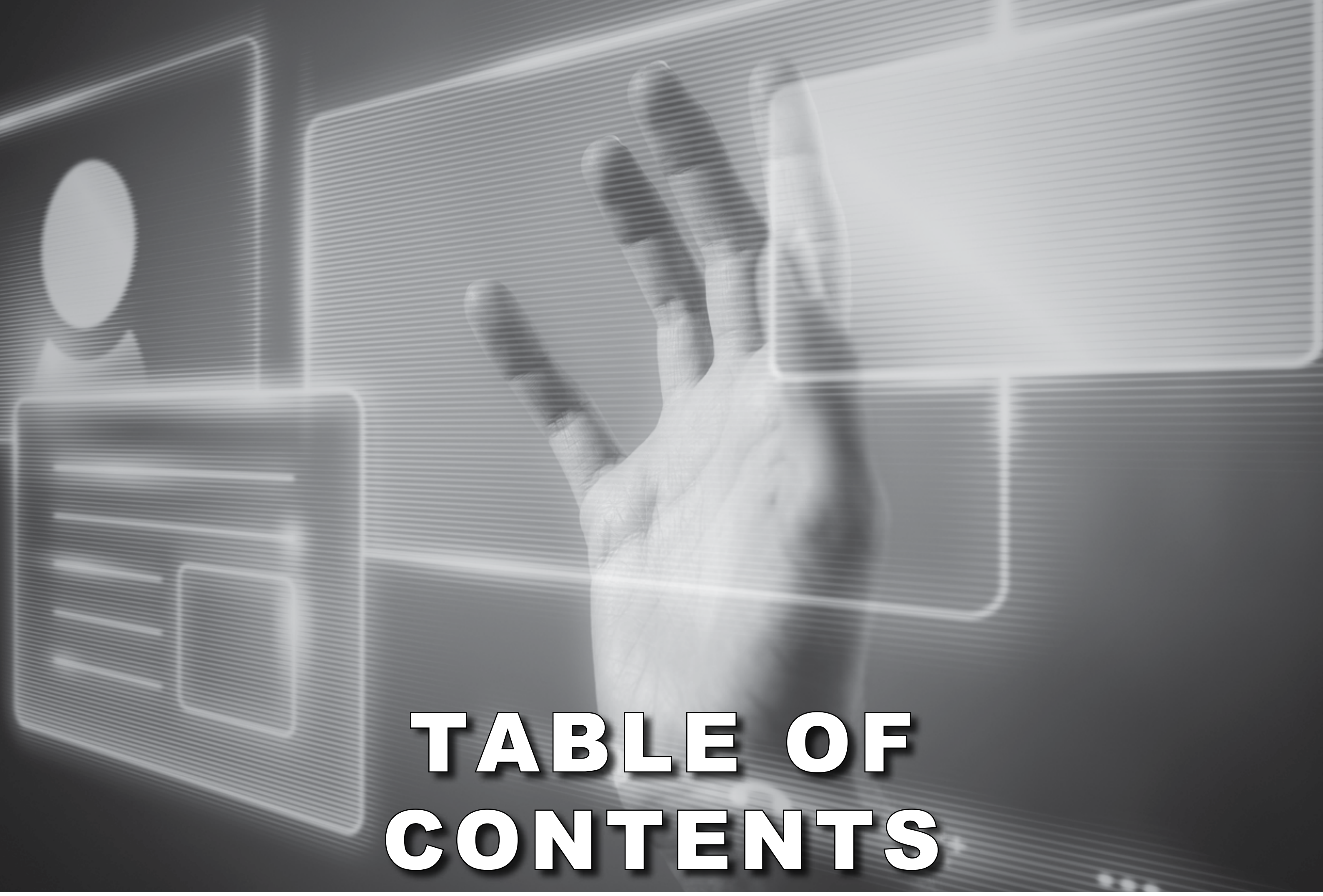
TECHNA-X

ANNUAL REPORT 2025



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The online version of **Techna-X Berhad's Annual Report 2025** is available from our website.

Go to https://techna-x.com/annualreport/ or scan the QR code with your smartphone.

NOTICE OF THE NINETEENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Nineteenth Annual General Meeting ("AGM") of the Company will be held at Courtyard by Marriott Kuala Lumpur South, 137, Jalan Puchong, 58200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, on Wednesday, 24 June 2026 at 11:00 a.m. for the following purposes: -

AGENDA

AS ORDINARY BUSINESS

1.	To receive the Audited Financial Statements for the financial period ended 31 December 2025 together with the Reports of the Directors and Auditors thereon	**[Please refer to Explanatory Note (a)]**
2.	To approve the payment of Directors' fees to the Directors amounting to RM374,709.68 for the financial period ended 31 December 2025.	**Ordinary Resolution 1**
3.	To approve the payment of Directors' fees of up to RM350,000 to be divided amongst the Directors in such manner as the Directors may determine for the period from 1 January 2026 until the conclusion of the next Annual General Meeting of the Company.	**Ordinary Resolution 2**
4.	To approve the payment of Directors' benefits (excluding Directors' fees) of up to RM30,000 to the Non-Executive Directors with effect 25 June 2026 until the next Annual General Meeting of the Company.	**Ordinary Resolution 3**
5.	To re-elect the following Directors, who are due to retire pursuant to Clause 118 of the Company's Constitution and being eligible, have offered themselves for re-election: -	
	a) Y.A.M. Tunku Naquiyuddin Ibni Tuanku Ja'afar	**Ordinary Resolution 4**
	b) Yen Soon Jin	**Ordinary Resolution 5**
6.	To re-elect the following Directors, who are due to retire pursuant to Clause 117 of the Company's Constitution and being eligible, have offered themselves for re-election: -	
	a) Irmmie Josfina Binti Abd Rahman	**Ordinary Resolution 6**
	b) Sharvin A/L Ravindran	**Ordinary Resolution 7**
7.	To re-appoint Messrs. LTTH PLT as Auditors of the Company until the conclusion of the next Annual General Meeting of the Company and to authorise the Board of Directors to fix their remuneration.	**Ordinary Resolution 8**

AS SPECIAL BUSINESS:

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

8. **AUTHORITY FOR DIRECTORS TO ISSUE AND ALLOT SHARES IN THE COMPANY PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016** — **Ordinary Resolution 9 [Please refer to Explanatory Note (d)]**

   "**THAT** subject always to the Companies Act, 2016, Constitution of the Company and approvals of the relevant governmental/regulatory bodies where such approvals shall be necessary, the Directors be and are hereby authorised and empowered pursuant to Section 75 and 76 of the Companies Act, 2016 to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares for the time being 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 so issued on Bursa Malaysia Securities Berhad.

THAT the Directors of the Company whether solely or jointly, be authorised to complete and do all such acts and things (including executing such relevant documents) as he/she/they may consider necessary, expedient or in the interest of the Company to give effect to the aforesaid mandate."

AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company, or at the expiry of the period within which the next annual general meeting is required to be held after the approval was given, whichever is earlier, unless revoked or varied by an ordinary resolution of the Company at a general meeting."

9. **PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK OF UP TO TEN PER CENTUM (10%) OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY ("PROPOSED RENEWAL OF SHARE BUY-BACK")** **Ordinary Resolution 10 [Please refer to Explanatory Note (e)]**

"**THAT**, subject always to the Act, the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities and all other applicable laws, guidelines, rules and regulations for the time being in force and the approvals of all relevant governmental and/or regulatory authority, approval be and is hereby given to the Company to purchase such number of ordinary shares in the Company ("**TXB Shares**") as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities as the Directors may deem fit and expedient in the best interest of the Company, provided that:-

(i) the aggregate number of TXB Shares to be purchased and/or held by the Company pursuant to this resolution shall not exceed ten per centum (10%) of the Company's total number of issued shares as quoted on Bursa Malaysia Securities as at the point of purchase(s);
(ii) the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited/unaudited financial statements of the Company (where applicable) available at the time of the purchase(s); and
(iii) the TXB Shares to be purchased may be cancelled, retained as treasury shares, distributed as dividends to the shareholders or resold on Bursa Malaysia Securities, or a combination of any of the above, at the absolute discretion of the Directors.

AND THAT the authority conferred by this resolution shall commence immediately upon the passing of this resolution and shall continue to be in force until: -

(a) the conclusion of the next AGM of the Company following this AGM at which such resolution was passed, at which time the authority shall lapse, unless by an Ordinary Resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
(b) the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or
(c) revoked or varied by an Ordinary Resolution passed by the Company's shareholders in a general meeting,

whichever occurs first.

AND FURTHER THAT the Directors of the Company be authorised to do all acts, deeds and things to give full effect to the Proposed Renewal of Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to take all such steps, and do all such acts and things as they may deem fit and expedient in the best interest of the Company.

NOTICE OF THE NINETEENTH ANNUAL GENERAL MEETING

10. **ANY OTHER BUSINESS**

To transact any other business of the Company of which due notice shall have been given in accordance with the Constitution of the Company and the Companies Act, 2016.

By Order of the Board
TECHNA-X BERHAD

WONG YOUN KIM
(MAICSA 7018778)
(SSM Practising Certificate No.: 201908000410)
Company Secretary

Selangor Darul Ehsan
Date: 30 April 2026

EXPLANATORY NOTES:

(a) Audited Financial Statements for the financial period ended 31 December 2025

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

(b) Ordinary Resolutions 3 – Benefits payable to the Non-Executive Directors

The benefits (excluding Directors' fees) payable to the Non-Executive Directors from 25 June 2026 until the next AGM of the Company to be held in the year 2027 are as follows:

Description	Non-Executive Directors
Allowances	Up to RM30,000
Other Benefits	Nil

(c) Ordinary Resolutions 4 to 7 – Re-election of Directors

In determining the eligibility of the Directors to stand for re-election at the Nineteenth AGM of the Company, the Nomination Committee ("**NC**") reviewed and assessed the following Directors' ("**Retiring Directors**") from the annual assessment and evaluation of the Board of Directors for the financial period ended 31 December 2025. The Board via the NC's annual assessment was satisfied with the performance of Retiring Directors who are standing for re-election and had recommended to the shareholders the proposed re-election at the Nineteenth AGM under Resolution 4 to 7:

(i) Y.A.M. Tunku Naquiyuddin Ibni Tuanku Ja'afar
(ii) Yen Soon Jin
(iii) Irmmie Josfina Binti Abd Rahman
(iv) Sharvin A/L Ravindran

The profiles of the Retiring Directors are set out in the Annual Report in respect of the financial period ended 31 December 2025.

NOTICE OF THE NINETEENTH ANNUAL GENERAL MEETING

(d) Ordinary Resolution 9 – Authority to Issue Shares pursuant to the Act

The proposed Ordinary Resolution 9, if passed, is to give the Directors of the Company flexibility to issue and allot shares up to an amount not exceeding ten per centum (10%) of the Company's total number of issued share capital for the time being upon such terms and conditions and for such purposes and to such person or persons as Directors of the Company in their absolute discretion consider to be in the interest of the Company, without having to convene a separate general meeting so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund-raising exercises including but not limited to further placement of shares for purposes of funding current and/or future investment projects, working capital and/or acquisitions.

The Board is of the opinion that the issue and allot shares up to an amount not exceeding ten per centum (10%) is in the best interest of the Company.

This authority will expire at the conclusion of the next Annual General Meeting of the Company or at the expiration of the period within which the next Annual General Meeting is required by law to be held, whichever is earlier.

As at the date of this Notice, 24,417,600 new ordinary shares in the Company were issued by way of private placement pursuant to the general mandate granted to the Directors at the Eighteenth (18th) Annual General Meeting held on 9 December 2024. The total proceeds raised from the said private placement exercise was around RM1,851,692.00. The details and status of the utilisation of proceeds raised from the said private placement exercise are as follows:

Status of Utilisation	Amount Utilised (RM)
Repayment of trade payables	781,875
Working capital requirements	436,980
Estimated expenses for the Proposed Private Placement	88,980

(e) Ordinary Resolution 10 – Proposed Renewal of Share Buy-Back

The proposed Ordinary Resolution 10, if passed, will enable the Company to renew the authority given to the Company to purchase its own shares of up to ten per centum (10%) of the Company's total issued shares at any time within the time period stipulated in the Main Market Listing Requirements of Bursa Malaysia Securities. 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.

Please refer to the Statement to Shareholders dated 30 April 2026 for further information.

NOTES: -

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 17 June 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 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 stead. Where a member appoints more than one (1) proxy to attend, participate, speak and vote at the same Meeting, the appointments shall be invalid unless he specifies the proportion of his 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 of the Company 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 attorney duly authorised in writing, or if the member is a corporation, shall either be executed under the corporations' common seal or under the hand of an officer or attorney duly authorised.

4. 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.

NOTICE OF THE NINETEENTH ANNUAL GENERAL MEETING

5. 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 of authority, must be deposited at the Company's Registered Office at Synergy Professionals Group Sdn. Bhd., Unit 11.07, Amcorp Tower, Amcorp Trade Centre, 18, Persiaran Barat, 46050 Petaling Jaya, Selangor not less than twenty-four (24) hours before the time set for holding the Meeting or any adjournment thereof. All resolutions set out in this notice of Meeting are to be voted by poll.

6. Any notice of termination of authority to act as proxy must be received by the Company before the commencement of the Meeting or at any adjournment thereof, failing which, the termination of the authority of a person to act as proxy will not affect the following in accordance with Section 338 of the Companies Act 2016:-

   (i) the constitution of the quorum at such meeting;
   (ii) the validity of anything he did as chairman of such meeting;
   (iii) the validity of a poll demanded by him at such meeting; or
   (iv) the validity of the vote exercised by him at such meeting.

7. The Personal Data Protection Act 2010, which regulates the processing of personal data in commercial transactions, applies to the Company. By providing to us your personal data, which may include your name and mailing address, you hereby consent, agree, and authorise the processing and/or disclosure of any personal data of or relating to you for the purposes of issuing the notice of this Meeting and convening the Meeting, including but not limited to preparation and compilation of documents and other matters, whether or not supplied by you. You further confirm to have obtained the consent, agreement, and authorisation of all persons whose personal data you have disclosed and/or processed in connection with the foregoing.

STATEMENT ACCOMPANYING THE NOTICE OF ANNUAL GENERAL MEETING

1. The Directors who are standing for re-election at the Nineteenth (19th) Annual General Meeting of the Company pursuant to Clause 118 of the Company's Constitution are Y.A.M. Tunku Naquiyuddin Ibni Tuanku Ja'afar and Yen Soon Jin.

   The details of the above directors are set out in the Board of Directors' Profile as disclosed in the Annual Report 2025.

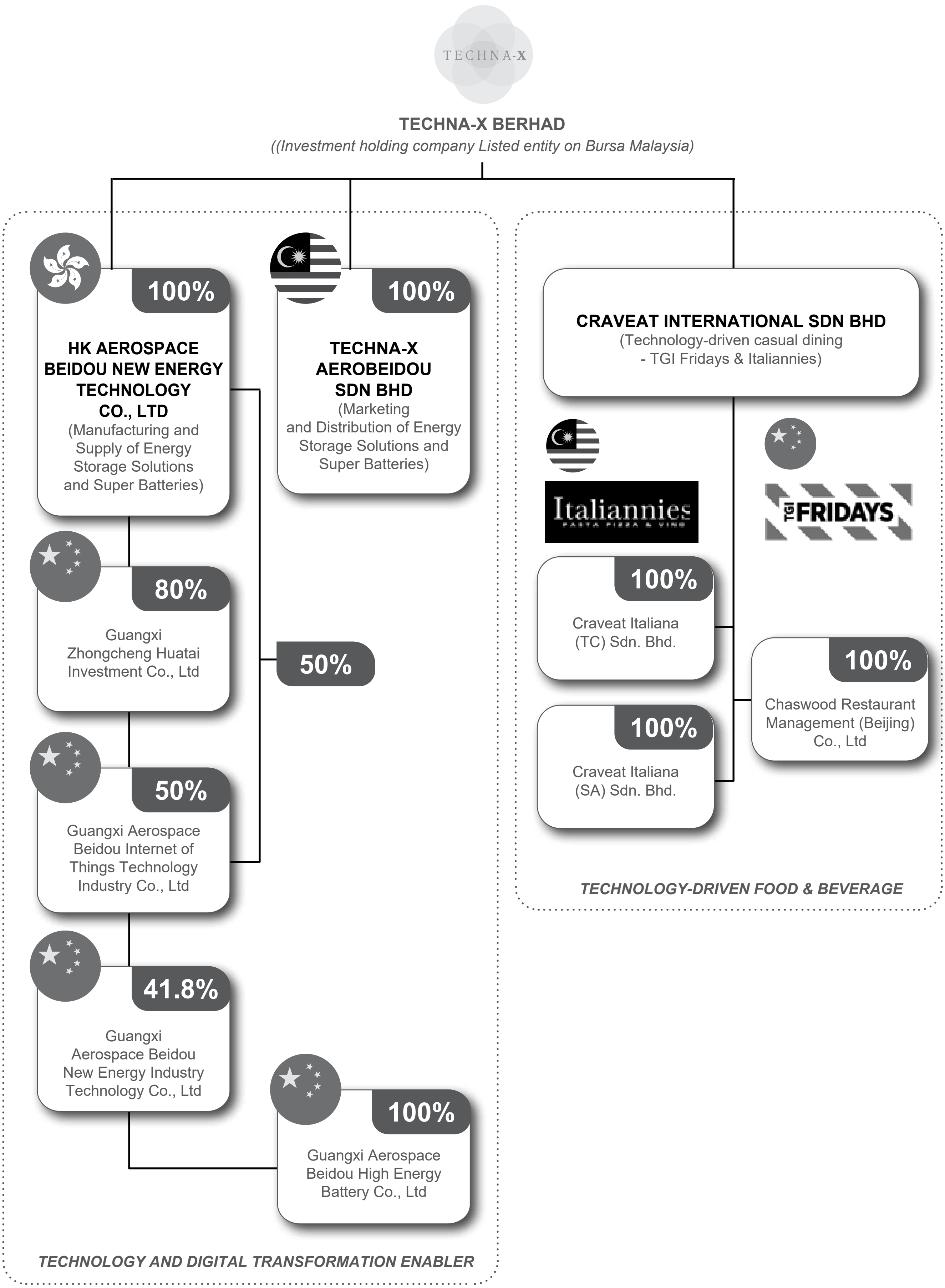
2. The Directors who are standing for re-election at the Nineteenth (19th) Annual General Meeting of the Company pursuant to Clause 117 of the Company's Constitution are Irmmie Josfina Binti Abd Rahman and Sharvin A/L Ravindran.

   The details of the above directors are set out in the Board of Directors' Profile as disclosed in the Annual Report 2025.

3. The statement relating to the general mandate for authority to issue shares is set out in the Explanatory Notes to the Notice of Nineteenth (19th) Annual General Meeting in the Annual Report 2025.

