Shares as at 25 September 2026)

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

(based on the Register of Substantial Shareholders)

No.	Substantial Shareholders	No. of Shares Held			
		Direct	%#	Indirect	%#
1	Juara Sejati Sdn Bhd	228,232,692	29.71	7,445,000(1)	0.97
2	Berjaya Group Berhad	–	–	263,277,692(2)	34.27
3	Berjaya Corporation Berhad	–	–	263,277,692(3)	34.27
4	DYMM Sultan Ibrahim Johor	134,000,000	17.44	–	–

Notes:

based on the total number of 768,291,885 Ordinary Shares (excluding 14,162,000 shares bought back and retained as Treasury Shares as at 25 September 2026)

(1) Deemed interested by virtue of its interest in Berjaya Property Berhad (formerly known as Berjaya Land Berhad), the intermediate holding company of Berjaya Philippines Inc. and its interest in Berjaya Capital Berhad, the holding company of Prime Credit Leasing Berhad and the intermediate holding company of Berjaya Securities Sdn Bhd.

(2) Deemed interested by virtue of its interest in Juara Sejati Sdn Bhd and Teras Mewah Sdn Bhd.

(3) Deemed interested by virtue of its interest in Berjaya Group Berhad.

Statistics of Securities

as at 25 September 2026

(Cont'd)

THIRTY (30) LARGEST SHAREHOLDERS

(without aggregating securities from different securities accounts belonging to the same person)
(based on the Record of Depositors)

No.	Name of Shareholders	No. of Shares Held	(%)
1	**DYMM Sultan Ibrahim Johor**	134,000,000	17.3534
2	**Maybank Nominees (Tempatan) Sdn Bhd** Pledged securities account for Juara Sejati Sdn Bhd	39,000,000	5.0506
3	**Berjaya Equity Nominees (Tempatan) Sdn Bhd** Berjaya Mutual Berhad for Amanah Raya Berhad for Common Fund	38,278,000	4.9571
4	**RHB Nominees (Tempatan) Sdn Bhd** OSK Capital Sdn Bhd for Juara Sejati Sdn Bhd	30,000,000	3.8851
5	**Affin Hwang Nominees (Tempatan) Sdn. Bhd.** Pledged securities account for Juara Sejati Sdn Bhd	28,000,000	3.6261
6	**MBSB Investment Nominees (Tempatan) Sdn Bhd** Pledged securities account for Juara Sejati Sdn Bhd	28,000,000	3.6261
7	**Maybank Nominees (Tempatan) Sdn Bhd** National Trust Fund (IFM KAF)	25,831,100	3.3452
8	**Universal Trustee (Malaysia) Berhad** KAF Core Income Fund	24,924,100	3.2277
9	**Juara Sejati Sdn Bhd**	23,332,692	3.0217
10	**CGS International Nominees Malaysia (Tempatan) Sdn Bhd** Pledged securities account for Juara Sejati Sdn Bhd	23,000,000	2.9786
11	**CIMB Group Nominees (Tempatan) Sdn Bhd** Pledged securities account for Detik Ria Sdn Bhd (BG-CIBC)	20,000,000	2.5901
12	**RHB Nominees (Tempatan) Sdn Bhd** Pledged securities account for Juara Sejati Sdn Bhd	18,000,000	2.3311
13	**CGS International Nominees Malaysia (Tempatan) Sdn Bhd** Pledged securities account for Teras Mewah Sdn Bhd	18,000,000	2.3311
14	**AMSEC Nominees (Tempatan) Sdn Bhd** Pledged securities account - Ambank (M) Berhad for Juara Sejati Sdn Bhd	17,000,000	2.2016
15	**AMSEC Nominees (Tempatan) Sdn Bhd** Pledged securities account - Ambank (M) Berhad for Juara Sejati Sdn Bhd	12,500,000	1.6188
16	**CIMB Group Nominees (Tempatan) Sdn Bhd** Exempt An for Petroliam Nasional Berhad (ACF-Kenanga-EG)	9,612,400	1.2448
17	**BBL Nominees (Tempatan) Sdn Bhd** Pledged securities account for Juara Sejati Sdn Bhd	9,400,000	1.2173
18	**Berjaya Equity Nominees (Tempatan) Sdn Bhd** Exempt An for Berjaya Mutual Berhad	8,249,000	1.0683

Statistics of Securities

as at 25 September 2026

(Cont'd)

THIRTY (30) LARGEST SHAREHOLDERS (CONT'D)

(without aggregating securities from different securities accounts belonging to the same person)
(based on the Record of Depositors)