THE TECHNA-X GROUP

As at 31 December 2025



CORPORATE INFORMATION

BOARD OF DIRECTORS 2025

Y.A.M. TUNKU NAQUIYUDDIN IBNI TUANKU JA'AFAR
Executive Chairman

YEN SOON JIN
(appointed w.e.f. 1 July 2024)
Executive Director

FAN KAH SEONG
Independent Non-Executive Director

SAKTHI KUMAR A/L RAMADAS
(appointed w.e.f. 1 July 2024)
Independent Non-Executive Director

Y.A.M. TENGKU SHAHRAIN SHAH BIN TENGKU SULAIMAN SHAH
(appointed w.e.f. 18 July 2024)
Independent Non-Executive Director

DATO' GEH GUAT YEOW
(appointed w.e.f. 18 July 2024)
Independent Non-Executive Director

IRMMIE JOSFINA BINTI ABD RAHMAN
(appointed w.e.f. 24 September 2025)
Independent Non-Executive Director

SHARVIN A/L RAVINDRAN
(appointed w.e.f. 3 November 2025)
Independent Non-Executive Director

AIDAWATI BINTI DAHARI
(resigned w.e.f. 9 Jul 2024)
Independent Non-Executive Director

BALRAJ SINGH PANNU A/L GAJJAN SINGH
(resigned w.e.f. 9 Jul 2024)
Independent Non-Executive Director

DATUK LIM CHIH LI @ LIN ZHILI
(resigned w.e.f. 22 July 2025)
Executive Director

CHIN HOW NYIAN
(resigned w.e.f. 26 June 2025)
Alternate Director to Datuk Lim Chih Li @ Lin Zhili

MUHAMMAD HELMI BIN AZHAR
(resigned w.e.f. 24 September 2025)
Independent Non-Executive Director

AUDIT & RISK MANAGEMENT COMMITTEE

Fan Kah Seong
Chairman
Independent Non-Executive Director

Sakthi Kumar A/L Ramadas
Independent Non-Executive Director

Dato' Geh Guat Yeow
Independent Non-Executive Director

NOMINATION COMMITTEE

Sakthi Kumar A/L Ramadas
Chairman
Independent Non-Executive Director

Fan Kah Seong
Independent Non-Executive Director

Dato' Geh Guat Yeow
Independent Non-Executive Director

REMUNERATION COMMITTEE

Sakthi Kumar A/L Ramadas
Chairman
Independent Non-Executive Director

Fan Kah Seong
Independent Non-Executive Director

Dato' Geh Guat Yeow
Independent Non-Executive Director

REGISTERED OFFICE

Synergy Professionals Group Sdn. Bhd.
Unit 11.07, Amcorp Tower,
Amcorp Trade Centre,
18, Persiaran Barat,
46050 Petaling Jaya,
Selangor.

Tel : +017-6229303
Email : spgsecretary@outlook.my

COMPANY SECRETARY

WONG YOUN KIM
(SSM PC No. 201908000410)
(MAICSA 7018778)

CORPORATE OFFICE

Suite 25-08, Menara Vista Petaling,
137 Jalan Puchong,
58200 Kuala Lumpur,
Wilayah Persekutuan.

Email : info@techna-x.com

SHARE REGISTRAR

Securities Services (Holdings) Sdn. Bhd.
Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur,
Wilayah Persekutuan.

Tel : +603 2084 9000
Fax : +603 2094 9940

AUDITORS

Messrs LTTH PLT
(LLP 0020047-LCA & AF 0071)
No. 29A, Jalan SS 22/19,
Damansara Jaya,
47400 Petaling Jaya,
Selangor.

Tel : +603 7727 8971
Email : admin@ltthplt.com

PRINCIPAL BANKERS

RHB Bank Berhad
(Kuala Lumpur, Malaysia)

CIMB Bank Berhad
(Kuala Lumpur, Malaysia)

STOCK EXCHANGE LISTING

MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD
Stock Name : TECHNAX
Stock Code : 2739

WEBSITE

www.techna-x.com

PROFILE OF DIRECTOR AND SENIOR MANAGEMENT

- Executive Chairman
- Key Senior Management

Y.A.M. TUNKU NAQUIYUDDIN IBNI TUANKU JA'AFAR

Nationality	Gender	Age
Malaysia	Male	79

Y.A.M. Tunku Naquiyuddin Ibni Tuanku Ja'afar (male), a Malaysian aged 79, was appointed to the Board of Techna-X Berhad on 21 March 2007. He is currently the Executive Chairman of Techna-X Berhad. He attended all 8 Board meetings held in the financial year.

Y.A.M. Tunku Naquiyuddin has a Bachelor of Science in Economics (Honours) degree from the University of Wales, Aberystwyth, United Kingdom. He was a Diplomat for 5 years and served as Second Secretary in Paris, France, from 1972 to 1975. He was proclaimed Regent of Negeri Sembilan from 1994 until 1999.

Y.A.M. Tunku Naquiyuddin also sits on the boards of Olympia Industries Berhad. He also holds directorship in other non-listed public companies, namely ORIX Leasing Malaysia Berhad and Syarikat Pendidikan Staffield Berhad.

Y.A.M. Tunku Naquiyuddin is a keen environmentalist and was a Committee Member of the World Wide Fund for Nature (Malaysia) and a Council Member of the Business Council for Sustainable Development in Geneva. As an active and conscientious businessman, Y.A.M. Tunku Naquiyuddin contributed to the business fraternity through his appointment as a founding Chairman of the Federation of Public Listed Companies Berhad, leading the initiatives to bridge bilateral business boundaries through the Malaysia-France Economic and Trade Association for 8 years and striving for Asia-Pacific co-operation through the Canada-ASEAN Centre of which he was a Council Member. He was nominated by the Minister of Finance to serve on the Committee of the Kuala Lumpur Stock Exchange from 1989 to 1994.

Y.A.M. Tunku Naquiyuddin is a major shareholder of Techna-X Berhad.

Y.A.M. Tunku Naquiyuddin also has a family relationship with the other major shareholders of the Company as follows:-

- Father of Y.M. Tunku Mohamed Alauddin Tunku Naquiyuddin;
- Spouse of Y.M. Tunku Nurul Hayati Binti Tunku Bahador; and
- Sibling to Y.A.M. Tunku Irinah Binti Tuanku Ja'afar, Y.A.M. Tunku Dato' Seri Nadzaruddin Ibni Tuanku Ja'afar, Y.A.M. Tunku Tan Sri Imran Ibni Tuanku Ja'afar, Y.A.M. Tunku Dara Tunku Tan Sri Naquiah Bte Tuanku Ja'afar and Y.A.M. Tunku Jawahir Bte Tuanku Ja'afar.

Save as disclosed above, Y.A.M. Tunku Naquiyuddin does not have any family relationship with any Director and/or major shareholder of the Company nor any conflict of interest with the Company.

Y.A.M. Tunku Naquiyuddin has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon him by any relevant regulatory bodies for the financial year ended 31 December 2025.

PROFILE OF DIRECTOR AND SENIOR MANAGEMENT

- Executive Director
- Key Senior Management

YEN SOON JIN

Nationality	Gender	Age
Malaysia	Male	59

Mr Yen Soon Jin (male), a Malaysian aged 59, was appointed to the Board of Techna-X Berhad on 1 July 2024 as an Executive Director to spearhead the digital and technology businesses of the Group.

Mr Yen holds a Bachelor’s Degrees in Information System from University of Western Sydney, Australia.

Mr. Yen is a seasoned business leader with a rich background spanning multiple industries, leveraging his expertise in digital media, traditional media, and trade. He holds a Bachelor of Information Systems from the University of Western Sydney (1991-1993) and is known for his strong self-belief, business acumen, and ability to identify and capitalize on emerging opportunities.

He has founded and managed numerous digital companies within the consumer retail, advertising and data analytics space.

On the more conventional business side of thing, Mr. Yen has also held leadership roles at Exaprise, DBB Design Malaysia, and MTTC Trading.

With his immense experience in trade, project management, and stakeholder communication, Mr. Yen is a strong negotiator and independent operator who continues to drive growth and innovation in the ventures he is involved in.

Mr Yen holds a directorship in Artroniq Berhad. Save as disclosed above, Mr. Yen does not hold any other directorship in other public companies and public listed companies.

He does not have family relationship with any other Director and/or major shareholders of the Company nor any conflict of interest in any business arrangement involving the Company.

He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon him by any relevant regulatory bodies for the financial year ended 31 December 2025.

PROFILE OF DIRECTOR AND SENIOR MANAGEMENT

- Independent Non-Executive Director

FAN KAH SEONG

Nationality	Gender	Age
Malaysia	Male	61

Mr. Fan Kah Seong (male), a Malaysian aged 61, was appointed to the Board of Techna-X Berhad on 1 June 2022 as an Independent Non-Executive Director. He is the Chairman of the Audit and Risk Management Committee. He is also a member of Nomination Committee and Remuneration Committee. He attended all 8 Board meetings held in the financial year since his appointment.

Mr. Fan holds a Bachelor of Economics, Honours Class II A, from Monash University, Clayton Australia. He is a member of Certified Practicing Accountant (CPA) Australia, Malaysian Institute of Accountants ("**MIA**"), and Chartered Tax Institute of Malaysia ("**CTIM**"). He is also a Section 153 tax agent licensee and licensee holder of the previous GST Section 170.

In his professional career path, Mr. Fan first joined Arthur Anderson & Co in 1990 as a tax associate and was promoted to Manager in 1996. He was made a director of Arthur Andersen in 2001. He left Arthur Anderson & Co in 2002 and joined PricewaterhouseCoopers as an Executive Director. In 2006, he was made to head the East Malaysia office covering Kuching and Kota Kinabalu.

In 2010, he left PricewaterhouseCoopers to join Deloitte Southeast Asia as a Partner, where he oversaw various tax related projects and was leading the indirect tax department in Kuala Lumpur. He then left Deloitte Southeast Asia in 2016.

In 2017, he joined PKF Malaysia as a tax director and was heading the Indirect Tax department of PKF Malaysia until his resignation in November 2022.

Mr. Fan is a director of Tremendous Entertainment Holdings Berhad. Save as disclosed above, Mr. Fan does not hold any other directorship in other public companies and public listed companies.

Mr. Fan does not have any family relationship with any Director and/or major shareholder of the Company nor any conflict of interest with the Company.

He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon him by any relevant regulatory bodies for the financial year ended 31 December 2025.

PROFILE OF DIRECTOR AND SENIOR MANAGEMENT

- Independent Non-Executive Director

SAKTHI KUMAR A/L RAMADAS

Nationality	Gender	Age
Malaysia	Male	48

Mr. Sakthi Kumar A/L Ramadas (male), a Malaysian aged 48, was appointed to the Board of Techna-X Berhad on 1 July 2024 as an Independent Non-Executive Director. He is the Chairman of the Nomination Committee and Remuneration Committee and a member of the Audit and Risk Management Committee.

Mr. Sakthi graduated with a Bachelor of Accountancy (Honours) degree from University of Malaya in 2002 and a Master of Business Administration ("MBA"), majoring in corporate finance from Cardiff Metropolitan University, London in 2013.

He has over 20 years of working experience in audit, accounting, finance, business support function and corporate finance in multinational companies, locally and internationally. He started his career with Deloitte & Touché in 2003 as an external auditor, where he managed O&G, IT and manufacturing portfolios. His career spans across the O&G where he was employed by Petrofac Training Services in 2007, as Regional Finance Manager for the Asia Pacific (APAC) region. He went on to take on a range of managerial roles for Petrofac Training Services, until his appointment as Finance Consultant for Petrofac Training Services Singapore in 2011, based in Singapore. In mid-2012, he returned to Malaysia to take up the role as Regional Business Support Manager for the APAC region with Altor Risk Group (a downstream O&G service provider). His portfolio was then extended to cover finance, commercial, contracts, human resource and administration portfolio for the APAC region. Subsequently, He established his career into Special Purpose Acquisition Company (SPAC) listed in Malaysia and listed on NASDAQ (USA).

In 2016, Mr.Sakthi was appointed as Head of Corporate Finance of largest SPAC in Malaysia ever listed, Reach Energy Berhad. Mr. Sakthi is instrumental in overall corporate finance function, especially on investor relation, fund raising activities, implementation of corporate exercises and plays an instrumental role in securing successful completion of the target acquisition.

Mr Sakthi is currently the adviser to the Chairman and Chief Executive Officer of Liberty Resources Acquisition Corp. since November 2021, where he is responsible in advising on overall deal structure, design and planning, due diligence, negotiations and overall business planning of the target acquisition

Mr. Sakthi does not hold any other directorship in other public companies and public listed companies.

Mr. Sakthi does not have any family relationship with any Director and/or major shareholder of the Company nor any conflict of interest with the Company.

He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon him by any relevant regulatory bodies for the financial year ended 31 December 2025.

PROFILE OF DIRECTOR AND SENIOR MANAGEMENT

- Independent Non-Executive Director

DATO' GEH GUAT YEOW (LINDA)

Nationality	Gender	Age
Malaysia	Female	55

Dato' Linda Geh Guat Yeow (female), a Malaysian aged 55, was appointed to the Board of Techna-X Berhad on 18 July 2024 as an Independent Non-Executive Director. She is member of the Audit and Risk Management Committee, Nomination Committee and Remuneration Committee.

Dato' Linda graduated from University of Oklahoma, United States of America, with a Bachelor of Science in Industrial Engineering. She has more than 30 years of management and strategic consulting experience with Raine & Horne International Zaki + Partners Sdn. Bhd. She was actively practicing valuation exercise in plant and machinery valuation for local and South East Asia companies.

In 2017, Dato' Linda was appointed by the Penang State Executive Committee (EXCO) as Chief Executive Officer (CEO) of Asia Pacific Masters Games Sdn Bhd. (Government-Linked Company) to organised the inaugural Asia Pacific Masters Games 2018 in Penang which attracted 6750 participants from 64 countries, took part in 22 sports. A total of RM49.9 million and RM63.7 million was contributed to Gross Domestic Product (GDP) of Penang and Malaysia.

Dato' Linda is a registered Environmental Consultant who has more than 20 years of experiences in providing services to manage and control Environment, Safety and Health requirements with international expertise and technologies. She specialises in providing cost-effective solutions for proper urbanisation and industrialisation to meet local requirements and international standards. She is also experienced in preparing and coordinating of Environment Impact Assessment (EIA) study for industrial, commercial, residential development, reclamation, special facility and infrastructure projects.

Dato' Linda does not hold any other directorship in other public companies and public listed companies.

Dato' Linda does not have any family relationship with any Director and/or major shareholder of the Company nor any conflict of interest with the Company.

She has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon him by any relevant regulatory bodies for the financial year ended 31 December 2025.

PROFILE OF DIRECTOR AND SENIOR MANAGEMENT

Y.A.M TENGKU SHAHRAIN SHAH BIN TENGKU SULAIMAN

Nationality	Gender	Age
Malaysia	Male	41

Y.A.M. Tengku Shahrain Shah Bin Tengku Sulaiman Shah (male), a Malaysian aged 41, was appointed to the Board of Techna-X Berhad on 18 July 2024 as an Independent Non-Executive Director.

Y.A.M Tengku Shahrain graduated from Lim Kok Wing University, Malaysia, with a Bachelor of Arts in Industrial and Product Design. He was a director of TSS Construction Sdn. Bhd. from January 2013 to December 2013. In the year 2014, Y.A.M Tengku Shahrain was appointed as the Director of Presint Venture Sdn. Bhd. until year 2016 and was appointed as Director and Advisor of Perintis Sdn. Bhd. from year 2017 until 2021.

Currently, he is the Director of TSS Partners Sdn. Bhd., Sulaimaria Sdn. Bhd., Obrise Solution Holdings Sdn. Bhd. and Chairman of Silver Ridge Holdings Bhd.

Save as disclosed above, Y.A.M Tengku Shahrain does not hold any other directorship in other public companies and public listed companies.

Y.A.M Tengku Shahrain does not have any family relationship with any Director and/or major shareholder of the Company nor any conflict of interest with the Company.

He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon him by any relevant regulatory bodies for the financial year ended 31 December 2025.

PROFILE OF DIRECTOR AND SENIOR MANAGEMENT

- Independent Non-Executive Director

IRMMIE JOSFINA BINTI ABD RAHMAN

Nationality	Gender	Age
Malaysia	Female	50

Irmmie Josfina binti Abd Rahman (female), a Malaysian aged 50, was appointed to the Board of Techna-X Berhad on 24 September 2025, as an Independent Non-Executive Director.

Irmmie Josfina binti Abd Rahman is an accomplished corporate leader with extensive experience in strategic management, business transformation, operational leadership, and corporate governance across Government-Linked Companies (GLCs), public listed companies, and the energy industry. She has established a strong track record in driving organisational growth, improving operational efficiency, and delivering sustainable business performance in highly regulated and competitive environments.

Throughout her career, she has held senior leadership roles with responsibilities spanning corporate strategy, stakeholder engagement, financial oversight, project execution, regulatory compliance, and talent development. Her experience includes working closely with boards, government agencies, investors, and key industry stakeholders to achieve strategic objectives and strengthen corporate value.

Irmmie Josfina is recognised for her ability to lead complex organisations through transformation, build high-performing teams, and implement strong governance frameworks while identifying new business opportunities. She brings valuable expertise in commercial development, partnership management, operational excellence, and long-term value creation, particularly within infrastructure, utilities, and energy-related sectors.

She is committed to promoting innovation, integrity, sustainability, and strong corporate stewardship while contributing positively to organisational success, shareholder value, and national economic development.

Save as disclosed above, Irmmie Josfina binti Abd Rahman does not hold any other directorship in other public companies and public listed companies.

Irmmie Josfina binti Abd Rahman does not have any family relationship with any Director and/or major shareholder of the Company nor any conflict of interest with the Company.

She has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon him by any relevant regulatory bodies for the financial year ended 31 December 2025.

PROFILE OF DIRECTOR AND SENIOR MANAGEMENT

- Independent Non-Executive Director

SHARVIN A/L RAVINDRAN

Nationality	Gender	Age
Malaysia	Male	27

Sharvin A/L Ravindran (male), a Malaysian aged 27, was appointed to the Board of Techna-X Berhad on 3 November 2025, as an Independent Non-Executive Director.

Sharvin A/L Ravindran graduated from Open University Malaysia, Malaysia, with a Bachelor of Psychology. He is the Founder and President of Kelab Belia Mahmur Tambun, a youth organisation with over 300 registered members. He has led various initiatives focused on youth empowerment, skills development, and entrepreneurship, contributing positively to community growth and engagement.

He has experience in mentoring and guiding young individuals in developing professional and entrepreneurial competencies.

He is an experienced public speaker, having delivered talks and workshops on topics including healthy living, personal development, and financial well-being. He is recognised for his engaging presentation style and his ability to connect effectively with diverse audiences, earning strong community support and positive feedback.

Sharvin A/L Ravindran also an entrepreneur with experience in managing multiple ventures within the Food & Beverage (F&B) industry. He has demonstrated capability in building, operating, and sustaining business operations successfully.

He is committed to fostering youth development by creating employment opportunities, providing mentorship, and supporting pathways into entrepreneurship through his business initiatives.

He possesses strong communication and leadership skills, with the ability to inspire positive change, influence community development, and engage effectively with stakeholders from diverse backgrounds.

Save as disclosed above, Sharvin A/L Ravindran does not hold any other directorship in other public companies and public listed companies.

Sharvin A/L Ravindran does not have any family relationship with any Director and/or major shareholder of the Company nor any conflict of interest with the Company.

Sharvin A/L Ravindran has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon him by any relevant regulatory bodies for the financial year ended 31 December 2025.

PROFILE OF DIRECTOR AND SENIOR MANAGEMENT

- General Manager - Corporate Affairs

KHOO HSIEN LI

Nationality	Gender	Age
Malaysia	Male	51

Mr. Khoo Hsien Li (male), a Malaysian aged 51, was appointed as the Corporate Affairs General Manager of Techna-X Group on 15 July 2024.

Mr Khoo has more than 25 years of experience in the ICT industry. His vast experience started with Hitechniaga, a member of the MBf Group, where he participated in E-Government and E-Business flagship applications. From there, he had successful stints in Hong Leong Assurance and Nanyang Press Holdings before being part of the management team that successfully listed RedHot Media in London's AIM. He headed the China office of RedHot Media in Guangzhou, China during the pre and post IPO years of the company.

After that successful stint, he returned to Malaysia and was appointed Head of Digital Business for Universal Music Malaysia and successfully led the transition of Universal into the digital streaming era. He followed this up with a similar role with Sony Music Entertainment Malaysia that ushered in the TikTok era.

Sandwiched between the appointments in Universal and Sony, he was a Director of Digital Business in Sunway Group where he headed the digital communities project that was part of Sunway's smart city initiative, as well as being co-founder and advisors in many startups in field of telecommunications, media and fintech.

Mr. Khoo does not hold any directorship in public companies and public listed companies.

Mr. Khoo does not have any family relationship with any Director and/or major shareholder of the Company nor any conflict of interest with the Company.

Mr. Khoo has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon him by any relevant regulatory bodies for the financial year ended 31 December 2025

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Techna-X's Board upholds the principles of good corporate governance by establishing and putting in place the necessary framework and controls to safeguard and enhance the value of Techna-X and its subsidiaries ("Techna-X Group" or the "Group") for shareholders and stakeholders and to put the Group's financial performance on a path of sustainable growth.

In accordance with Paragraph 15.25 of Bursa Malaysia Securities Berhad's ("Bursa Securities") Main Market Listing Requirements ("MMLR"), the Board hereby provides an overview of how the Company applied the three (3) Principles set forth in the Malaysian Code of Corporate Governance ("MCCG") issued by the Securities Commission Malaysia during the 18-month financial period ended 31 December 2025, in order to fulfil its regulatory obligations and fulfil its commitment to creating a long-term, sustainable business. The Corporate Governance Report further discloses any deviations from MCCG practices as well as their causes.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

Practice 1.1 – Board duties and responsibilities

The Board Charter of Techna-X Berhad ("Techna-X" or "the Company") indicates that the Board of Directors ("Board") should provide leadership and vision to the Company to enhance shareowner value and ensure long-term sustainable development and growth of the Company.

The Company and its subsidiaries ("the Group") are led by an experienced and effective Board that provides oversight, strategic direction, and entrepreneurial leadership to ensure the necessary resources are in place for the Group to meet its objective and achieve long-term sustainability.

The Board consists of members from different backgrounds and with diverse expertise in leading and directing the Group's business operation.

The Board has delegated certain responsibilities to the Board Committees, the Executive Directors, and the Management.

The Board's primary responsibilities, include but not limited to giving strategic direction to the Company, identifying key risk areas and key performance indicators of the Company's business, monitoring investment decisions, considering significant financial matters, and reviewing the performance of executive management against business plans, budgets, and industry standards.

The Board also assumes responsibility in the following areas: -

(i) retain full and effective control over the Company, and monitor management in implementing Board plans and strategies;
(ii) ensure that a comprehensive system of policies and procedures is operative;
(iii) identify and monitor non-financial aspects relevant to the business;
(iv) ensure ethical behaviour and compliance with relevant laws and regulations, audit and accounting principles, and the Company's own governing documents and codes of conduct;
(v) strive to act above and beyond the minimum requirements and benchmark performance against international best practices and not only comply in practice but be seen to comply;
(vi) define levels of materiality, reserving specific powers to the Board and delegating other matters with the necessary written authority to management, and instituting effective mechanisms that ensure the Board's responsibility for management performance of its functions to determine whether the business is being properly managed;
(vii) act responsibly towards the Company's relevant stakeholders; and
(viii) together with the Senior Management, promote good corporate governance culture within the Company which reinforces ethical, prudent, and professional behaviour.

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

I. Board Responsibilities (cont'd)

For the financial period ended 31 December 2025 ("FPE2025"), the Board has discharged the following principal duties and responsibilities on the affairs of the Group:

(i) reviewed and/or adopted the following policies/governance documents, which serve as a guide to strengthen the governance of the Company: -
- Board Charter;
- Terms of Reference of Audit and Risk Management Committee ("ARMC");
- Terms of Reference of Nomination Committee ("NC");
- Terms of Reference of Remuneration Committee ("RC");
- Code of Ethics and Business Conduct;
- Whistleblowing Policy;
- Corporate Disclosure Policy;
- Gender-Ethnicity-Age Diversity Policy;
- Succession Planning Policy;
- Personal Data Protection Policy;
- Anti-Bribery and Anti-Corruption Policy; and
- Fit and Proper Policy.

(ii) monitored the Management's performance in implementing the business plans and strategies on a regular basis via the update in the Board meetings;
(iii) quarterly reviewed of the financial performance of the Group;
(iv) delegated to the ARMC to review the recurrent related party transactions of the Group;
(v) delegated to the ARMC to review the adequacy and integrity of the Group's internal controls and risk management;
(vi) delegated to the NC to review the performance of the Board, Board Committees and individual Directors;
(vii) reviewed and confirmed the minutes of the Board meetings to ensure the deliberation and decisions of the Board meetings were recorded accurately;
(viii) through the NC, reviewed and approved the appointments of new Independent Non-Executive Director and Alternate Director of the Company;
(ix) through the NC, reviewed and approved the reconstitution of the Board Committees;
(x) reviewed and recommended the appointment of Messrs. LTTH PLT as Auditors of the Company and Morison Heng CPA Limited as Component Auditors of the Company; and
(xi) reviewed and recommended the proposal in relation to the proposed share buy-back authority for the Company to purchase its own shares of up to 10% of the Company's issued shares.

Practice 1.2 and 1.4 - The Board Chairman

The Board is helmed by the Executive Chairman, Y.A.M. Tunku Naquiyuddin Ibni Tuanku Ja'afar who strives to instil good corporate governance practices, demonstrates strong leadership and oversees the effectiveness of the Board.

The Chairman's responsibilities, as stated in the Board Charter of the Company, are as follows: -
- Responsible for representing the Board to the shareholders and indirectly to the general public for performance.
- Responsible for the Board so that the Board can perform its responsibilities effectively.
- Responsible for leading the Board in adopting and implementing good corporate governance practices in the Company.
- Responsible for ensuring the integrity and effectiveness of the Board's governance process.
- Ensure that the content and order of the agenda are appropriate and that the Board members have the relevant papers in good time.
- Ensure that the Board members are properly briefed on issues arising at Board meetings and that all available information on an issue is before the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

I. Board Responsibilities (cont'd)

Practice 1.2 and 1.4 - The Board Chairman (cont'd)

- Responsible for maintaining regular dialogue with the Executive Director ("ED") over all operational matters and will promptly consult with the remainder of the Board over any matter that gives him or her cause for major concern.
- Act as a facilitator at Board meetings to ensure that no member, whether executive or non-executive, dominates the discussion, that appropriate discussion takes place, and that relevant opinion among members is forthcoming. In addition, the Chairman will ensure that discussions result in logical and understandable outcomes.
- Between Board meetings, the Chairman shall maintain an informal link between the Board and the ED, expect to be kept informed by the ED on all important matters, and is available to the ED to provide counsel and advice where appropriate.
- Lead the Board in its collective oversight of management.
- Ensure that appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole.

During the FPE2025, Y.A.M. Tunku Naquiyuddin Ibni Tuanku Ja'afar, the Chairman of the Board has provided effective leadership, strategic direction, and necessary governance to the Group.

The Executive Chairman is not a member of the ARMC, NC or RC of the Company. He also did not attend nor participate in any of the Board Committees' meetings as an invitee during the FPE2025 to ensure there is check and balance as well as objective review by the Board on deliberations emanating from the Board Committees.

Practice 1.3 - Separation In The Roles Of Chairman And Chief Executive Officer

The positions of the Chairman and the Executive Director ("ED") are held by 2 different individuals. The Chairman is Y.A.M. Tunku Naquiyuddin Ibni Tuanku Ja'afar, while the Executive Director is Yen Soon Jin.

The separate roles and responsibilities of the Chairman and ED are provided in the Board Charter of the Company, to ensure that there is a balance of power and authority as no one individual has unfettered decision-making powers.

Y.A.M. Tunku Naquiyuddin Ibni Tuanku Ja'afar being the Chairman of the Board is responsible for the Board's leadership, effectiveness and governance.

The management of the Group's business and implementation of policies and day-to-day running of the business operations is delegated to Yen Soon Jin, the Executive Director.

Practice 1.5 - Company Secretary

The Board is supported by Company Secretary who is qualified Chartered Secretaries under the Companies Act 2016 and is a member of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA") with vast knowledge and experience from being in public practice.

The Board members have ready and unrestricted access to the advice and services of the Company Secretary to enable them to discharge their duties effectively.

The Company Secretary is responsible for advising the Board on compliance with the Companies Act 2016, the Company's Constitution, adopted policies and procedures, and the relevant regulatory requirements, codes or guidance, and legislation (or any amendments thereto).

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

I. Board Responsibilities (cont'd)

Practice 1.5 - Company Secretary (cont'd)

In addition, the Board is regularly updated and apprised by the Company Secretary, who is experienced, competent and knowledgeable, on the laws and regulations, as well as directives issued by the regulatory authorities from time to time.

The Company Secretary attend the Board and Board Committees meetings and ensure the meetings are properly convened and all deliberations are properly minute and kept. The Company Secretary also responsible for ensuring that accurate and proper records of the proceedings and resolutions passed are taken and maintained at the Company's registered office.

The Company Secretary' primary responsibilities, which include but not limited to the following: -

(i) manage all Board and Board Committee meeting logistics, attend and record minutes of all Board and Board Committee meetings and facilitate Board communications;
(ii) advise the Board on its roles and responsibilities;
(iii) assist in Director training and development;
(iv) advise the Board on corporate disclosures and compliance with the Company's Constitution as well as the Companies Act 2016, Listing Requirements and Malaysian Code on Corporate Governance;
(v) manage processes pertaining to the general meetings;
(vi) monitor corporate governance developments and assist the Board in applying governance practices to meet the Board's needs and stakeholders' expectations; and
(vii) serve as a focal point for stakeholders' communication and engagement on corporate governance issues.

The Company Secretary had and will continue to constantly keep herself abreast on matters concerning company law, the capital market, corporate governance, and other pertinent matters, and with changes in the same regulatory environment, through continuous training and industry updates. She has also attended many relevant continuous professional development programs as required by the MAICSA for practicing chartered secretaries.

Practice 1.6 - Information and support for Directors

The annual meeting calendar is prepared and circulated for the Board's consent in advance of each new year. This facilitates the Directors' schedule and advance preparation for the meetings.

Special meetings will be called if the deliberations on specific subject matters cannot be completed due to additional information required to reach any meaningful Board decision.

The Board papers comprises the notice of meeting, agenda items, reports, and papers are issued to the Board members at least 7 days prior to the meetings. This is to accord sufficient time for the Directors to peruse the Board papers and to seek clarification and/or further information, where necessary, to be adequately informed before the meetings.

All deliberations and decisions at the Board or Board Committee meetings are properly recorded in the minutes, including matters where the Directors abstained from deliberation and/or voting. In addition, the action items identified and highlighted during the meetings would be conveyed to the Management for their attention and action.

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

I. Board Responsibilities (cont'd)

Practice 1.6 - Information and support for Directors (cont'd)

The minutes of the Board and/or Board Committees meetings, which accurately reflect the deliberations and decisions of the Board or Board Committees, would be circulated to the Board or Board Committee members within a reasonable time upon conclusion of each meeting. The minutes are to be signed by the respective Chairman of the meetings as a correct record of the proceedings of the meetings based on confirmation from the Board or Board Committees members and thereafter entered into the minute's books kept and maintained at the Company's registered office. The matters that require further action by the Management would stay as matters arising in the minutes of meetings until they are resolved.

The Executive Chairman has ensured that the Board Committee meetings were conducted separately from the Board meeting to enable objective and independent discussion during the meeting.

Practice 2.1 – Board Charter

The Board has adopted a Board Charter that clearly defines the Board's and Board Committees' roles and responsibilities, composition, authority, matters reserved for the Board and processes related to key governance activities.

The Board Charter of the Company regulates how business is to be conducted by the Board in accordance with the principles of good corporate governance. The Board Charter sets out the specific responsibilities to be discharged by the Board members collectively and the individual roles expected from them.

The authority delegated to the Board Committees or the Management does not mitigate or dissipate the discharge by the Board of their duties and responsibilities. The Board Committees will only speak or act for the Board when so authorised. The authority conferred on a Board Committee will not derogate from the authority delegated to the ED by the Board.

The Board also keeps itself abreast of the responsibilities delegated to each Board Committee and matters deliberated at each Board Committee meeting through the minutes of the Board Committee meetings and reports from the respective Chairman of the Board Committee, which are presented to the Board during Board meetings at the appropriate regular intervals.

The Board Charter would be periodically reviewed and updated in accordance with the needs of the Company and any new regulation that may have an impact on the discharge of the Board's responsibilities.

The Board Charter is available on the Company's corporate website at http://www.techna-x.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

I. Board Responsibilities (cont'd)

Practice 3.1 - Code of Conduct and Ethics

The Company has established a Code of Ethics and Business Conduct that is applicable to all Directors, Management and employees of the Group to ensure the trust and confidences of stakeholders are intact. The Company gains credibility by adhering to commitments, displaying honesty and integrity, and reaching goals solely through honorable conduct.

The Code of Ethics and Business Conduct entails the following main areas: -
- Build trust and credibility
- Respect for the individual
- Create a culture of open and honest communication
- Set tone at the top
- Uphold the law
- Competition
- Proprietary information
- Selective disclosure
- Health and safety
- Conflicts of interest
- Accurate public disclosures
- Corporate recordkeeping
- Promote substance over form
- Accountability
- Confidential and proprietary information
- Use of the Company's resources
- Media inquiries
- Management
- Suppliers and clients
- Competitors
- Employees

In line with the Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018), the Company has adopted an Anti-Bribery and Anti-Corruption Policy to prevent corruption and bribery practices within the Group.

The Code of Ethics and Business Conduct and the Anti-Bribery and Anti- Corruption Policy are available on the Company's corporate website at http://www.techna-x.com.

Practice 3.2- Whistle-blowing Policy

The Group has established a Whistleblowing Policy as the Company is committed to the highest standard of integrity, openness, and accountability in the conduct of its businesses and operations. It aspires to conduct its affairs ethically, responsibly, and transparently.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

I. Board Responsibilities (cont'd)

Practice 3.2- Whistle-blowing Policy (cont'd)

The Whistleblowing Policy provides an avenue for all employees of the Group and members of the public to disclose any misconduct or criminal offence including but not limited to the following: -

(i) Fraud;
(ii) Bribery;
(iii) Abuse of Power;
(iv) Conflict of Interest;
(v) Theft or embezzlement;
(vi) Misuse of the Company's Property;
(vii) Non-compliance with Procedure.

A whistleblower will be accorded with protection of confidentiality of identity, to the extent reasonably practicable. In addition, an employee who whistle blows internally will also be protected against any adverse and detrimental actions for disclosing any improper conduct committed or about to be committed within the Group, to the extent reasonably practicable, provided that the disclosure is made in good faith. Such protection is accorded even if the investigation later reveals that the whistleblower is mistaken as to the acts and the rules and procedures involved.

During the FPE2025, the Group has not received any reports or concerns via the communication and feedback channels stipulated in the Whistleblowing Policy.

The Whistleblowing Policy is available on the Company's corporate website at http://www.techna-x.com.

Practice 4.1 – Responsibility for the Governance of Sustainability

The Group recognises that sustainability is pertinent for creating long- term value for its business as well as its commitment as a responsible corporate citizen.

The Board takes into account the sustainability considerations when overseeing the Group's planning, performance and long-term strategy. The Company is committed to adopting and applying responsible practices from environmental, social and governance ("ESG") perspective, to minimise the risk and to enhance the long-term development impact of its corporate activities. The ESG priorities are affirmed by the Board and cascaded down to the Senior Management to develop strategic plans to realise the ESG goals and objectives.

The Group's sustainability governance structure also facilitates the escalation of the progress and performance of applied sustainability strategies. The findings presented by the Senior Management to the Board periodically or on a case-by-case basis should there be any, provide the basis for refinement of strategies and objectives towards ensuring continued progress.

The Group has adopted a set of sustainable business practices, which formed an integral part of the Group's day-to-day operation and it is one of the keys to ensure the Group's long-term goals and continuity are achievable.

During the FPE2025, the Group has adopted the following sustainability initiatives: -

(i) Observed and adopted 8 United Nations Sustainable Development Goals ("UNSDG");
(ii) All employees of the Group were briefed on the Anti-Bribery and Anti-Corruption Policy in compliance with Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018); and
(iii) Employment of majority Malaysian workforce.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

I. Board Responsibilities (cont'd)

Practice 4.1 – Responsibility for the Governance of Sustainability (cont'd)

In FPE2025, the Group continued to make its best effort to align its business operations and administrative policies towards the following chapters of the UNSDG: -

(i) Ensure healthy lives and promote well-being for all at all ages;
(ii) Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all;
(iii) Achieve gender equality and empower all women and girls;
(iv) Ensure access to affordable, reliable, sustainable and modern energy for all;
(v) Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all;
(vi) Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation;
(vii) Reduce inequality within and among countries; and
(viii) Make cities and human settlements inclusive, safe, resilient and sustainable.

Further details in relation to the sustainability practices are disclosed in the Statement on Sustainability of the Annual Report 2025.

Practice 4.2 – Effective Communication with Stakeholders

The Company believes in transparency and open lines of communication with all the stakeholders. Transparency and communication are fundamental components of good corporate governance and serve to build vital relationships of trust the Company maintained with its stakeholders.

The Company engages its stakeholders through various means of communication to enable them to understand better the Group's business operation and seek their feedback and inputs on several matters relevant to them. The Group identified them through issues which are material based on their impact to the Group's operation and the number of stakeholders affected.

The Company strives to maintain an open two-way communication with its employees to discuss, among others, the Company's performance and growth strategies.

Practice 4.3 – Sustainability Issues

The Board has committed to stay abreast with the latest development in the sustainability issues relevant to the Group. The Board gains access to the sustainability issues updates via news, publications from relevant agencies to achieve sustainable long-term value.

Practice 4.4 – Performance Evaluations of the Board and Senior Management

The Board has included sustainability as one of the criteria in the annual performance evaluations of the Directors to promote accountability and identify issues that may require intervention by the Board. Based on annual performance carried out, the Board has performed their respective roles in addressing the Group's material sustainability risks and opportunities.

This allows the Board to have better insights on the potential improvements that could be implemented in future.

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

I. Board Responsibilities (cont'd)

Practice 4.4 – Performance Evaluations of the Board and Senior Management (cont'd)

During the 18-month financial period ended 31 December 2025, the Board has convened total of eight (8) meetings. The Board's attendance records are as follows:-

Board	Position	Date of Board Meeting									
		30 Aug 2024	29 Oct 2024	7 Nov 2024	28 Nov 2024	27 Feb 2025	26 May 2025	21 Aug 2025	20 Nov 2025	Total	%
Y.A.M. Tunku Naquiyuddin Ibni Tuanku Ja'afar	Executive Chairman	✓	✓	✓	✓	✓	✓	✓	✓	8/8	100%
Yen Soon Jin (appointed w.e.f. 1 July 2024)	Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	8/8	100%
Datuk Lim Chih Li @ Lin ZhiLi (resigned w.e.f. 22 July 2025)	Executive Director	✓	✓	✓	✓	✓	✓	N/A	N/A	6/6	100%
Sakthi Kumar A/L Ramadas (appointed w.e.f. 1 July 2024)	Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	8/8	100%
Fan Kah Seong	Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	8/8	100%
Dato' Linda Geh Guat Yeow (appointed w.e.f. 18 July 2024)	Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	8/8	100%
Y.A.M. Tengku Shahrain Shah Bin Tengku Sulaiman Shah (appointed w.e.f. 18 July 2024)	Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	8/8	100%
Irmmie Josfina Binti Abd Rahman (appointed w.e.f. 24 September 2025)	Independent Non-Executive Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	100%
Sharvin A/L Ravindran (appointed w.e.f. 3 November 2025)	Independent Non-Executive Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A	✓	1/1	100%
Muhammad Helmi Bin Azhar (resigned w.e.f. 24 September 2025)	Independent Non-Executive Director	N/A	N/A	N/A	N/A	N/A	N/A	-	N/A	0/1	0%

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

I. Board Responsibilities (cont'd)

Practice 5.1 – Responsibilities of Nomination Committee
Practice 5.7 – Appointment and Reappointment of Directors

During the FPE2025, the Nomination Committee ("NC") has evaluated the composition of the Board and Board Committees via the annual assessments to review the size of the Board, tenure of each Director and the required mix of skills, experience and other qualities and core competencies for the Directors of the Company.

Based on the assessment outcome, the NC was satisfied that the current size and composition of the Board are adequate, and they have adequately carried out their functions within their scope of work.

Apart from that, the NC is also responsible for recommending to the Board on the Directors who are standing for re-election at the Annual General Meeting ("AGM"), subject to the NC being satisfied with the performance of the Directors based on the assessments undertaken.