No.	Name of Shareholders	No. of Shares Held	(%)
19	**Maybank Nominees (Tempatan) Sdn Bhd** Pledged securities account for Teras Mewah Sdn Bhd	7,000,000	0.9065
20	**DB (Malaysia) Nominee (Tempatan) Sendirian Berhad** Deutsche Trustees Malaysia Berhad for Eastspring InvestmentsSmall-Cap Fund	6,698,800	0.8675
21	**Universal Trustee (Malaysia) Berhad** KAF Tactical Fund	6,358,200	0.8234
22	**Citigroup Nominees (Tempatan) Sdn Bhd** Employees Provident Fund Board EastspringESG	6,159,500	0.7977
23	**Arlina Binti Arsam**	5,896,000	0.7636
24	**Prime Credit Leasing Berhad**	5,400,000	0.6993
25	**CIMB Group Nominees (Tempatan) Sdn Bhd** Exempt An for Petroliam Nasional Berhad (KIB)	5,132,500	0.6647
26	**CGS International Nominees Malaysia (Tempatan) Sdn Bhd** Pledged securities account for Vincent Tan Chee Yioun	4,100,000	0.5310
27	**Goh Ah Puay**	3,050,000	0.3950
28	**Moomoo Nominees (Tempatan) Sdn Bhd** Pledged securities account for Shum Thin Soon	2,900,000	0.3756
29	**HLB Nominees (Tempatan) Sdn Bhd** Pledged securities account for Teras Mewah Sdn Bhd (BBB)	2,600,000	0.3367
30	**Lau Bik Soon**	2,308,160	0.2989

Statistics of Securities

as at 25 September 2026

(Cont'd)

WARRANTS (2025/2030)

Total Number of Warrants Issued	:	386,475,740 Warrants
Exercise Price	:	RM0.48 per Warrant
Exercise Ratio	:	One (1) Warrant for one (1) Ordinary Share
Maturity Date	:	20 December 2030

ANALYSIS OF WARRANT HOLDINGS

(based on the Record of Depositors)

Size of Warrant Holdings	No. of Warrant Holders	%	No. of Warrants Held	%
Less than 100 warrants	887	16.739	32,567	0.008
100 – 1,000 warrants	990	18.683	559,285	0.145
1,001 – 10,000 warrants	2,218	41.857	9,751,716	2.523
10,001 – 100,000 warrants	963	18.173	30,481,331	7.887
100,001 – less than 5% of warrants	239	4.510	240,234,495	62.160
5% and above of issued warrants	2	0.038	105,416,346	27.276
TOTAL	**5,299**	**100.000**	**386,475,740**	**100.000**

DIRECTORS' WARRANT HOLDINGS

(based on the Register of Directors' Warrant Holdings)

No	Directors	No. of Warrants Held			
		Direct	%	Indirect	%
1	YAM Tunku Tun Aminah Binti Sultan Ibrahim Ismail	–	–	–	–
2	Syed Ali Shahul Hameed	–	–	–	–
3	Lau Bik Soon	1,154,080	0.30	–	–
4	Kua Choo Kai	–	–	–	–
5	Loh Paik Yoong	–	–	–	–
6	Sabarina Binti Harun	–	–	–	–

Statistics of Securities

as at 25 September 2026

(Cont'd)

THIRTY (30) LARGEST WARRANT HOLDERS

(without aggregating securities from different securities accounts belonging to the same person)
(based on the Record of Depositors)

No.	Name of Warrant Holders	No. of Warrants Held	(%)
1	**DYMM Sultan Ibrahim Johor**	67,000,000	17.3361
2	**Juara Sejati Sdn Bhd**	38,416,346	9.9402
3	**Berjaya Equity Nominees (Tempatan) Sdn Bhd** Berjaya Mutual Berhad for Amanah Raya Berhad for Common Fund	19,008,000	4.9183
4	**RHB Nominees (Tempatan) Sdn Bhd** OSK Capital Sdn Bhd for Juara Sejati Sdn Bhd	15,000,000	3.8812
5	**Maybank Nominees (Tempatan) Sdn Bhd** Pledged securities account for Juara Sejati Sdn Bhd	14,500,000	3.7519
6	**Maybank Nominees (Tempatan) Sdn Bhd** National Trust Fund (IFM KAF)	14,336,650	3.7096
7	**MBSB Investment Nominees (Tempatan) Sdn Bhd** Pledged securities account for Juara Sejati Sdn Bhd	14,000,000	3.6225
8	**Affin Hwang Nominees (Tempatan) Sdn Bhd** Pledged securities account for Juara Sejati Sdn Bhd	14,000,000	3.6225
9	**Universal Trustee (Malaysia) Berhad** KAF Core Income Fund	12,525,350	3.2409
10	**RHB Nominees (Tempatan) Sdn Bhd** Pledged securities account for Juara Sejati Sdn Bhd	9,000,000	2.3287
11	**AMSEC Nominees (Tempatan) Sdn Bhd** Pledged securities account - Ambank (M) Berhad for Juara Sejati Sdn Bhd	8,500,000	2.1994
12	**CGS International Nominees Malaysia (Tempatan) Sdn Bhd** Pledged securities account for Juara Sejati Sdn Bhd	6,000,000	1.5525
13	**CGS International Nominees Malaysia (Tempatan) Sdn Bhd** Pledged securities account for Teras Mewah Sdn Bhd	5,500,000	1.4231
14	**CIMB Group Nominees (Tempatan) Sdn Bhd** Exempt An for Petroliam Nasional Berhad (ACF-Kenanga-EQ)	4,806,200	1.2436
15	**BBL Nominees (Tempatan) Sdn Bhd** Pledged securities account For Juara Sejati Sdn Bhd	4,700,000	1.2161
16	**Teras Mewah Sdn Bhd**	3,500,000	0.9056
17	**Maybank Nominees (Tempatan) Sdn Bhd** Pledged securities account for Teras Mewah Sdn Bhd	3,500,000	0.9056
18	**Berjaya True Ascend Sdn Bhd**	2,948,000	0.7628