Based on the results of the annual assessment and evaluation of the Board for the FPE2025 and fit and proper assessment, the Board and NC were satisfied with the performance of the following Directors who are standing for re-election at the Nineteenth AGM of the Company, and recommended to the shareholders the proposed re-elections: -

(i) Y.A.M. Tunku Naquiyuddin Ibni Tuanku Ja'afar;
(ii) Yen Soon Jin;
(iii) Irmmie Josfina Binti Abd Rahman; and
(iv) Sharvin A/L Ravindran

(the aforesaid Directors are collectively referred to as "Retiring Directors")

The appointment of any Director, together with all the relevant information, such as designation, directorate, directorships in public companies and listed issuers, family relationship with any Director and/or major shareholder of the Company, conflict of interest with the Company and details of any interests in the securities of the Company or its subsidiaries, are announced to Bursa Malaysia Securities Berhad.

To assist shareholders in their decision on the re-election of the Retiring Directors, the information of the Retiring Directors had been included in the Explanatory Notes in the AGM notice.

The details of the Retiring Directors, such as interests, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole, are set out in the Profile of Directors of the Annual Report 2025.

Practice 5.2, 5.3 and Step Up 5.4 – Independent Directors

The Board consists of 8 members, comprising 1 Executive Chairman, 1 Executive Director and 6 Independent Non-Executive Directors, with a majority of the Board comprises Independent Directors.

The Independent Non-Executive Directors provide adequate check and balance of power and authority and is able to support independent deliberation of the Board and sufficiently enable it to discharge its duties objectively in order to safeguard the interests of other minority shareholders/stakeholders.

Currently, none of the Independent Directors of the Company has served for a cumulative term of more than 9 years.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

I. Board Responsibilities (cont'd)

Practice 5.1 – Responsibilities of Nomination Committee (cont'd)
Practice 5.7 – Appointment and Reappointment of Directors (cont'd)

The Board takes cognizance that the tenure of an Independent Director should not exceed a cumulative term of 9 years. Upon completing 9 years, an Independent Director may continue to serve on the Board as a Non-Independent Director. In the event such a Director is to be retained as an Independent Director beyond 9 years and up to 12 years, the Board must provide justification and seek annual shareholders' approval through a two-tier voting process.

The assessment of independence of Independent Directors has taken into consideration whether the Independent Non-Executive Director is free from any business or relationship which could hinder his/her exercise of independent judgment, objectivity or the ability to act in the best interests of the Company.

Practice 5.5 and 5.6 – Diversity on Board and in Senior Management & Sourcing of Directors

The Board has a formal and transparent selection process to appoint the Board members and Senior Management.

In making the recommendation of suitable candidates, the NC considers the following attributes of candidates: -

(a) skills, knowledge, expertise, and experience;
(b) age;
(c) gender;
(d) professionalism;
(e) integrity;
(f) competencies, commitment, contribution, and performance; and
(g) in the case of candidates for the Independent Director position, the NC should also evaluate the candidates' ability to discharge such responsibilities/functions as expected from the Independent Director.

(collectively referred to as "Criteria")

In addition, the following fit and proper criteria were adopted for the appointment and re-appointment of Directors of the Company as set out in the Directors' Fit and Proper Policy: -

(a) Probity;
(b) Personal integrity;
(c) Financial integrity;
(d) Reputation;
(e) Qualifications, training and skills;
(f) Relevant experience and expertise;
(g) Relevant past performance or track record;
(h) Ability to discharge role having regard to other commitments; and
(i) Participation and contribution in the Board or track record.

(collectively referred to as "Fit and Proper Criteria")

The NC also considers, in making its recommendations, candidates for directorships proposed by the Directors and, within the bounds of practicability, by any other senior executive or any Director or shareholder and takes steps to ensure that gender, ethnicity, and age group diversity is considered as part of its recruitment exercise.

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

I. Board Responsibilities (cont'd)

Practice 5.5 and 5.6 – Diversity on Board and in Senior Management & Sourcing of Directors (cont'd)

The current Board consists of Directors from diverse backgrounds and qualifications, collectively bringing a wide range of experience and expertise in areas such as economics, accounting, finance, legal, engineering, and entrepreneurship.

The Directors has ensured their time commitment to discharge their duties effectively by holding not more than 5 directorships in public listed companies and avoiding over-commitment in multiple directorships in non-listed companies.

The primary responsibility for screening, evaluating and nominating new Board members for appointment is delegated to the NC. Board appointments are made through a formal and transparent process. In carrying out this responsibility, the NC evaluates each candidate's suitability based on a variety of criteria including skills, knowledge, expertise, experience, professionalism, integrity, as well as the time commitment and value the candidate can bring to complement the Board.

In its search for suitable candidates, the NC may receive recommendations from existing Board members, Management and/or major shareholders. The NC also remains open to sourcing candidates through external referrals such as professional bodies, industry associations or independent search firms.

During the FPE2025, the appointments of Irmmie Josfina Binti Abd Rahman and Sharvin A/L Ravindran as Directors of the Company were made through recommendations from the Management. While the Company strives to adopt a structured and diverse approach to board appointments, these appointments were made based on the candidates' relevant experience and familiarity with the Company's business, albeit without broader sourcing through external channels.

Although the NC and the Board did not utilise independent sources with regards to the appointments, the Board's decisions were still made objectively in the best interests of the Company taking into account the diverse skills, expertise, experience and perspectives of the current Board members.

Practice 5.8 – Nomination Committee

The nomination Committee conducted an assessment of the performance of the Board, as a whole, the Audit and Risk Management Committee, Nomination Committee and Remuneration Committee and individual Directors, based on a self and peer assessment approach. From the results of the assessment, including the mix of skills and experience possessed by Directors, the Board considered and approved the recommendations on the re-election and re-appointment of Directors at the Company's forthcoming Annual General Meeting. Full details of the Nomination Committee's duties and responsibilities are stated in its Term of Reference which is available on the Company's website.

The Nomination Committee comprises exclusively of Independent Non-Executive Directors and chaired by the Sakthi Kumar A/L Ramadas, the Independent Non-Executive Director. The Committee meets as and when required, at least once a year.

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

I. Board Responsibilities (cont'd)

Practice 5.8 – Nomination Committee (cont'd)

During the 18-month financial period ended 31 December 2025, the NC has convened total of five (5) meetings. The NC's attendance records are as follows:-

NC	Position	Date of NC Meeting						
		1 Jul 2024	29 Aug 2024	20 Aug 2025	24 Sep 2025	3 Nov 2025	Total	%
Sakthi Kumar A/L Ramadas (appointed w.e.f. 1 July 2024)	Independent Non-Executive Director	N/A	✓	✓	✓	✓	4/4	100%
Fan Kah Seong	Independent Non-Executive Director	✓	✓	✓	✓	✓	5/5	100%
Dato' Linda Geh Guat Yeow (appointed w.e.f. 18 July 2024)	Independent Non-Executive Director	N/A	✓	✓	✓	✓	4/4	100%
Balraj Singh Pannu A/L Gajjan Singh (resigned w.e.f. 9 Jul 2024)	Independent Non-Executive Director	✓	N/A	N/A	N/A	N/A	1/1	100%
Aidawati Binti Dahari (resigned w.e.f. 9 Jul 2024)	Independent Non-Executive Director	✓	N/A	N/A	N/A	N/A	1/1	100%

During the financial year, the Nomination Committee had carried out the following activities:

The responsibilities and duties of the Committee are as follows:

i. leading the succession planning and appointment of Directors, and oversee the development of a diverse pipeline for Board and Management succession, including the future Chairman, Executive Directors, and
ii. leading the annual review of Board effectiveness, ensuring that the performance of each individual Director and Chairman of the Board is independently assessed.

Practice 5.9 – Gender Diversity

The Board acknowledges the importance of boardroom diversity and supports the same. The Board currently has 2 female director, comprising 25% of the Board.

The evaluation of the suitability of candidates as the new Board member is based on the candidates' competency, skills, character, time commitment, knowledge, experience, and other qualities in meeting the needs of the Company, and without regard to the candidate's gender, ethnicity, nor age.

The NC and the Board would ensure that steps are undertaken to ensure that suitable women candidates are sought from various sources, should the need arises.

Practice 5.10 – Policy on Gender Diversity

The Company has adopted a Gender-Ethnicity-Age Diversity Policy that is applicable to all positions within the Group and to ensure that equal rights, regardless of the gender, ethnicity or age of the candidates (from its stable of blue collar workers to middle management level personnel, senior management and right through to the Board) are accorded when it comes to hiring, employment, promotion, job placement and etc within the Group.

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

I. Board Responsibilities (cont'd)

Practice 5.9 – Gender Diversity (cont'd)

All the officers of the Group involved in the hiring process, including the human resource personnel and NC, as the case may be, is strongly encouraged to be "gender, ethnicity and age blind" when it comes to evaluating the suitability of a candidate for any position in the Group.

The Gender-Ethnicity-Age Diversity Policy is available on the Company's corporate website at http://www.techna-x.com.

Practice 6.1 – Evaluation for Board, Board Committees and Individual Directors

The Board undertakes a formal annual evaluation to assess the effectiveness of the Board, its Committees, and individual Directors. For the FPE2025, internal evaluations were conducted using structured questionnaires distributed prior to the Nomination Committee ("NC") meeting. The evaluation covered the following areas: -

- Effectiveness of the Board and its Committees;
- Character, experience, integrity, competence, and time commitment of each Director;
- Skills, experience, and core competencies of individual Directors, including Non-Executive Directors; and
- Independence of Independent Directors.

Based on the evaluation results, the NC concluded that all three Board Committees – Audit and Risk Management Committee, Nomination Committee, and Remuneration Committee – had effectively discharged their respective functions during the year.

The NC also reviewed the self-declared independence assessments completed by the Independent Non-Executive Directors ("INEDs") and was satisfied that they fulfilled the independence criteria as prescribed under the Main Market Listing Requirements of Bursa Securities. The INEDs were also observed to have continued to exhibit independence in their engagement, provided objective challenge to Management, and exercised sound judgement in Board deliberations.

Based on the assessment carried out during the financial year, the Nomination Committee had concluded the following:

(a) The Board was found to be competent and had a dynamic and balanced mix of skills and experience wherein the Directors were able to contribute effectively to the Board's decision making process.
(b) The current structure, size and composition of the Board, which comprises people who possess a wide range of expertise and experience in various fields with diverse backgrounds and specialisations, would enable the Board to lead and manage the Company effectively
(c) The Directors had discharged their responsibilities in a commendable manner, acted competently, contributed effectively to the Board and demonstrated full commitment to their duties as Directors.
(d) The Board and Board Committees had contributed positively to the Company and its subsidiaries and were operating in an effective manner
(e) The Board Chairman had performed in an excellent manner and contributed to the Board.
(f) The performances of the Board Committees were found to be effective.

In order to ensure a person to be appointed or elected/re-elected as Director possesses the necessary quality and character as well as integrity, competency and commitment, the Board has adopted a Directors' Fit and Proper Policy. This policy serves as a guide for the Nomination Committee and the Board in their review and assessment of candidates that are to be appointed as well as Directors who are seeking for re-election. The policy is accessible on the Company's website at http://www.techna-x.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

I. Board Responsibilities (cont'd)

Practice 5.9 – Gender Diversity (cont'd)

The Company Secretary and Management regularly update the Board on the training programme available by regulators and professional bodies. The trainings attended by the Directors during the financial year are listed below: -

Name of Directors	**Programmes/Seminar**
Y.A.M. Tunku Naquiyuddin Ibni Tuanku Ja'afar	Compliance with Listing Requirements -Reporting of Financial Statements Mandatory Accreditation Programme Part II : Leading For Impact (LIP)
Yen Soon Jin	Compliance with Listing Requirements -Reporting of Financial Statements Mandatory Accreditation Programme Part II : Leading For Impact (LIP)
Sakthi Kumar A/L Ramadas	Compliance with Listing Requirements -Reporting of Financial Statements Mandatory Accreditation Programme Part II : Leading For Impact (LIP)
Fan Kah Seong	Compliance with Listing Requirements -Reporting of Financial Statements Mandatory Accreditation Programme Part II : Leading For Impact (LIP)
Dato' Linda Geh Guat Yeow	Compliance with Listing Requirements -Reporting of Financial Statements Mandatory Accreditation Programme Part II : Leading For Impact (LIP)
Y.A.M. Tengku Shahrain Shah Bin Tengku	Compliance with Listing Requirements -Reporting of Financial Statements Mandatory Accreditation Programme Part II : Leading For Impact (LIP)
Irmmie Josfina Binti Abd Rahman	Advocacy Session on Corporate Disclosure
Sharvin A/L Ravindran	Mandatory Accreditation Programme (MAP)

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

II. Remuneration (cont'd)

Practice 7.1 – Remuneration Policy

The Company does not have a remuneration policy for the Directors and Senior Management for the time being. However, the Terms of Reference of the RC has stipulated that the remuneration packages of the Executive Directors, Non-Executive Directors and Senior Management were taken into account the demands, complexities, and performance of the Company as well as the skills and experience required.

In determining the remuneration of the Directors and Senior Management, the RC is guided by its Terms of Reference to consider, among others, the following: -

- In respect of Executive Directors, to ensure that the remuneration package is commensurate with skills and responsibility expected of the Director concerned and is sufficient to attract and retain Directors needed to run the Company successfully.
- In respect of Non-Executive Directors, to ensure via the Board as a whole that the remuneration payable reflects the experience, time demanded of the Directors to discharge their duties and responsibilities undertaken.
- In respect of Senior Management, to ensure that the remuneration package is commensurate with the individual's performance, skills, experience, level of responsibility, and market benchmarks.
- The remuneration packages of the Directors and Senior Management shall reflect their responsibilities, expertise, and the complexity of the Company's activities.
- To structure the component parts of remuneration to align with the Company's business strategy and long term objectives, link rewards to corporate and individual performance, and assess the Company's needs for talent at the Board level at a particular time.

Practice 7.2 - Remuneration Committee

The Remuneration Committee has been established to assist the Board in implementing its policies and procedures on remuneration of the Directors and Senior Management.

During the 18-month financial period ended 31 December 2025, the RC has convened total of two (2) meetings. The RC's attendance records are as follows:-

RC	Position	Date of RC Meeting			
		29 Aug 2024	26 May 2025	Total	%
Sakthi Kumar A/L Ramadas (appointed w.e.f. 1 July 2024)	Independent Non-Executive Director	✓	✓	2/2	100%
Fan Kah Seong	Independent Non-Executive Director	✓	✓	2/2	100%
Dato' Linda Geh Guat Yeow (appointed w.e.f. 18 July 2024)	Independent Non-Executive Director	✓	✓	2/2	100%
Balraj Singh Pannu A/L Gajjan Singh (resigned w.e.f. 9 Jul 2024)	Independent Non-Executive Director	✓	N/A	1/1	100%
Aidawati Binti Dahari (resigned w.e.f. 9 Jul 2024)	Independent Non-Executive Director	✓	N/A	1/1	100%

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

II. Remuneration (cont'd)

During the FPE2025, the RC has undertaken the following works: -

(i) Reviewed the Directors' fees for the financial period ended 31 December 2025 and recommended the same to the Board for consideration;
(ii) Reviewed the Directors' remuneration (excluding Directors' fees) from 9 December 2024 until the next AGM of the Company and recommended the same to the Board for consideration;
(iii) Reviewed and confirmed the minutes of the RC meeting;
(iv) Reviewed the proposed Directors' fees payable to the proposed new Director(s) and recommended the same to the Board for consideration; and
(v) Reviewed the remuneration package of the Managing Director and Executive Directors of the Company for year 2025 and recommended the same to the Board for consideration and approval.

The authority, duties, and responsibilities of the RC are clearly stated in its Terms of Reference, available on the Company's corporate website at http://www.techna-x.com

Practice 8.1 – Disclosure of Remuneration of Directors

Pursuant to the respective service contracts with the Company and its subsidiaries, the details of individual Directors' remuneration are as follows:-

FYE	Company (RM)						
	Fees	Allowance ^	Salaries	Bonus	Benefit-in-kind	Other emoluments	Total
Executive Director							
Y.A.M. Tunku Naquiyuddin Ibni Tuanku Ja'afar	150,000	-	-	-	-	-	150,000
Yen Soon Jin	-	-	270,000	-	-	32,400	302,400
Non-Executive Directors							
Sakthi Kumar A/L Ramadas	54,000	7,800	-	-	-	-	61,800
Fan Kah Seong	54,000	7,800	-	-	-	-	61,800
Dato' Geh Guat Yeow	52,354.84	7,800	-	-	-	-	60,154.84
Y.A.M. Tengku Shahrain Shah Bin Tengku	52,354.84	5,250	-	-	-	-	57,604.84
Irmmie Josfina Binti Abd Rahman	6,000	750	-	-	-	-	6,750
Sharvin A/L Ravindran	6,000	750	-	-	-	-	6,750

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

II. Remuneration (cont'd)

FYE	Group (RM)						
	Fees	**Allowance ^**	**Salaries**	**Bonus**	**Benefit-in-kind**	**Other emoluments**	**Total**
Executive Director							
Y.A.M. Tunku Naquiyuddin Ibni Tuanku Ja'afar	150,000	-	-	-	-	-	150,000
Yen Soon Jin	-	-	270,000	-	-	32,400	302,400
Non-Executive Directors							
Sakthi Kumar A/L Ramadas	54,000	7,800	-	-	-	-	61,800
Fan Kah Seong	54,000	7,800	-	-	-	-	61,800
Dato' Geh Guat Yeow	52,354.84	7,800	-	-	-	-	60,154.84
Y.A.M. Tengku Shahrain Shah Bin Tengku	52,354.84	5,250	-	-	-	-	57,604.84
Irmmie Josfina Binti Abd Rahman	6,000	750	-	-	-	-	6,750
Sharvin A/L Ravindran	6,000	750	-	-	-	-	6,750

Note:
^ *Meeting allowances*

Practice 8.2 – Remuneration of Senior Management

The remuneration of the Senior Management are set out as follows: -

Range of Remuneration (RM)	Number of Senior Management
RM50,001-RM100,000	-
RM100,001-RM150,000	-
RM150,001-RM200,000	-
RM201,000 to RM250,000	-

(The details of senior management's remuneration are not shown, as the Board considers the information of the said remuneration to be sensitive and proprietary in view of the competitive nature of the human resource market and to support the Company's efforts in retaining executive talents. The Board is of the view that the transparency and accountability aspects of corporate governance as applicable to senior management's remuneration are appropriately served by the disclosures in the RM50,000 bands. The total remuneration paid to each senior management reflects the time and effort devoted to fulfil his or her responsibilities on the Board and linked to the Group's performance.)

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit and Risk Management Committee

Practice 9.1 and Step Up 9.4 and 9.5 - Audit Committee

The ARMC comprises exclusively of Independent Non-Executive Directors. During the 18-month financial period ended 31 December 2025, the ARMC has convened total of eight (8) meetings. The ARMC's attendance records are as follows:-

ARMC	Position	Date of Board Meeting									
		30 Aug 2024	29 Oct 2024	7 Nov 2024	28 Nov 2024	27 Feb 2025	26 May 2025	21 Aug 2025	20 Nov 2025	Total	%
Fan Kah Seong	Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	8/8	100%
Sakthi Kumar A/L Ramadas (appointed w.e.f. 1 July 2024)	Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	8/8	100%
Dato' Linda Geh Guat Yeow (appointed w.e.f. 18 July 2024)	Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	8/8	100%

The Audit and Risk Management Committee ("ARMC") is chaired by an Independent Non-Executive Director, Fan Kah Seong, who is not the Chairman of the Board.

The ARMC Chairman, together with other members of the ARMC, should ensure, amongst others, that:-

(i) the ARMC is fully informed about significant matters related to the Group's audit and its financial statements and addresses these matters;
(ii) the ARMC appropriately communicates its insights, views, and concerns about relevant transactions and events to Internal and External Auditors;
(iii) the ARMC's concerns on matters that may affect the Group's financial or audit are communicated to the External Auditors; and
(iv) there is coordination between Internal and External Auditors.

The ARMC members collectively possess the accounting and related financial management expertise and experience required for the ARMC to discharge its duties and responsibilities, and assist the Board in its oversight over the financial reporting process.

The individual ARMC members' qualifications and experience are disclosed in the Profile of Directors in the Company's Annual Report 2025.

Based on the outcome of the performance assessment undertaken on the ARMC, the NC and the Board were satisfied that: -

(i) the performance of the ARMC and its members in the discharge of their duties and responsibilities in accordance with the ARMC's Terms of Reference, supporting the Board in ensuring the Group upholds appropriate corporate governance; and

(ii) each ARMC member has a high degree of independence and a good mix of expertise, skills, and knowledge.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit and Risk Management Committee

Practice 9.1 and Step Up 9.4 and 9.5 - Audit Committee (cont'd)

The ARMC members received ongoing training and development to keep themselves updated on the relevant developments in accounting and auditing standards, practices and rules.

The Board through the ARMC is responsible for ensuring that the financial statements of the Group give a true and fair view of the state of affairs of the Group and the Company at the end of the financial year and of their results and cash flows for the financial year then ended. In preparing the financial statements for the FPE2025, the Directors have ensured that applicable approved accounting standards in Malaysia, the provisions of the Companies Act 2016, and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad have been applied or complied with, as the case may be.

Practice 9.2 and 9.3 Oversight of External Auditors

The Terms of Reference of the ARMC has indicated that a former partner of the external audit firm of the Group (inclusive affiliate firm and/or those providing advisory services, tax consulting and etc) shall observe a cooling-off period of at least 3 years before he/she can be appointed as an ARMC member.

None of the ARMC members were former partners of the Group's external audit firms and/or affiliate firms.

Notwithstanding the above provision, the ARMC has no intention to appoint any former partner of the Group's external audit firms and/or affiliate firms as an ARMC member.

The Terms of Reference of the ARMC is available on the Company's corporate website at http://www.techna-x.com.

The Board, through the ARMC, maintains a formal and transparent relationship with the External Auditors. The ARMC is responsible for making recommendations to the Board on the appointment, re-appointment, removal, and remuneration of the External Auditors.

The ARMC evaluates the suitability, objectivity, and independence of the External Auditors annually, taking into consideration their qualifications, the effectiveness of the audit process, the quality of service rendered, and their independence. The ARMC also ensures collaboration between the External and Internal Auditors to enhance the overall audit effectiveness.

To safeguard auditor independence, the ARMC meets with the External Auditors at least once a year without the presence of Executive Directors and management, providing a platform for the External Auditors to raise any issues or concerns in relation to the audit.

Details of the audit and non-audit fees paid to the External Auditor for the financial period ended 31 December 2025 are as follows:-

	Company RM'000	**Group RM'000**
Statutory audit fees paid to the External Auditor	436	480
Non-audit fees paid to the External Auditor	-	23

The full details of the role of the Audit and Risk Management Committee in relation to the External Auditors is set out in the Audit and Risk Management Committee Report of this Annual Report.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

II. Risk Management and Internal Control Framework

Practice 10.1, 10.2 and 10.3 – Board Responsibility on Risk Management and Internal Control

The Board acknowledges its responsibility to maintain the systems of risk management and internal control and review their adequacy, integrity and effectiveness. The systems are designed to manage rather than eliminate the risk of failure to achieve the Group's corporate objectives and only provide reasonable but not absolute assurance against any material misstatement or financial losses.

Apart from financial controls, the Group's internal control system also covers operational and compliance controls and, most importantly, risk management. As part of the risk management process, the Board is assisted by the ARMC in identifying, assessing, and managing the significant business risks faced by the Group throughout FPE2025.

The other key features of the Group's internal control system include the following: -

- An organisation structure with defined lines of responsibility and appropriate reporting structure, including proper approval and authorisation limits for approving capital expenditure and expenses within the Group;
- Internal policies and procedures are documented and regularly reviewed and updated from time to time through a series of manuals and guidelines for all major operations of the Group;
- Strategic planning and annual budgeting are undertaken for all the key business units. The Senior Management closely monitors the key performance indicators and financial and operating results to identify and, where appropriate, to address significant variances;
- The Internal Auditors, perform regular and systematic reviews throughout the financial year on the internal controls to assess and provide sufficient assurance on the effectiveness of the system of internal control and highlight significant risks impacting the Group with recommendations for improvement; and
- The ARMC regularly reviews the reports issued by the Internal Auditors on half-yearly basis and annually reviews the adequacy of the Internal Auditors' scope of work and resources.

The Group has adopted Risk-Based Internal Audit ("RBIA") methodology, which serves to provide assurance that the risks are being managed within the organisation's risk appetite. The methodology consists of 5 core internal audit roles that cover the risk management framework of the whole organisation, namely:-

(i) Giving assurance that the processes used by the Management to identify all significant risks are effective.
(ii) Giving assurance that the risks are correctly assessed/scored by the Management in order to prioritise them.
(iii) Evaluating the risk management processes to ensure the response to any risk is appropriate and conforms to the organisation's policies.
(iv) Evaluating the reporting of key risks by managers to Directors.
(v) Reviewing the management of key risks by managers to ensure controls have been put into operation and are being monitored.

The Board has reviewed the overall risk management and internal control systems of the Group and is of the view that the systems are adequate and effective as there were no material control failure which would have any material adverse effects on the financial results of the Group for the FPE2025.

The Audit and Risk Management Committee is entirely comprised of Independent Non-Executive Directors. The Board is of the opinion that the current composition is sufficient and adequate for the Audit and Risk Management Committee to carry out its functions in assisting the Board.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

II. Risk Management and Internal Control Framework (cont'd)

Practice 11.1 and 11.2 – Internal Audit function

The internal audit function of the Group is outsourced to an independent professional internal audit firm, namely Talent League Sdn. Bhd. The outsourced Internal Auditors report directly to the ARMC to preserve their objectivity and assist the ARMC and the Board in discharging their responsibilities by providing independent and objective assurance and advisory services that seek to add value and improve the Group's operations.

The internal audit function is independent of the management and is not involved in the operational activities of the Group. This is to ensure that the internal audit activities are performed with impartiality, proficiency, and due professional care.

The Internal Auditors perform regular and systematic reviews throughout the FPE2025 on the internal controls to assess and provide sufficient assurance on the effectiveness of the internal control system and highlight significant risks impacting the Group with recommendations for improvement.

The ARMC regularly reviews the reports issued by the Internal Auditors on half-yearly basis and annually reviews the adequacy of the Internal Auditors' scope of work and resources.

The following matters in relation to the internal audit function are reserved matters for the ARMC: -

(i) approve any appointment or termination, or removal of Internal Auditors or members of the internal audit function;
(ii) review the internal audit plan, processes, internal audit reports, results and findings of the internal audit assessments, fraud investigations undertaken, and whether the Management has taken any appropriate actions and steps in response to the recommendations on audit findings as well as the audit fee;
(iii) review the adequacy of the scope, functions, competency, and resources of the internal audit function and that it has the necessary authority to carry out its work; and
(iv) review any appraisal or undertake an assessment of the performance of the Internal Auditors or members of the internal audit function.

Based on the assessment performed on the Internal Auditors for FPE2025, the ARMC was generally satisfied that: -

(i) the person responsible for internal audit has relevant experience, sufficient standing and authority to enable him to discharge his functions effectively;
(ii) the Internal Auditors have sufficient resources and are able to access information to enable them to carry out their role effectively; and
(iii) the personnel assigned to undertake internal audit have the necessary competency, experience and resources to carry out the function effectively.

The engagement team from Talent League Sdn. Bhd. is headed by Mr. Roy Thean, a member of the Malaysian Institute of Accountants, Malaysian Institute of Certified Public Accountants, and Institute of Internal Auditors Malaysia. All the personnel deployed by Talent League Sdn. Bhd. range from 3 to 4 staff, are free from any relationships or conflicts of interest, which could impair their objectivity and independence during the course of work, and they have the competency to meet the requirement of the ARMC.

The Internal Auditor reports directly to the ARMC. The internal audit reports were prepared in accordance with the internal audit plan approved by the ARMC in advance.

The internal audits carried out by the Internal Auditors are guided by the International Professional Practices Framework issued by the Institute of Internal Auditors Inc., a globally recognised professional body for internal auditors.

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

Practice 12.1 – Communication with Stakeholders

The Company recognises the importance of timely and thorough disseminating information on all material business and corporate developments to the shareholders, investors and other stakeholders.

The Company keeps shareholders informed by ways of announcements, timely release of quarterly financial results through Bursa Malaysia Securities Berhad, press releases, annual reports and circulars to shareholders, should it be necessary.

The Company's website, which is accessible at http://www.techna- x.com, allows all shareholders and investors access to information about the Company.

Nevertheless, the AGM is the principal forum of dialogue and interaction with the Company's shareholders. It provides an opportunity for the shareholders to seek and clarify any issues pertaining to the Group and better understand the Group's activities and performance.

The address and phone number of the Group is clearly disclosed in the annual report, so that concerned shareholders may easily contact the Group.

III. Conduct of General Meetings

Practice 13.1 – Notice of general meeting

The Company's Eighteenth AGM was held on 9 December 2024, and the notice for the Eighteenth AGM to shareholders was issued on 7 November 2024, which was more than 28 days prior to the date of the AGM.

Sufficient time was given to the shareholders to make the necessary arrangements to attend and participate well as to consider the resolutions that will be discussed and decided at the Eighteenth AGM.

The Company has complied with the statutory requirement regarding the timeline in sending out the AGM notice to shareholders all these years.

In addition, the notice of AGM was published in a prominent local newspaper and made available to the public on Bursa Malaysia Securities Berhad's website and the Company's corporate website at http://www.techna-x.com.

The notice of Eighteenth AGM contained sufficient information related to the resolutions set out in the notice along with any background information and relevant reports or recommendations, where required and necessary. This has enabled the shareholders to have adequate information to make informed decisions when exercising their voting rights.

Practice 13.2 – Attendance of Directors at General Meetings

All Directors attend General Meetings and respond to any relevant questions addressed to them, unless unforeseen circumstances prevent their attendance.

At the previous AGM, all Directors attended in person and personally addressed questions or issues raised by shareholders. Additionally, Senior Management and the External Auditors were present to address any queries from shareholders.

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT"D)

III. Conduct of General Meetings (cont'd)

Practice 13.3 – Voting (cont'd)

Although the Board recognises the importance of leveraging on technology to facilitate remote shareholders' participation and voting on all resolutions via remote participation and voting facilities, but after due considerations, the Company has conducted its Eighteenth AGM via physical mode on 9 December 2024.

Even though the Company conducted its Eighteenth AGM on 9 December 2024 at a physical venue, shareholders are allowed to vote in absentia by way of appointing the Chairman of the AGM as their proxy to vote on their behalf by submitting their proxy form with pre-determined voting instructions for the Chairman to vote for and on their behalf.

Additionally, the Company encourages the shareholders, especially those who were unable to attend the AGM, either in person or via proxy, to submit questions ahead of the AGM by emailing to info@techna-x.com and such questions will be addressed at the AGM if time permits or by email after the AGM.

Practice 13.4 and 13.6 – General Meetings

During the AGM, the Chairman ensures the shareholders and proxies were given adequate opportunity and time to participate and engage the Board and Senior Management effectively in order for them to make informed voting decisions.

During the AGM, adequate time is allocated for shareholders to pose questions and Directors/Management to answer them accordingly. In addition to that, questions posed or clarifications seek by the Minority Shareholders Watch Group ("MSWG") were properly and comprehensively addressed prior to the AGM. The questions from MSWG and the corresponding responses from the Directors/Management will be presented to those shareholders present during the AGM.

If the shareholders have further questions, the shareholders may pose their questions to the Company by emailing to info@techna-x.com ("Communication Channel").

Should there be any unanswered questions raised during the AGM, the Company will follow up and address those questions concerned by leveraging the Communication Channel in order to ensure that all questions are addressed and receive a meaningful response.

During the Eighteenth AGM which was held on 9 December 2024 physically, the Chairman actively encouraged the shareholders and/or proxies to participate in the question-and-answer session. There were no questions posed during the Eighteenth AGM, but adequate responses were given to the questions from the MSWG during the Eighteenth AGM.

The minutes of the Eighteenth AGM held on 9 December 2024 were uploaded onto the Company's corporate website at http://www.techna-x.com within 30 business days from the date of the Eighteenth AGM.

COMPLIANCE STATEMENT

The Board is satisfied that the Group has substantially complied with the majority of the practices of the Malaysian Code On Corporate Governance throughout the financial year. In pursuit of safeguarding the interest of the shareholders and other stakeholders, the Board is committed and will continue to strengthen its application of the best practices in corporate governance.

This Corporate Governance Overview Statement was approved at the Board of Directors' Meeting held on 30 April 2026.

ADDITIONAL COMPLIANCE INFORMATION

The following information is provided in compliance with the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"):-

1. **Utilisation of Proceeds**

Private Placements

The Company had on the following date announced the private placements of new ordinary shares ("Placement Shares") and the listing of and quotation for the said shares were approved by Bursa Securities: -

Date of Announcement	No. of Placement Shares	Issue Price per share (RM)	Gross Proceeds Raised
8 July 2025	10,171,600	0.0700	712,012
15 July 2025	14,246,000	0.0800	1,139,680

Status of Utilisation	Amount Utilised (RM)
Repayment of trade payables	781,875
Working capital requirements	436,980
Estimated expenses for the Proposed Private Placement	88,980

2. **Audit and Non-Audit Fees**

During the financial year, the amount of audit and non-audit fees paid or payable by the Company and the Group to the External Auditors and/or its affiliates are as follows:

	Company RM'000	Group RM'000
Audit fees	436	480
Non-audit fees	-	23

3. **Material Contracts**

Save as disclosed below, there were no material contracts other than those in the ordinary course of business or loans entered into by the Company and its subsidiary companies involving the interests of the directors, chief executive who is not director and major shareholders' interests either still subsisting at the end of the financial period ended 31 December 2025 or entered into since the end of previous financial year ended 30 June 2024.

(i) Deed of novation between Central Plaza-i City Real Estate Sdn Bhd, Debut Supreme Capital Sdn Bhd and CISA dated 16 July 2024. Debut Supreme Capital Sdn Bhd ("the original tenant") novates and assigns absolutely to CISA ("the new tenant") and the new tenant accepts the novation and assignment from the original tenant of all the original tenant's rights, interests, benefits, obligations and liabilities in Unit No. L1-13 & L1-13S located on the level one of Central i-City (the "Demised Premises") and under the tenancy agreement entered into between Central Plaza-i City Real Estate Sdn Bhd ("the landlord") and the original tenant dated 9 December 2021 as if the new tenant was the original party to the tenancy agreement in place of the original tenant.

(ii) Management agreement between Craveat and CPSB dated 18 September 2025. Pursuant to the sale and purchase agreement between Craveat and Debut Supreme Capital Sdn Bhd, the shareholders of the Craveat have agreed that Craveat shall grant CPSB ("the Operator") the exclusive right to manage the day-to-day operations of the Italiannies restaurants at The Curve Shopping Center, Petaling Jaya and I-City Shopping Centre, Shah Alam and T.G.I.Friday's restaurants at Friendship Hotel and Financial Street, Beijing China ("Restaurants") and the Parties are desirous of entering into this agreement to establish the scope of the Operator's obligations in relation to the management of the operations of the Restaurants, on the terms and conditions set forth in this agreement.

ADDITIONAL COMPLIANCE INFORMATION

3. **Material Contracts (Cont'd)**

(iii) Share sale and purchase agreement (in relation to the acquisition of 2,130,000 ordinary shares in Alco Sdn Bhd, representing 30% of its entire issued capital) dated 23 September 2024 for the acquisition of 2,130,000 ordinary shares in Alco Sdn Bhd, representing 30% of its entire issued capital.

(iv) Sale and purchase agreement (in relation to the sale and purchase of 2 ordinary shares equivalent to 100 per cent (100%) of the total issued and paid-up share capital of Wavetree Technologies Sdn Bhd ("Wavetree")) dated 1 August 2025 for the disposal of 2 ordinary shares in Wavetree, representing 100% of the total issued and paid-up capital of Wavetree.

(v) Debt assignment agreement between TXB, Craveat and GIP Work Sdn Bhd dated 21 July 2025. Techna-X Berhad, the original debtor assigns, transfers, sets over, novate and conveys absolutely unto Craveat ("the new debtor") all its rights and benefits in relation to and derived from RM17,352,750.00 (the "Outstanding Sum") including but not limited to burden and liabilities to be derived therefrom including and not limited to settle the Outstanding Sum or any part thereof and the new debtor agrees to accept the novation, assignment, set over and transfer.

(vi) Debt assignment agreement between Craveat, CPSB and GIP Work Sdn Bhd dated 21 July 2025. Craveat ("the original debtor") assigns, transfers, sets over, novate and conveys absolutely unto CPSB ("the new debtor") all its rights and benefits in relation to and derived from RM17,352,750.00 (the "Outstanding Sum") including but not limited to burden and liabilities to be derived therefrom including and not limited to settle the Outstanding Sum or any part thereof and the new debtor agrees to accept the novation, assignment, set over and transfer.

(vii) Sale and purchase agreement (in relation to the sale and purchase of 5,000,000 ordinary shares equivalent to 100 per cent (100%) of the total issued and paid-up share capital of Touchpoint International Sdn Bhd ("Touchpoint")) dated 1 August 2025 for the disposal of 5,000,000 ordinary shares in Touchpoint, representing 100% of the total issued and paid-up capital of Touchpoint.

(viii) Sale and purchase agreement (in respect of 1 ordinary share in Caseria Pasifika Sdn Bhd ("CPSB")) dated 18 September 2025 for the disposal of 1 ordinary share in CPSB, representing of its 100% equity interest in CPSB.

(ix) Sale and purchase agreement (in respect of 300,000 ordinary shares in Teh Tarik Place Sdn Bhd ("TTPSB") and 100 ordinary shares in Bistroamericana (Mytown) Sdn Bhd ("BAMT")) dated 8 October 2025 for the disposal of 300,000 ordinary shares (100% equity interest) in TTPSB and 100 ordinary shares (51% equity interest) in BAMT.

4. **Recurrent Related Party Transactions of Revenue or Trading Nature**

There were no recurrent related party transactions of revenue or trading nature entered into by the Company and its subsidiaries during the financial year.

5. **Employees' Share Option Scheme ("ESOS")**

The Company has one (1) ESOS in existence during the financial period ended 31 December 2025 which is governed by the By-Laws approved by the shareholders at the Extraordinary General Meeting held on 30 June 2021 and under the administration of the ESOS Committee.

The ESOS shall be in force for a duration of five (5) years from the effective date and extendable for a period of up to another five (5) years immediately from the expiry of the five (5) years upon the recommendation of the ESOS Committee and shall not in aggregate exceed a duration of ten (10) years from the effective date.

ADDITIONAL COMPLIANCE INFORMATION

5. Employees' Share Option Scheme ("ESOS") (Cont'd)

The information in relation to the ESOS as of 31 December 2025 is as follows:-

	All Eligible Employees including Directors	Directors
Options Granted	34,360,000	-
Options Exercised	13,898,360	-
Options Outstanding	20,461,640	-

On 21 August 2024, the Directors announced that they would like to renounce and waive their rights to their unexercised 110,000,000 ESOS Options offered to the eligible directors on 8 October 2021.

In accordance with the Company's By-laws, not more than seventy-five per centum (75%) of the Company's ordinary shares available under the ESOS shall be allocated, in aggregate, to the Directors and senior management of the Group. The percentage of options granted to the Directors and senior management are as follows:-

Options Granted to Directors and Senior Management	During the financial year	Since commencement up to 31 December 2025
Aggregate maximum allocation in percentage	0%	0%
Actual percentage granted	0%	0%

During the financial year under review, none of the ESOS options was granted to the Non-Executive Directors.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors (**“Board”**) of Techna-X Berhad is pleased to present its Statement on Risk Management and Internal Control (**“Statement”**) which has been prepared pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements (**“MMLR”**) of Bursa Malaysia Securities Berhad (**“Bursa Securities”**) and Malaysian Code on Corporate Governance and is guided by the Statement on Risk Management and Internal Control – Guidelines for Directors of Listed Issuers (**“Guidelines”**).