Statistics of Securities

as at 25 September 2026

(Cont'd)

THIRTY (30) LARGEST WARRANT HOLDERS (CONT'D)

(without aggregating securities from different securities accounts belonging to the same person)
(based on the Record of Depositors)

No.	Name of Warrant Holders	No. of Warrants Held	(%)
19	**Maybank Nominees (Tempatan) Sdn Bhd** Cho Kam Choong	2,823,000	0.7304
20	**Prime Credit Leasing Berhad**	2,700,000	0.6986
21	**Goh Ah Puay**	2,700,000	0.6986
22	**CIMB Group Nominees (Tempatan) Sdn Bhd** Exempt An for Petroliam Nasional Berhad (KIB)	2,566,250	0.6640
23	**Moomoo Nominees (Tempatan) Sdn Bhd** Pledged securities account for Shum Thin Soon	2,500,000	0.6469
24	**Universal Trustee (Malaysia) Berhad** KAF Tactical Fund	2,079,100	0.5380
25	**Chong Yeh Mei**	2,025,700	0.5241
26	**CGS International Nominees Malaysia (Tempatan) Sdn Bhd** Pledged securities account for Vincent Tan Chee Yioun	2,000,000	0.5175
27	**DB (Malaysia) Nominee (Tempatan) Sendirian Berhad** Deutsche Trustees Malaysia Berhad for Eastspring InvestmentsSmall-Cap Fund	1,959,750	0.5071
28	**Tan Ee Hung**	1,600,000	0.4140
29	**Har Chee Hoong**	1,429,000	0.3698
30	**Ku Boon An**	1,300,000	0.3364

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FORM OF PROXY
(before completing this Form of Proxy, please refer to the notes below)

REDtone

REDTONE DIGITAL BERHAD
[Registration No. 200201028701 (596364-U)]
(Incorporated in Malaysia)

* I/We:

Full name (in block capitals):	CDS account no.:	No. of shares held:
Address:	NRIC/Passport/Registration no.:	
Contact no.:	Email:	

being a *member/members of REDTONE DIGITAL BERHAD ("**Company**"), do hereby appoint:

First Proxy "A"

Full name (in block capitals):	NRIC/Passport no.:	Proportion of shareholdings	
		No. of shares	%
Address:	Email:		
	Contact no.:		

* AND/ OR

*** Second Proxy "B"**

Full name (in block capitals):	NRIC/Passport no.:	Proportion of shareholdings	
		No. of shares	%
Address:	Email:		
	Contact no.:		

or failing *him/her, the Chairman of the Meeting as *my/our proxy to vote for *me/us and on *my/our behalf at the Twenty-Fourth Annual General Meeting of REDtone Digital Berhad ("**Company**") ("**Meeting**") to be held physically at Perdana Ballroom, Bukit Jalil Golf & Country Resort, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur, Wilayah Persekutuan on Tuesday, 1 December 2026 at 10:00 a.m. or at any adjournment thereof.