The Statement below outlines the nature and scope of risk management and internal control of the Group’s business operations for the financial period ended 31 December 2025, focusing primarily on (i) technology-driven casual dining food and beverage; and (ii) technology and digital transformation enabler. This statement does not cover the risk management and internal control system of Guangxi Aerobeidou New Energy Industry Technology Co,. Ltd. (GABNEIT) Group, an associated Company incorporated in China that provides technology energy storage solution and super batteries. Control over this associated company is currently maintained through joint decision-making process.

THE BOARD’S RESPONSIBILITIES

The Board acknowledges its responsibility in maintaining the system of risk management and system of internal control as well as reviewing its adequacy, integrity, and effectiveness. In view of the inherent limitations in any internal control system, the system is designed to manage rather than eliminate the risk of failure in achieving the Group’s corporate objectives. Accordingly, the system can only provide reasonable but not absolute assurance against any material misstatement or financial losses.

THE RISK MANAGEMENT PROCESS

Apart from financial controls, the Group’s internal control system also covers operational and compliance controls and, most importantly, risk management. As part of the risk management process, the Board is assisted by the Audit and Risk Management Committee (“ARMC”) in identifying, assessing, and managing the significant business risks faced by the Group throughout the financial year.

The process will be regularly reviewed by the Board through the ARMC and is in accordance with the guidance as contained in the Guidelines.

THE INTERNAL CONTROL PROCESS

The other key features of the Group’s internal control system include the following:

- An organisation structure with defined lines of responsibility and appropriate reporting structure including proper approval and authorisation limits for approving capital expenditure and expenses within the Group;

- Internal policies and procedures are documented and regularly reviewed, and updated from time to time through a series of manuals and guidelines for all major operations of the Group;

- Strategic planning and annual budgeting are undertaken for all the key business units, namely (i) technology and digital transformation enabler, (ii) technology-driven food and beverage, and (iii) technology energy storage solution and super batteries business segment. Senior Management closely monitors the key performance indicators and financial and operating results to identify and, where appropriate, to address significant variances;

- The Internal Auditors perform regular and systematic reviews throughout the financial year on the internal controls to assess and provide sufficient assurance on the effectiveness of the system of internal control and highlights significant risks impacting the Group with recommendations for improvement; and

- The ARMC regularly reviews reports issued by the Internal Auditors on a half-yearly basis as well as any reports by the External Auditors that may be presented from time to time. Premised on these reports, the ARMC shall ascertain the adequacy of the Internal Auditors’ scope of work and resources.

  The Group continues to take measures to enhance and strengthen the internal control environment and system of risk management.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

THE INTERNAL CONTROL PROCESS (Cont'd)

The Group outsources its internal audit function of the technology-driven casual dining food and beverage businesses and digital transformation enabler businesses to a professional internal audit firm, namely Talent League Sdn. Bhd.

The internal audit engagement by Talent League Sdn. Bhd. is headed by an Engagement Director, namely Mr. Roy Thean, a member of the Malaysian Institute of Accountants, Malaysian Institute of Certified Public Accountants, and Institute of Internal Auditors Malaysia. All the personnel deployed by Talent League Sdn. Bhd. are free from any relationships or conflict of interest, which could impair their objectivity and independence during the course of work.

The internal audit function report independently to the ARMC to preserve their objectivity.

The risk-based Internal Audit scope covers auditable areas which include amongst others, (i) Human Resource Management, (ii) Project Management, (iii) Business Development, (iv) Financial Reporting, (v) Fixed Assets Management, (vi) Corporate Governance and Corporate Liability Reviews, and (vii) Risk Management Review and Business Continuity Management, all of these of which will be rolled out throughout all the Group's strategic business units in succession and in rotation.

Premised on the above, for this financial period ended 31 December 2025, the auditable areas covered by the Internal Auditors were carried out on the Group to assess the adequacy and effectiveness of the following business processes / areas:

Corporate Governance Review	MACC S17A Corporate Liability
• MCCG compliance and process • Listing Requirement compliance and process • Risk management compliance and process	• Comprehensiveness and clarity of the ABC policy • Communication process to disseminate the ABC policy • ABC risk assessment • Comprehensiveness of whistleblowing policies • Appropriateness of the due diligence process and documentation

CONCLUSION

With assurance from the Executive Directors, the Board is satisfied that the Group's overall risk management and internal control system are operating adequately and effectively in all material aspects. Accordingly, no material control failure would have any material adverse effect on the financial results of the Group for the financial period ended 31 December 2025 and up to the date of issuance of the financial statements.

The Board is of the view that the systems of risk management and internal control in place throughout the Group are sufficient to safeguard the Group's interest. Moving forward, the Group endeavors to continue to enhance the existing systems of risk management and internal control, taking into consideration the changing business environment.

This Statement was approved at the Board of Directors' Meeting held on 30 April 2026.

SUSTAINABILITY STATEMENT

1. Our Path to a Sustainable Future

Techna-X Berhad ("Techna-X" or "the Group") issues this Sustainability Statement ("SS") for the financial year ended 31 December 2025 ("FY2025"). This statement outlines the Group's approach to integrating economic, environmental, social and governance ("ESG") considerations into its decisions and business practices that may affect its operational performance, financial returns and long-term portfolio resilience. The SS should be read in conjunction with the Group's FY2025 Financial Statements.

As an investment holding company with restaurant chain subsidiaries, Techna-X operates within an environment that demands integrated governance across operations, workforce, supply chain and compliance. In this context, sustainability is viewed through the perspectives of efficient resource utilisation, food safety and quality, strong governance over workforce welfare and compliance with laws and standards across all outlets.

The Group adopts a comprehensive risk-based approach to ESG management, integrating sustainability considerations into its governance framework, business planning cycles and operational processes. It focuses on assessment of material sustainability matters to help the Group manage risks and opportunities and to provide stakeholders with valid data on progress. As such, internal controls and monitoring key performance indicators are in place to ensure the alignment of business practices with applicable regulatory requirements and international standards.

The Group continues to enhance its sustainability reporting processes, particularly on improving data availability, accuracy and traceability. The implementation of effective data management becomes a strategic imperative to strive towards transparent, accountable and reliable sustainability disclosures.

By integrating ESG considerations into business decision-making, Techna-X aims to strengthen operational resilience, improve financial performance and support long-term sustainable value creation within a rapidly evolving regulatory environment.

Core Business Operations

Techna-X is headquartered in Malaysia and mainly engages in the restaurant chain operations and franchising business in the People's Republic of China and Malaysia.

The Group operates through technology-driven food and beverage, which integrates advanced technology such as online ordering platforms, inventory management software and digital marketing tools into restaurant business to enhance overall efficiency, customer experience and market expansion.

Note that, TGI Fridays and Touchpoint International Sdn. Bhd. were disposed of by the Group, and are therefore excluded from the scope of this SS.

The principal subsidiaries within the Group and their respective business activities are summarised in the table below:

Company Name	Principal Business Activities	Location
TGI Fridays	Operating a technology-driven restaurant chain and offering a variety of mains and appetizers (disposed on 18 September 2025)	Multiple locations across Peninsular Malaysia
Touchpoint International Sdn. Bhd.	Involved in research and development; Providing professional services related to enterprise mobile applications, smart city platform and ecosystem enablement (disposed on 1 August 2025)	Malaysia, Peninsular
Craveat Italina (TC) Sdn. Bhd.	Offering technology-driven casual dining including a variety of authentic Italian cuisine and food delivery services	Malaysia, Peninsular
Craveat Italina (SA) Sdn. Bhd.	Offering technology-driven casual dining including a variety of authentic Italian cuisine and food delivery services	Malaysia, Peninsular
Chaswood Restaurant Management (Beijing) Co Ltd	Operating the casual dining business serving food and beverages; Operating and marketing restaurant brand TGI Fridays	China, Beijing

Operational Value Chain

Techna-X has established a structured value chain framework to improve its understanding of how ESG-related risks and opportunities arise across its operations. Through this approach, operational dependencies, resource use and possible consequences across the lifespan of its products and services become more visible to the Group.

The three key phases of the Group's value chain – upstream, core operations, and downstream activities are illustrated as following:

SUSTAINABILITY STATEMENT

Upstream Activities

Upstream processes involve the sourcing and procurement of key inputs including raw materials, ingredients, kitchen equipments and packaging for restaurant chain operations. The Group also engages technology partners, vendors and professionals for the digital infrastructure segments. Key ESG considerations at this phase comprise sustainable sourcing of ingredients, human rights considerations within the supply chain and vendor reliability.

Core Operations

Core operations refers to value creation activities across the restaurant segments. This includes kitchen operations, food preparation, quality control and customer services. Key ESG considerations, including energy and water consumption, food waste management, occupational safety and health, food safety and internal controls are being placed high attention by the Group at this phase.

Downstream Activities

Downstream activities cover distribution of products and services, as well as on-going customer engagement. This includes dine-in services, take away, delivery channels and after-sales service. Key ESG considerations such as carbon foortprint for logistics, customer satisfaction, service reliability, data governance and regulatory requirements are strongly focused by the Group at this phase.

By organising its operations into three phases, the Group can systematically:

- identify ESG-related risks, dependencies and operational impacts across each phase of its activities
- monitor potential environmental impacts, such as energy consumption, waste and water management
- strengthen internal processes for data collection, monitoring and reporting
- adopt appropriate controls and mitigation measures to address identified risks.

This structured approach helps identify inefficiency and risks in ethical sourcing to support the integration of sustainability considerations into the Group's operational planning, risk management and reporting processes.

Sustainability Focus Areas

Based on the nature of its operations and stakeholder expectations, Techna-X has identified several key ESG matters, ranging from environmental performance, food safety and quality, employee health and safety, regulatory compliance to ethical business practices.

Environmental management primarily focuses on resource use and efficiency, emission control and climate regulation. Effective environmental practices may result in minimisation of environmental impact, the implementation of robust operational controls, as well as regular reporting and assurance readiness, thereby supporting sustained long-term stakeholder value. In addition, the Group has undertaken a commitment to maintain a safe working environment, particularly within its food and beverage industry. Established policies and procedures are implemented to manage workplace risks and promote employee wellbeing.

Compliance with relevant laws and standards continues to be a core priority, especially in relation to food safety, environmental regulations and industry requirements. The Group has carried out ongoing reviews and updates of its practices to ensure alignment with regulatory expectations.

During FY2025, the Group performed an assessment of relevant ESG factors to understand their potential implications on its operational efficiency and long-term performance. Based on this assessment, the Group remains focus on strengthening its governance structures, improving risk management practices and enhancing monitoring mechanisms.

Techna-X's sustainability disclosures are prepared in reference to applicable regulatory requirements and recognised frameworks, with supplementary information provided to facilitate stakeholder understanding of its sustainability approach.

ENVIRONMENTAL	**SOCIAL**	**GOVERNANCE**
Energy Consumption and Carbon Emissions	Food Safety and Quality	Regulatory Compliance
Water Management	Occupational Health and Safety	Cybersecurity and Data Protection
Food Waste and Waste Management	Workforce Capability and Development	Ethical Conduct and Anti-Corruption
	Diversity, Equity and Inclusion in the Workplace	Supply Chain Management

ENVIRONMENTAL

Energy Consumption and Carbon Emissions

Techna-X pledges to expand access to clean and safe energy solutions and technologies to support sustainable development.

The Group monitors and manages energy usage across its outlets and kitchens, including electricity consumption for kitchen operations, refrigeration, and air-conditioning systems. Efforts are focused on improving energy efficiency and reducing greenhouse gas emissions to mitigate rising energy costs and potential regulatory risks.

Water Management

Water is a critical resource in food preparation, cleaning and sanitation processes, and therefore, Techna-X commits to managing water resources responsibly.

Water conservation is given strong emphasis as part of the Group's sustainability priorities. As such, the Group implements water efficiency measures and monitors consumption to reduce operational costs and ensure responsible usage. Regular awareness and training programs are provided to employees, while ensuring strict adherence to sanitation and wastewater regulations.

Food Waste and Waste Management

Techna-X recognises food waste as a key operational and environmental concern, given that food waste disposed of in landfills is a significant contributor to methane emissions.

Proper measures are implemented to optimise inventory management, minimise food wastage, and improve waste segregation and disposal practices, including initiatives to divert waste from landfill where feasible.

SOCIAL

Food Safety and Quality

As a restaurant chain operator, Techna-X is committed to producing safe food and sustaining brand trust by ensuring high standards of quality control across all operations.

The Group maintains strict food safety and hygiene standards across all outlets to ensure compliance with regulatory requirements and to safeguard customer health. This includes adherence to established food handling procedures and supplier quality controls.

Occupational Health and Safety

Techna-X is dedicated to prioritising and maintaining employee well-being through the provision of a safe and healthy work environment.

A safety manual containing a comprehensive set of preventive measures has been designed to educate employees on mitigating potential exposure risks.

To build trust and good relationship with employees for the sake of well-being on the job, the Group cultivates a culture of open and honest communication as well as the treatment with dignity and respect.

Workforce Capability and Development

In recognising the importance of human capital development, Techna-X promotes fair labour standards and practices in all levels through continuous professional development, mentoring and training, and promotion of employees on a meritocracy basis (i.e., rewarding their employees based on achievements).

These initiatives contribute to a higher employee productivity, stronger leadership pipeline and longer-term business growth.

Diversity, Equity and Inclusion in the Workplace

Techna-X approach to attaining Diversity, Equity and Inclusion ("DEI") principles across all its subsidiaries supports organisation in fostering a fairer, more productive and innovative environment for the sake of human right protection.

This DEI approach includes a merit-driven hiring process focusing on relevant skill set, competencies, experience and credentials, regardless of gender, ethnicity, age, identity or religion of the candidates, as well as occupational integration of employees with incapacities or handicaps. This approach values different backgrounds and reduces bias, leading to enhanced employee retention and customer connection.

Long-term investment in DEI is consistently associated with a balanced workforce, a robust succession planning and superior financial performance, which, in turn, contributes to sustainable economic outcomes that benefit employees and support household livelihoods.

GOVERNANCE

Regulatory Compliance

Techna-X acknowledges the necessary of integrating sustainability considerations into its business strategy to ensure alignment with regulatory requirements and long-term value creation.

The Group ensures compliance with all applicable food safety, health, and licensing regulations across its operations. This is supported by established SOPs, outlet-level compliance monitoring, and periodic internal audits. Any non-compliance is addressed through corrective actions with defined accountability. The Group also monitors regulatory changes and provides regular staff training to ensure consistent adherence to required standards.

Cybersecurity and Data Protection

In the face of escalating cyber threats coupled with legal and compliance mandates, Techna-X is committed to protecting privacy while preventing the occurrence of data leakage across its subsidiaries in line with the Personal Data Protection Act 2010 of Malaysia ("PDPA").

The Group mandates structured compliance frameworks, internal controls and regular monitoring processes to ensure strict adherence to regulatory obligations and minimise risk exposure.

Ethical Conduct and Anti-Corruption

Techna-X is committed to maintaining the highest standards of ethical excellence, openness and integrity across its business operations, in compliance with all applicable national laws and regulations. Established policies namely the Code of Ethics and Business Conduct and the Anti-Bribery and Anti-Corruption Policy serve as a fundamental guideline framework for employees and staff in shaping their behaviours and decision-making.

A zero-tolerance stance towards all forms of bribery and corrupt practices is adopted in the Group, including soliciting, offering, intending to deceive and using office or position for gratification.

Whistleblowing policy is in effect to provide secure and confidential channels for reporting suspected misconduct. Reports can be made on an anonymity basis. All reported cases are investigated promptly and in a fair manner.

Supply Chain Management

Techna-X pledges to maintain supply chain integrity and accountability to strengthen stakeholder trust.

The Group works with approved suppliers and conducts due diligence to ensure the quality, safety, and reliability of sourced materials, including food products. Supplier selection is based on defined criteria, including compliance with food safety standards and regulatory requirements. Periodic evaluations and monitoring are carried out to ensure ongoing adherence, and any issues identified are addressed through corrective actions or supplier review processes.

2. Basis of Preparation

In accordance with applicable regulatory requirements and reporting frameworks, this SS of Techna-X for the financial year ended FY2025 has been prepared to efficiently present the Group's sustainability-related information.

The SS has been constructed with reference to the IFRS Sustainability Disclosure Standards issued by the International Sustainability Standards Board ("ISSB"), specifically:

- **IFRS S1** – General Requirements for Disclosure of Sustainability-related Financial Information; and
- **IFRS S2** – Climate-related Disclosures,

as adopted in Malaysia under the National Sustainability Reporting Framework ("NSRF").

FY2025 represents the Group's first reporting period adopting the IFRS Sustainability Disclosure Standards. In line with the permitted transition relief under IFRS S1 and IFRS S2, the Group has applied a phased implementation approach, placing disclosures pertaining to climate change priority. As such, mandatory disclosures for the current reporting period have been put a strong emphasis on climate-related risks and opportunities.

Disclosures concerning broader ESG matters are made on a voluntary basis. These disclosures take into consideration the Bursa Malaysia Main Market Listing Requirements and the Common Sustainability Matters outlined in the NSRF. Such information is presented to offer supplementary background and does not represent necessary disclosures under IFRS S1 and S2 for FY2025.

This SS has been prepared on reporting scope corresponding with that of the Group's audited Financial Statements for FY2025, which is in conformity with Malaysian Financial Reporting Standards ("MFRS") and the Companies Act 2016. Unless otherwise specified, the SS comprises all entities within the Group's reporting boundary.

First-time Adoption of IFRS Sustainability Disclosure Standards

The Group initiated the adoption of the IFRS Sustainability Disclosure Standards in FY2025.

Pursuant to transition reliefs for first-time adopters, comparative sustainability information has not been provided in which previous period data was not compiled using methodologies consistent with IFRS S1 and IFRS S2.

As deemed relevant, selected historical sustainable data has been prepared to demonstrate a directional view of performance trends in the past several financial years. These data, which typically span the preceding two to three fiscal years, are not directly comparable since they were not developed in compliance with IFRS S1 or IFRS S2. It is pertinent to note that, the disclosures are provided available exclusively to enhance stakeholders' understanding of the Group's sustainability journey and are not designed for comparative analysis.

Structure of the Statement

To effectively support the management of the sustainability-related risks and opportunities, the Group has adopted a robust governance and risk management framework in an integrated manner that facilitates both the oversight by the Board of Directors ("the Board") and cross-functional coordination.

Guided by the four core pillars of the IFRS Sustainability Disclosure Standards, this SS is organised in the following manner:

Topic	Description	Reference
Governance	Outlines the governance arrangements, controls and procedures around sustainability-related matters, supported by the Board and management	Section 6
Strategy	Articulates the identification of potential sustainability-related risks and opportunities that may sensibly affect the Group's business development, as well as the strategic direction pertaining to the issues	Section 7
Risk Management	Delineates the processes implemented by the Group to assess, prioritise, manage and monitor material sustainability-related risks and opportunities, embedded within the Enterprise Risk Management ("ERM") framework	Section 8
Metrics and Targets	Discloses both the quantitative and qualitative indicators to measure sustainability performance, inclusive of climate-related metrics	Section 9

This structure ensures adherence to IFRS requirements and strengthens the comparability, transparency and decision-usefulness of the disclosures, eventually benefitting the stakeholders and organisation.

Directors' Statement

The Board acknowledges their ultimate oversight responsibility for sustainability-related disclosures along with the disclosure integrity provided in this SS, supported by management in executing the Group's sustainability agenda. To demonstrate this, the Board ensures a fitting governance structure over sustainability matters, complemented by structured internal controls and reporting mechanisms.