	ORDINARY RESOLUTIONS	FOR	AGAINST
1.	Approval of the payment of Directors' fees for an aggregate amount of up to RM1,350,000/- payable to the Non-Executive Directors of the Company on a monthly basis from 2 December 2026 until the next Annual General Meeting of the Company to be held in year 2027.		
2.	Approval of the payment of Directors' benefits for an amount of up to RM130,000/- payable to the Directors of the Company from 2 December 2026 until the next Annual General Meeting of the Company to be held in year 2027.		
3.	Re-election of YAM Tunku Tun Aminah binti Sultan Ibrahim Ismail as a Director of the Company.		
4.	Re-election of Puan Sabarina binti Harun as a Director of the Company.		
5.	Re-appointment of Ernst & Young PLT as Auditors of the Company for the ensuing year and authorisation for the Board of Directors to fix their remuneration.		
6.	Authority to issue shares pursuant to the Companies Act 2016.		
7.	Proposed renewal of and new shareholders' mandate for recurrent related party transactions of a revenue or trading nature with persons connected with Tan Sri Dato' Seri Vincent Tan Chee Yioun and/ or Berjaya Corporation Berhad.		
8.	Proposed renewal of and new shareholders' mandate for recurrent related party transactions of a revenue or trading nature with companies in which Tan Sri Dato' Seri Vincent Tan Chee Yioun, Berjaya Corporation Berhad and/or KDYMM Seri Paduka Baginda Yang Di-Pertuan Agong Sultan Ibrahim are major shareholders.		
9.	Proposed renewal of and new shareholders' mandate for recurrent related party transactions of a revenue or trading nature with a company in which KDYMM Seri Paduka Baginda Yang Di-Pertuan Agong Sultan Ibrahim is a major shareholder.		
10.	Proposed renewal of authority for the Company to purchase its own shares.		

Please indicate with an "X" in the spaces above on how you wish your proxy to vote. If you do not indicate how you wish your proxy to vote on any resolution(s), the proxy shall vote as he/she thinks fit or, at his/her discretion, abstain from voting.

* strike out whichever not applicable

_____
* Signature / Common Seal of Member

Signed this _____day of _____ 2026

Notes:

1. Only members whose names appear in the Record of Depositors of the Company as at 24 November 2026 shall be eligible to attend, participate, speak and vote at the Meeting or appoint proxy(ies) to attend, participate, speak and vote in his/her stead.
2. A member entitled to attend and vote at the Meeting, may appoint more than one (1) proxy to attend, participate, speak and vote in his/her stead. Where a member appoints more than one (1) proxy to attend, participate, speak and vote at the same Meeting, such appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy. A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to attend, participate, speak and vote at the Meeting.
3. The instrument appointing a proxy shall be in writing under the hand of the member or of his/her attorney duly authorised in writing or, if the member is a corporation, shall either be executed under the corporation's common seal or under the hand of its officer or attorney duly authorised.

4. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint more than one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. Where such member appoints more than one (1) proxy, the appointment shall be invalid unless the proportion of shareholdings to be represented by each proxy is specified in the instrument appointing the proxies.

5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

6. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a duly notarised certified copy of that power or authority, must be deposited at the office of the poll administrator, Boardroom Share Registrars Sdn. Bhd. ("**Boardroom**") at 11th Floor, Menara Symphony, No. 5 Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia OR alternatively, the Form of Proxy may be submitted to Boardroom electronically via Boardroom Smart Investor Portal at https://investor.boardroomlimited.com, not less than forty-eight (48) hours before the time set for holding the Meeting or at any adjournment thereof. The lodging of the Form of Proxy does not preclude you from attending, participating, speaking and voting in person at the Meeting should you subsequently wish to do so. Please follow the procedures provided in the Administrative Guide for the Meeting for further details.

7. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice will be put to vote by way of poll. Independent Scrutineers will be appointed to validate the results of the poll.

Personal Data Privacy

By (i) submitting an instrument appointing proxy(ies) and/or representative(s) to participate and vote at the Twenty-Fourth Annual General Meeting of the Company ("**24th AGM**") and/or any adjournment thereof, and/or (ii) submitting questions relating to resolutions to be tabled at the 24th AGM, a shareholder of the Company (i) consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxy(ies) and representative(s) appointed for the 24th AGM (including any adjournment thereof), the preparation and compilation of the attendance lists and other documents relating to the 24th AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing requirements, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the shareholder discloses the personal data of the shareholder's proxy(ies) and/or representative(s) to the Company (or its agents), the shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

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AFFIX
STAMP

Poll Administrator
REDTONE DIGITAL BERHAD
[Registration No. 200201028701 (596364-U)]

11th Floor, Menara Symphony,
No. 5 Jalan Prof. Khoo Kay Kim,
Seksyen 13, 46200 Petaling Jaya,
Selangor Darul Ehsan, Malaysia

2nd Fold Here

Fold This Flap For Sealing

REDtone

REDtone Digital Berhad 200201028701 (596364-U)
Suites 22-30, 5th Floor, IOI Business Park, 47100 Puchong, Selangor, Malaysia.

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