This SS has been reviewed and approved by the Board in a manner strictly consistent with the Group's internal governance procedures as well as the Bursa Malaysia Main Market Listing Requirements.

Selected sustainability information disclosed in this SS has been subjected to independent limited assurance, with the intention of strengthening the credibility and reliability of the disclosures.

Inventory Boundary for GHG Emissions

Organisational Boundary

By applying the equity share approach, the Group set outs its organisational boundary for greenhouse gas ("GHG") emissions reporting. As such, emissions are accounted for based on the Group's proportionate ownership interest in its subsidiaries and other investees.

Operational Boundary and Scope 3 Disclosures

For FY2025, the Group has not disclosed Scope 3 greenhouse gas emissions. The Group is currently in the process of establishing data collection methodologies, systems and controls to support the identification and measurement of relevant Scope 3 emission categories.

The methodologies, assumptions or inputs used to determine the GHG emissions boundary for the reporting period remain constant because this is the Group's first year of reporting under IFRS S1 and IFRS S2.

3. Materiality Assessment

Techna-X conducts a materiality assessment to identify and prioritise sustainability-related risks and opportunities based on their relevance to the Group's operational risks, financial performance and stakeholder interests for the sake of long-term value creation. The materiality assessment lays a groundwork for establishing the Group's sustainability focus areas, enabling effective resource allocation and informed decision-making.

As an investment holding company with restaurant chains, the Group has considered sustainability issues that are closely associated with its operational value chain, business activities and customer expectation. In accordance with IFRS S1, a financial materiality lens has been leveraged by the Group in identifying sustainability-related risks and opportunities.

Key ESG priorities has been determined using this approach, which consist of environmental performance, food safety, occupational health and safety, adherence to laws and standards, and supply chain integrity. These areas are of strategic importance given their potential impact on the Group's operational continuity, regulatory compliance, and customer confidence.

Assessment Process

The materiality assessment was performed using an internal evaluation which involves inputs from different functions, such as management, operations, finance and compliance teams. With this cross-functional approach, risks and opportunities are considered from both operational and strategic perspectives. The process involved identifying potential ESG risks across the Group's value chain, capturing upstream, core operational and downstream activities.

The following table demonstrates identified matter that was assessed grounded in a set of consistent criteria:

Financial Impact	Potential implications on revenue generation, cost structure or capital expenditure
Likelihood	Probability of occurrence based on internal experience and external developments
Time Horizon	Whether impacts are expected in the short, medium or long term
Operational Criticality	Extent to which the matter affects core operations, resources or business continuity

This structured evaluation enables the Group to prioritise sustainability matters based on their relative significance and potential impact on overall business performance.

The assessment is implemented consistent with the Group's ERM framework, ensuring that sustainability-related risks are managed continuously in conjunction with other operational and strategic risks.

Use of Judgement and Information Sources

Management judgement is applied in identifying the material sustainability matters, supported by both internal data and external references.

Internal sources fall within the Group's control and support situational awareness, risk management and informed decision-making, namely operational data, internal audits, risk assessments, safety records, employee data, and organisational policies and culture. Drawing on these sources, the Group gains quantitative and qualitative insights to better understand its operational exposure and identify potential vulnerabilities.

External references include applicable regulatory and legal frameworks, industry trends and dynamics, environmental considerations and evolving stakeholder expectations on product quality and sustainability responsibility. Through external sources, the Group has been provided with objective perspectives, regulatory guidance and benchmarking data that help mitigate internal biases.

In addition, the Group places a high consideration on engagement with stakeholders, particularly customers who rely on the Group's restaurant operations and service delivery. This enables the Group to identify risks that may affect customer experience, food quality or compliance with applicable standards.

Notwithstanding the above, the final determination of material matters is primarily guided by their potential financial implications, in accordance with the financial materiality approach set out in IFRS S1.

Governance and Review

To ensure consistency with strategic objectives, the outcomes of the materiality assessment are reviewed by senior management and thereafter presented to the Audit and Risk Management Committee ("ARMC") for further deliberation.

The ARMC is accountable for reviewing the relevance of sustainability-related risks and the effectiveness of risk management practices adopted by the Group. Essential insights from the assessment are subsequently escalated to the Borad of Directors.

Accordingly, the Group implements continuous improvement approach to its material assessment. The assessment will be revisited by the Board at least once every two years to ensure the Group's sustainability disclosures stay relevant, accurate and consistent with applicable reporting standards and regulatory requirements.

4. Judgement and Measurement Uncertainty

Significant Judgements

The preparation of this SS involves the application of professional judgement and estimates in determining the scope, boundaries and methodologies for sustainability-related information reporting. These judgements influence how ESG data are defined, measured and disclosed, in particular evolving reporting practices.

Despite the fact that the Group has put in place internal processes to ensure consistency and reliability, certain disclosures continue to be affected by limitations in data availability and measurement approaches.

Key areas requiring the application of management judgement are presented below:

Determination of Reporting Scope and Boundaries	Management judgement is used to define organisational and operational boundaries of sustainability reporting. The Group determines its organisational boundary using the equity share approach, reporting sustainability data based on its proportionate ownership in subsidiaries and investees. Operational boundaries, on the other hand, are defined based on the level of operational control. Accordingly, emissions and impacts from outsourced activities, third-party logistics, vendor services and certain supply chain processes are currently constrained to areas where reliable data is available.
Scope 3 GHG Emissions Disclosure	For FY2025, the Group has not disclosed Scope 3 greenhouse gas emissions. The Group is currently in the process of establishing data collection methodologies, systems, and controls to support the identification and measurement of relevant Scope 3 emission categories. As part of this effort, the Group has prioritised the development of data capture processes for selected categories, including business travel and employee commuting, which are expected to be disclosed in the next reporting period. The Group will progressively expand its Scope 3 disclosures as data availability, measurement methodologies, and internal capabilities improve, with the aim of providing more comprehensive and reliable reporting over time.
Definition of the Value Chain	Judgement is also used in determining the scope of the Group's value chain, especially when it comes to identifying activities that are most relevant to ESG risk exposure. The Group is oriented towards certain key phases including procurement of raw materials, preparation of products and provision of customer services, as well as delivery and after-sales services. As such, disclosures are aligned with areas where sustainability considerations are expected to have the greatest impact on operational performance, regulatory compliance and customer outcomes.

Measurement Uncertainty

In preparing this SS, areas subject to measurement uncertainty has been identified by the Group. These uncertainties may arise from data limitations, reliance on assumptions and the forward-looking nature of certain assessments.

Scope 3 GHG Emissions	Estimation techniques are applied in the calculation of greenhouse gas ("GHG") emissions, particularly where direct measurement data is not available. For FY2025, the Group has not disclosed Scope 3 emissions and is in the process of establishing the necessary data collection methodologies and systems. Accordingly, measurement uncertainty remains in areas where assumptions and proxy data may be required in future, including supplier-related activities and waste generated in operations. These estimates will be based on the best available information at the point of reporting. The Group will continue to refine its methodologies, data sources, and internal controls as data quality and availability improve, with the aim of enhancing the accuracy and completeness of future disclosures. Estimation techniques are applied in the GHG emission calculations, particularly Scope 3 emissions. With regards to categories including purchased goods and services and waste generated in operations, where primary data is limited, emissions are derived from assumptions relating to supplier profile and waste composition and treatment. The reported figures reflect reasonable estimates based on the most reliable information at the point of reporting, due to varying actual data. The Group will work continuously on refining its methodologies as data quality improves.
Estimation of Climate-Related Financial Effects	The assessment of potential financial implications in relation to climate-related risks and opportunities involves forward-looking assumptions, for instances, regulatory updates, energy costs, technological developments and economic landscape. Considering the inherent uncertainty in relation to these factors, actual outcomes may diverge from current expectations. The Group utilises a structured approach in developing these estimates to allow informed decision-making.
Data Availability and System Limitations	Measurement uncertainty is also attributable to limitations in data collection processes, particularly in relation to supply chain activities and third-party providers. The Group currently does not have full visibility

	over sustainability-related data across all external activities, and as such, certain impacts may not be fully captured in the current reporting period. The Group is undertaking ongoing efforts to enhance internal data management systems and strengthen engagement with external parties to improve data availability, quality, and completeness for future disclosures. Measurement uncertainty is also attributable to limitations in data collection processes, notably concerning supply chain activities and third-party providers. Currently, the Group does not have full visibility over sustainability-related data across all external activities. Therefore, certain impacts may not be entirely disclosed in the current reporting period. Continuous efforts are being undertaken to improve internal data management systems and increase engagement with external parties for data enrichment and strengthened future disclosures.

All things considered, Techna-X recognises the dynamic and evolving nature of sustainability reporting. The Group reaffirms its commitment to strengthening data governance structure to ensure the accuracy, reliability and transparency of disclosures, consistent with applicable reporting standards.

5. Sustainability-Related Risks and Opportunities

Through an integrated approach, Techna-X is able to identify, assess and manage sustainability-related risks and opportunities as part of its enterprise risk management framework. These risks and opportunities are evaluated based on their potential impact on the Group's operational efficiency, financial performance and long-term value creation.

The assessment covers environmental, social, and governance ("ESG") factors across the Group's operations and value chain, including upstream supplier activities and downstream customer-facing operations.

As an investment holding company engaged in operating restaurant chains, sustainability considerations may be driven by a mix of operational, supply chain, regulatory and customer factors. The Group maintains ongoing compliance with IFRS S2 by disclosing climate-related risks and opportunities. Additional ESG impacts are presented by the Group on a voluntary basis to demonstrate a more comprehensive view of its operating environment.

Sustainability-related risks and opportunities are integrated into the Group's strategic planning, day-to-day operations and capital allocation to protect against non-financial risks that threaten business continuity and stakeholder interest.

Risks and Opportunities from ESG Perspectives

The Group's key sustainability-related risks and opportunities include, but are not limited to:

- **environmental risks**, such as rising energy costs, water resource constraints, and food waste management challenges, which may increase operating costs and regulatory exposure
- **social risks**, including food safety incidents, workforce health and safety, and labour-related challenges, which may affect operational continuity and brand reputation
- **governance risks**, such as regulatory non-compliance and supply chain integrity issues, which may result in legal, financial, and reputational impacts.

In addition, the Group continues to identify **opportunities** to reduce costs through resource optimisation, improve operational efficiency and enhance brand value through responsible business practices.

Based on its nature and operational activities, the Group has identified key sustainability-related risks and opportunities, as shown below:

ENVIRONMENTAL	
Energy Consumption and Carbon Emissions	
Risks	Due to the energy-intensive nature of its restaurant operations, covering cooking, refrigeration and air-conditioning, the Group is exposed to risks such as rising electricity cost and heightened regulatory expectations related to carbon emissions.
Opportunities	The Group possesses opportunities to improve energy efficiency through investment in energy-efficient kitchen appliances, lighting and HVAC systems. The adoption of internal monitoring systems enables better control and optimisation of energy usage across outlets. Transitioning towards renewable energy sources, where practicable, may enhance financial stability and reduce exposure to future carbon-related regulations.
Water Management	
Risks	Abrupt climate change, water scarcity and infrastructure failures all contribute to the disruptions of water supply, which poses operational risks and decreased service capacity. In addition, inefficient usage or failure to meet hygiene and wastewater standards may result in regulatory penalties, potential health risks and reputational damage.
Opportunities	The Group has an opportunity to improve water efficiency through the implementation of sustainable water management practices, including optimised cleaning processes, water-efficient fixtures, recycling systems and wastewater treatment systems, which in turn reduce water consumption and utility costs across outlets and kitchens. This also ensures operational continuity to enhance stakeholder confidence.

Food Waste and Waste Management	
Risks	Practices such as inefficient inventory management, overproduction and inadequate demand forecasting could lead to significant food waste. Disposal of food waste in landfills contributes to greenhouse gas emissions, and this may increase the Group's exposure to environmental regulations and potential carbon-related costs. Failure to comply with waste segregation, recycling and disposal requirements may result in penalties, fines or legal liabilities.
Opportunities	The Group can lower its business impacts on environment through initiatives for waste reduction, recycling and proper waste disposal. Effective implementation of inventory control, storage optimisation, and monitoring systems across outlets can contribute to reduced food waste and improved operational efficiency. Moreover, building partnerships for food redistribution or waste-to-resource solutions can effectively reduce landfill disposal.

SOCIAL	
Food Safety and Quality	
Risks	Failure to maintain consistent hygiene, sanitation and quality control standards may result in food contamination, foodborne illnesses and non-compliance with regulatory requirements. Such incidents may lead to financial penalties, fines, temporary closure of outlets and legal liabilities. Furthermore, inconsistent supplier quality and inadequate oversight of food handling practices may compromise product integrity and customer trust. Over time, these risks may adversely affect the Group's reputation, customer confidence and revenue stability.
Opportunities	Implementation of standardised food safety management systems, regular staff training and strict monitoring of hygiene and handling procedures can enhance consistency in quality and regulatory compliance across all outlets. Strengthening supplier selection and quality assurance processes can further ensure the integrity of raw materials and ingredients. In the long run, robust food safety and quality management drives strong operational excellence and sustained revenue growth.
Occupational Health and Safety	
Risks	Owing to the Group's nature of restaurant operations, employees are subject to hazards including cooking burns, cuts and lacerations, prolonged exposure to heat and repetitive tasks. Inadequate safety controls may increase the likelihood of workplace incidents, leading to

	regulatory non-compliance and operational disruptions because of staff shortages. Failure to manage these risks could cause reduced employee morale, increased insurance and labour costs, and reputational damage.
Opportunities	The Group can strengthen its operational resilience and workforce productivity through the implementation of standardised safety protocols, regular training programs and digital incident reporting systems. Investment in ergonomically designed kitchen equipment and improved workplace layout can further minimise hazards and enhance efficiency. These measures will ultimately contribute to more stable operations, overall workforce engagement and financial performance.
Workforce Capability and Development	
Risks	The Group is exposed to high employee turnover, especially among frontline staff, which is mainly attributable to limited advancement opportunities, limited benefits and lack of work-life balance. Furthermore, weak talent development frameworks may hinder the Group's ability to attract and retain skilled personnel. Over time, these factors can adversely affect the Group's operational efficiency, brand consistency and financial health due to resource constraints.
Opportunities	The Group has opportunities to enhance operational performance and long-term value creation via structured investment in comprehensive training programs, including continuous skills development and leadership pipelines. Offering competitive compensation coupled with clear career progression pathways is a way to increase retention. While aligning with stakeholder expectations on responsible employment practices, the Group can have a more resilient workforce to enhance customer experience and build a stronger brand for its business.
Diversity, Equity and Inclusion in the Workplace	
Risks	Exclusionary practices may lead to feelings of invisibility, dissatisfaction and lower job commitment among employees. Failure to promote fair hiring processes as well as inequities in pay and career advancement will result in discrimination claims, which in turn deter investors and business partners and ultimately affect long-term competitiveness.
Opportunities	Strategic hiring practices and established policies for mandating equitable remuneration regardless of race, age, gender, religion or background enables broader perspectives in decision-making and enhances the Group's capacity to cater to diverse customer segments. In the long run, motivated employees will potentially drive innovation

	and creativity, thereby contributing to stronger brand positioning and sustainable financial performance.

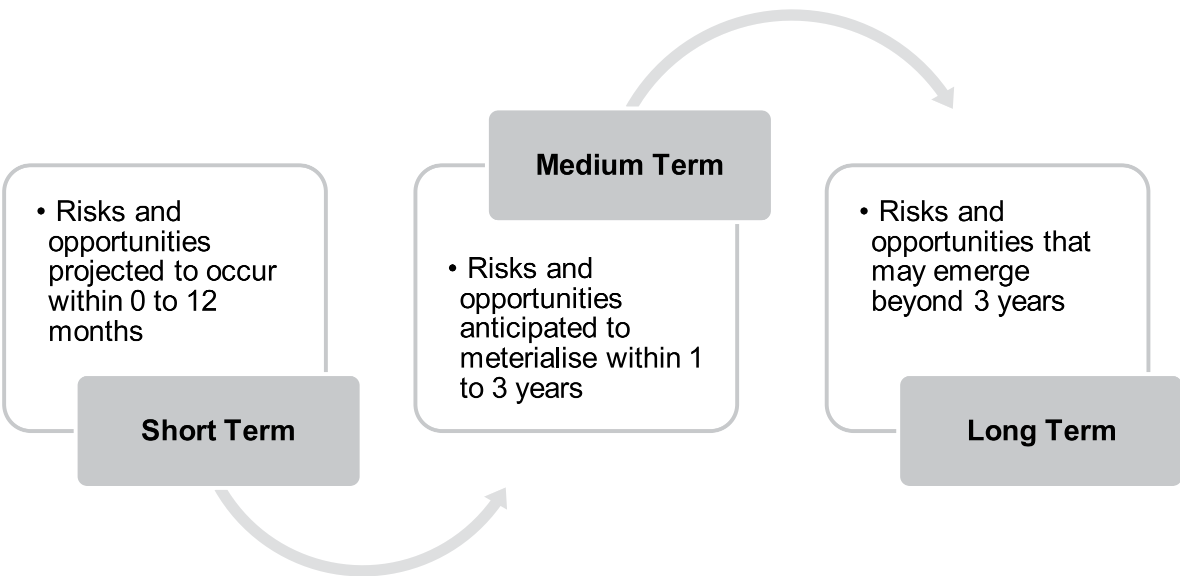
GOVERNANCE	
Regulatory Compliance	
Risks	The Group is subject to various regulatory requirements, including food safety laws, financial reporting standards and tax regulations. Non-compliance or delayed adaptation to regulatory changes can expose the Group to compliance risks, including financial penalties, legal and strategic risks, competitive disadvantage and reputational damage.
Opportunities	Through proactive management of regulatory requirements, the Group possesses advantages in adapting to regulatory changes, enabling smoother operations and enhanced market access. To demonstrate this, strong internal compliance frameworks and monitoring procedures improve operational efficiency and reduce risk exposure, positioning the Group as a reliable restaurant chain operator.
Cybersecurity and Data Protection	
Risks	The Group may encounter cybersecurity issues such as AI-Enabled attacks and supply chain vulnerabilities due to its reliance on digital systems for customer data management, online ordering platforms and third-party delivery channels. If not effectively managed, cyberattacks may directly lead to severe financial losses, operational downtime and lasting reputation damage.
Opportunities	Robust cybersecurity measures, including enhancements to cybersecurity posture, regular software updates and patching, and effective vendor risk management, help protect customer data and reduce incident-related costs, thereby strengthening trust and enhancing brand value through improved reliability.
Ethical Conduct and Anti-Corruption	
Risks	The Group is exposed to unethical business conduct including employee exploitation, fraud, workplace discrimination, and corruption. As such, weak internal controls or lack of awareness may increase vulnerability to such risks, thereby affecting financial performance, customer experience and reputational impact.
Opportunities	Robust code of conduct and the implementation of anti-corruption policies may potentially reduce the misconduct incidents. Promoting a

	culture of accountability and integrity may strengthen stakeholder trust and support long-term sustainable business practices.
Supply Chain Management	
Risks	Exposure to risks arising from its dependence on a complex supply chain for food ingredients, packaging materials and logistics services may influence the Group's cost stability and margins, if it is not managed effectively. Operational interruptions or inadequate oversight of suppliers' environmental and social practices could lead to regulatory non-compliance and potential loss of customer trust.
Opportunities	Through vendor evaluation and monitoring processes, the Group can strengthen sustainable ethical sourcing and supply chain integrity. Above all, building collaborative relationships with reliable suppliers could improve resource efficiency, operational continuity and cost predictability.

The sustainability-related risks and opportunities are evaluated from an ESG-based perspective to provide a holistic view of the Group's long-term considerations.

Time Horizon Assessment

The Group categorises sustainability-related risks and opportunities based on the expected timeframe over which they may impact the business, in an effort to bolster effective strategic planning and resource allocation.



As illustrated above, the Group examines whether the risks and opportunities are likely to occur over the:

- short term
  - risks and opportunities that may affect immediate operational or financial stability, notably regulatory compliance, food safety and workforce availability
- medium term
  - risks related to cost pressures from energy and water usage, supply chain disruptions and evolving customer expectations risks for market positioning
- long term
  - strategic risks and opportunities associated with climate-related transition risks, regulatory developments and changes in market dynamics affecting the food and beverage ("F&B") sector.

This classification supports the Group's business planning cycles, prioritisation of mitigation measures as well as implementation of investment strategies while considering relevant risks and opportunities.

Likelihood and Impact Assessment

The Group evaluates sustainability-related risks and opportunities using a structured assessment framework that considers both the **likelihood of occurrence** and **potential impact** on the business, where:

- likelihood is assessed based on the probability of the risk occurring, considering historical trends, industry developments, and internal data
- impact is evaluated based on the potential financial, operational, regulatory, and reputational consequences.

This integrated approach allows the identification of issues that may exert a significant impact on financial performance coupled with operational continuity.

In assessing likelihood, management takes into account:

- historical performance and past incidents
- effectiveness of existing controls
- industry risk studies and technological developments
- compliance frameworks
- operational dependencies, including suppliers and service providers.

The Group has applied the following likelihood scale when examining the probability that a particular sustainability-related event will occur within a defined time horizon, based on available evidence:

Almost Certain	Expected to occur with a high degree of certainty
Likely	More likely to occur in most circumstances unless mitigated
Possible	May occur under certain conditions but is not on a regular basis
Unlikely	Could occur but is not anticipated based on current conditions
Rare	Not expected to occur under normal circumstances

Risks are prioritised using a risk matrix approach, enabling the Group to focus on material risks that could significantly affect its operations or financial position. Appropriate mitigation measures, controls, and monitoring processes are implemented for identified high-priority risks.

With reference to ISO 31000 principles, the outcomes of this assessment are integrated into the Group's risk management processes to maintain a consistent and structured methodology across all business outlets and functions.

Ongoing Monitoring and Continuous Improvement

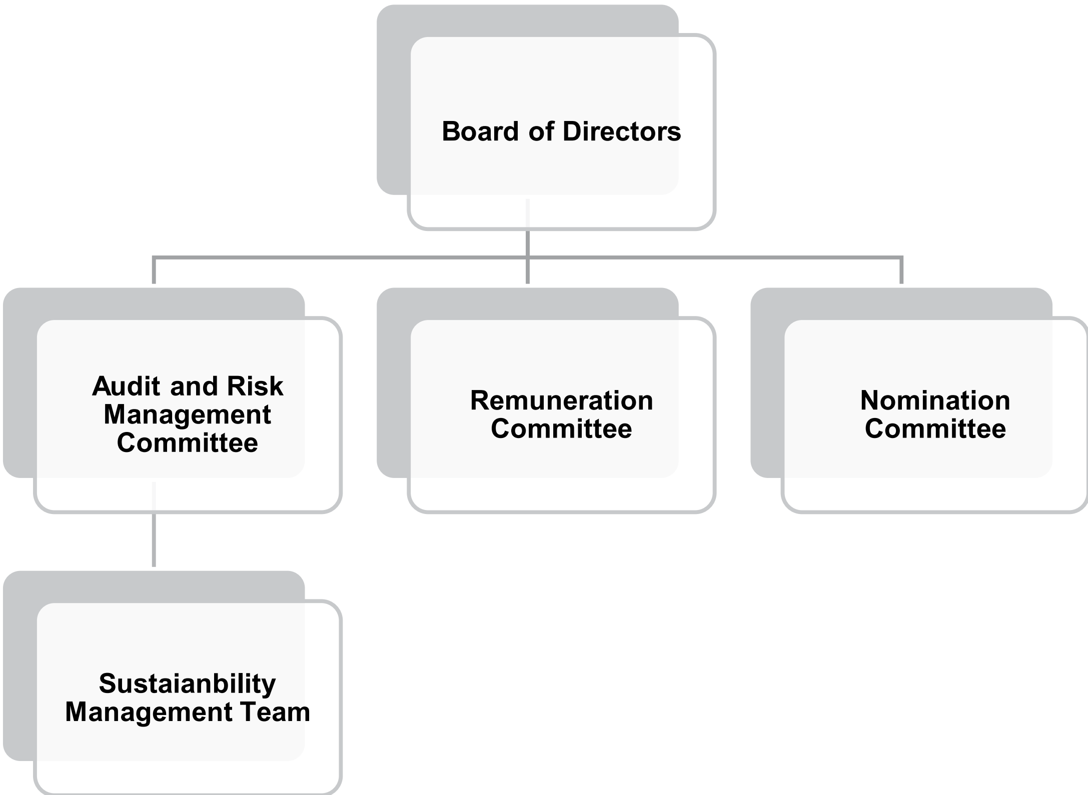
In recognising the dynamics of sustainability-related risks and opportunities, Techna-X has carried out continuous monitoring and periodic reviews to manage identified key issues in a timely manner and ensure that the assessments remain current and evidence-based.

The Group strives to boost operational resilience, improve financial position and foster long-term sustainable growth by strengthening its risk management systems and incorporating ESG considerations into its business governance.

6. Governance

Sustainability forms a fundamental pillar of governance at the Techna-X Group level and is consistently embedded in its business strategy and operational management.

As shown in the following chart, the Group adopts a structured governance approach to ensure that sustainability-related risks and opportunities are coherently identified, monitored and managed across all levels of the organisation.



The governance framework formalises clear roles and responsibilities, reporting lines and authority structures to allow effective oversight and escalation of key matters. Under this framework, the Board and Management Committee's leadership upholds accountability and ethical conduct, ensuring sustainability considerations are integrated across strategic planning, risk management and day-to-day operations.

Board of Directors

The Board of Directors ("the Board") has the ultimate responsibility for oversight of the Group's sustainability strategies with a focus on ESG factors and ensuring that sustainability considerations are reflected in its business's strategic priorities, in an attempt to achieve organisational resilience and long-term value creation.

Key responsibilities of the Board are as follows:

- setting the Group's sustainability strategies and long-term goals prior to implementation
- overseeing the management of sustainability-related risks and opportunities
- ensuring full compliance with applicable laws and regulations, listing requirements and reporting standards
- monitoring the development of risk management and internal controls
- reviewing and approving sustainability-related information for accurate disclosures.

Above all, the Board is accountable for safeguarding stakeholders' interests and sustainability expectations while ensuring balanced and transparent decision-making across the Group.

SUSTAINABILITY STATEMENT

Audit and Risk Management Committee

The Audit and Risk Management ("ARMC") assists the Board with the oversight of the Group's sustainability-related governance practices, risk management framework and internal controls.

The ARMC has a central role in overseeing the systematic identification, assessment and management of sustainability-related risks within the Group's ERM framework.

The ARMC is responsible for:
- reviewing the effectiveness of the ERM framework, including sustainability-related risk management processes
- evaluating the adequacy of internal controls supporting sustainability data, reporting and disclosures
- monitoring critical risk exposures, particularly in the areas such as cybersecurity, regulatory compliance and operational continuity
- reviewing sustainability performance reports and compliance updates escalated by management
- reporting key sustainability-related matters and issues to the Board for further deliberation.

By means of this approach, the ARMC ensures the integration of sustainability considerations into the Group's overarching risk governance framework.

Remuneration Committee

The Remuneration Committee ("RC") plays a crucial role in supporting the Board to develop and review remuneration policies and procedures for Directors and Senior Management.

In discharging its duties and responsibilities, the RC:
- ensures remuneration packages are fair and competitive, aligning with the Group's performance
- link incentives, where appropriate, to long-term objectives of the Group, including sustainability considerations
- promotes accountability by aligning management rewards with risk management and responsible business practices.

The RC assists the integration of sustainability objectives into performance management and reinforces a culture of accountability.

Nomination Committee

The Nomination Committee ("NC") supports the Board in ensuring that the Group maintains an effective and well-balanced leadership structure.

The NC is responsible for:
- reviewing Board composition, including diversity, independence, integrity and skill sets
- overseeing succession planning for Directors and Senior Management

- evaluating the competencies necessary in response to emerging sustainability-related challenges and issues
- strengthening leadership development to enhance the Group's preparedness in addressing ESG-related risks and opportunities.

In general, the NC ensures that the Board and management possess the necessary expertise to attain the Group's long-term sustainability objectives.

Management and Sustainability Committee

Management supports the execution of the Group's sustainability action plan and integration of ESG considerations into day-to day operational processes and decision-making.

To facilitate implementation, the Group has established a Sustainability Committee, an integrated working group made up of:

- Senior Management
- Business Units and Division Heads ("BU Heads")
- Working Lead
- other staff representatives from key functions.

In essence, the Committee acts as the central coordinating body for sustainability-related initiatives across the organisation.

The Sustainability Team is primarily in charge of:

- operationalizing the sustainability strategies and initiatives approved by the Board in respective business units and departments
- assessing sustainability-related risks and opportunities across the value chain
- monitoring environmental performance within the workplace, including energy consumption and carbon footprint
- supervising product quality, operational efficiency and customer satisfaction
- reviewing supply chain practices and third-party dependencies
- monitoring workforce-related matters, covering employee well-being, human capital development, and health and safety records
- collating sustainability-related information against measurable indicators through systematic data collection, validation and reporting
- submitting sustainability-related information, comprising both quantitative and qualitative data, to the Board and relevant committee.

7. Strategy

Techna-X's sustainability strategy is designed to manage material sustainability-related risks and opportunities while supporting long-term operational resilience and value creation.

The strategy is integrated into business planning and aligned with the Group's operational priorities.

Environmental Strategy

The Group focuses on improving resource efficiency and reducing environmental impact across its operations. Key priorities include:

- **Energy management:** Enhancing energy efficiency across outlets through monitoring, maintenance, and adoption of energy-efficient equipment to manage operating costs and emissions exposure.
- **Water management:** Promoting efficient water usage in food preparation and cleaning processes to reduce consumption and operational costs.
- **Waste management:** Minimising food and operational waste through improved inventory management, waste segregation, and responsible disposal practices.

These initiatives are aimed at reducing cost inefficiencies and mitigating environmental risks associated with the Group's operations.

Energy Consumption and Carbon Emissions

The Group focuses on effective energy management to manage risks arising from increased energy consumption and indirect GHG emissions linked to food and beverage operations.

To reduce energy use across its restaurant network, the Group is progressively replacing in-store lighting with energy-efficient LED systems while reinforcing operational discipline through reminders and standard operating procedures ("SOPs") to ensure lighting, air-conditioning and kitchen equipment are switched off when not in use. The operations team implements centralised tableware cleaning to cut big waste in energy system.

Water Management

A credible water management strategy for Techna-X's restaurant chains includes utilizing and standardizing water-saving technologies, adopting sustainable water management practices and implementing smart monitoring and benchmarking.

Such activities not only improve water efficiency and reduce overall consumption, but they also minimise water-related risks on organisation's financial performance and environment.

Waste Management

Through operational standardisation, food waste and waste management practices are embedded into day-to-day operations, with consistent measurement and implementation across all outlets.

Structured initiatives are carried out, including inventory and procurement optimization, systematic waste segregation at source and waste recycling to combat food waste issues, while advancing the principles of a circular economy. The Group follows a policy whereby waste disposal is entirely handled by a government-designated service provider.

Current and Anticipated Financial Effects and Effects on Strategy

Techna-X's environmental initiatives and exposure to climate-related risks have resulted in financial impacts on its operations. Increased operating costs have been driven by higher energy and water prices, volatility in feedstock prices arising from climate-related supply chain disruptions and evolving regulatory requirements.

Rising electricity and water tariffs could lead to margin squeeze and increase in menu prices, particularly because of the Group's energy-intensive nature, taking a significant toll on its operational resilience. Capital expenditure has also incurred for the progressive upgrade of energy-efficient systems across all outlets. Increasing stakeholder expectations and emerging sustainability regulations require improvements in data management systems, data monitoring and reporting processes.

To minimise these potential impacts, the Group works on enhancing resource use and efficiency, optimising business processes and strengthening internal monitoring systems for energy consumption. The Group also actively engages with reliable and approved suppliers to support emissions reduction objectives.

No material financial impacts from environmental risks or opportunities were observed during the reporting period. The Group will further monitor developments pertaining to energy and water costs, carbon-related regulations and sustainability expectations.

Strategic Outlook

Looking ahead, Techna-X anticipates environmental factors to continue affecting its financial performance across the short, medium, and long term.

In response to rising utility costs, the Group will prioritise initiatives for energy efficiency, water conservation and waste management to optimise resource use and operational control. This includes the gradual adoption of energy-efficient equipment, investment in water-saving technology, and expansion of waste segregation programs.

The Group will continue to explore opportunities to increase the use of renewable energy over the long term, where commercially viable. Additionally, the Group will further refine its environmental strategy in accordance with evolving regulatory requirements and market conditions, aiming at strengthening its tracking capabilities of indirect (Scope 3) emissions related to F&B sector.

Overall, the Group places a strong emphasis on operational resilience, financial stability and compliance with carbon-related regulations in driving environmental initiatives.

Resilience of Climate Strategy – Scenario Analysis

Techna-X evaluates the potential impacts of various climate-related physical and transition risks on its business strategies, asset resilience and financial performance through scenario analysis. This approach enables the Group to determine how its operations may perform under various climate-related conditions over multiple time horizons.

Considering the Group's business model and limitations in climate-related data, quantitative scenario modelling has not been performed for the current reporting period. Instead, the Group assesses potential implications based on priority considerations, encompassing energy cost variability, regulatory developments and operational resilience risks.

Scenario Analysis Approach

Scenario Type	Application Status	Explanation
1.5°C Paris-aligned scenario	Not applied	Quantitative modelling has not been conducted due to the Group's existing operational profile and the early stage of climate-related data development.
2°C scenario	Not applied	Quantitative modelling has not been conducted due to ongoing development of data availability and internal modelling capabilities.
>2°C high warming scenario	Not applied	Quantitative scenario modelling has not been conducted for the current reporting period.
Qualitative climate scenario analysis	Applied	Qualitative approach is used to assess potential operational, supply chain and financial impacts under various future climate-related scenarios.

Under a higher physical risk climate scenario, the Group may be indirectly affected by disruptions to its food supply chain due to failure in agricultural production and logistics networks which are caused by extreme weather events. However, the Group's direct exposure to such risks remains limited.

Under a more stringent transition risk climate scenario, the Group is expected to tighten its energy monitoring procedures, improve data management capabilities and enhance sustainability disclosures due to changing regulatory requirements and increasing stakeholder expectations.

To address these potential risks, the Group intends to strengthen its supply chain resilience, improve operational continuity planning, and enhance monitoring and reporting processes.
The Group will further develop its climate-related risk assessment approach as its data management capabilities mature and as regulatory and market expectations continue to evolve. The focus will be on strengthening quantitative data quality and coverage, building internal capability to reduce dependence on external consultants, and implementing monitoring systems to establish trigger and adaption thresholds for action.

Social Strategy

The Group's social strategy focuses on maintaining operational standards, workforce stability, and customer trust, as listed below:
- **Food safety and quality:** Ensuring consistent compliance with food safety standards through established procedures and monitoring processes.
- **Employee health and safety:** Maintaining a safe working environment through safety protocols, training, and incident management.
- **Workforce capability and development:** Investing in employee training and development to support service quality and operational efficiency.
- **Employee welfare:** Promoting fair labour practices and maintaining a respectful workplace environment.

These measures support operational continuity and protect the Group's reputation.

Food Safety and Quality

As a restaurant chain operator, the Group implements a food safety and quality management framework based on HACCP principles.

To ensure food safety is substantively managed across its outlets, the Group integrates standardised internal controls into day-to-day operations, including the adoption of:
- food handling practices
- strict temperature control and hygiene protocols
- effective inventory management practices to prevent contamination and spoilage
- staff training.

Training sessions will be held every Friday, tailored to the respective functions.

Supplier risks are mitigated through assurance processes covering defined approval criteria, audits and traceability mechanisms.

Employee Health and Safety

The Group proactively works on maintaining high health and safety standards across all levels of organisation. A key occupational safety and health requirement applicable to the Group's operations is the provision of Health Certificate for Food Handlers.

Preventive measures have been established to prevent or minimise employee exposure to hazards across its outlets, including:
- providing information, training and supervision associated with influenza prevention
- providing employees with appropriate personal protective equipment ("PPE") for the specific work being performed
- implementing work-from-home arrangements for employees in departments where operationally feasible, particularly non-customer-facing functions
- executing monthly self-inspection on the government security platform.

Workforce Capability and Development

The Group recognises the importance of equipping employees with knowledge and competencies. All employees are thus provided continuous training to further improve their relevant skills, for instances, more than 10 service touchpoints and 4-month training program for kitchen staff.

In addition, the Group provides employees with continuous opportunities to develop their job-related skills for both present and future employment so as to strengthen employee capability and retention.

Employee Welfare

To advance human rights and prevent any violations, the Group promotes employee well-being through various initiatives, including:

- ensuring freedom from forced and child labour
- ensuring adherence to applicable minimum wage standards
- ensuring fair recruitment for decent living
- providing non-discriminatory and harassment-free workplace environment
- ensuring compliance with working hour and overtime regulations.

Fair labour recruitment practices are in place, such as:

- adoption of DEI principles across all levels of organisation
- implementation of fair compensation practices
- implementation of policies to promote female employees' full and effective participation and to provide equal opportunities in leadership roles
- mainstreaming equal remuneration, including benefits, for work of equal value.

Current and Anticipated Financial Effects and Effects on Strategy

Social-related practices may affect Techna-X's operational performance through food safety compliance, workforce capability and employee retention.

The Group incurs compliance and quality assurance costs associated with food safety standards, certifications and inspection regimes. Labour-related costs remain a crucial element of operating expenditure, driven by wage adjustments, high employee turnover and ongoing recruitment requirements. While these factors place pressure on financial stability, they are partially offset by stronger brand positioning and customer loyalty.

In response to evolving customer expectations and training requirements, the Group's social strategy is shifting towards stronger food safety management, workforce retention and development, and stakeholder engagement. These initiatives require clear governance structure and structured measurable performance indicators to track social progress for long-term sustainable growth.

No material financial impact from social-related risks or opportunities has been identified during the reporting period. The Group will continue to allocate resources towards employee training, development and awareness programs as part of its human capital strategy.

Strategic Outlook

In the near term, priorities are being placed on employee well-being, customer retention and consistent service quality, alongside tighter food safety measures.

The Group intends to progressively embrace social considerations into risk management practices and business planning, with a focus on continuous training and development programs for employees. This is expected to enhance workforce productivity, operational efficiency and market expansion in the long run.

Techna-X aims to maintain operational effectiveness and improve its brand competitiveness by prioritising employee learning and development.

Governance Strategy

The Group emphasises strong governance practices to ensure accountability, compliance, and ethical conduct, as outlined below:

- **Regulatory compliance:** Maintaining adherence to all applicable laws and regulations through structured monitoring and review processes.
- **Cybersecurity and data protection:** Safeguarding customer and operational data through appropriate controls and monitoring systems.
- **Ethical conduct and anti-corruption:** Upholding integrity through a code of conduct and whistleblowing mechanisms.
- **Supply chain management:** Ensuring supplier reliability and product quality through defined selection criteria and periodic evaluation.

These practices strengthen oversight and reduce exposure to legal and reputational risks.

Regulatory Compliance

The Group maintains strict adherence to regulatory requirements and ethical standards to ensure responsible business behaviour across subsidiaries, supported by:

- established governance controls
- monthly self-inspections and annual third-party safety inspections
- corrective action mechanisms
- continuous monitoring of regulatory developments.

Cybersecurity and Data Protection

To safeguard customer privacy and ensure full compliance with relevant data protection regulations, the Group adopts a comprehensive data protection framework which covers policies for various purposes:

- data classification
- data handling
- data accuracy and validation controls
- access controls and security
- data storage and retention.

Ethical Conduct and Anti-Corruption

The Group is dedicated to eliminating conflicts of interest, bribery and corruption throughout all its business operations, supported by structured policy frameworks, internal controls and enforcement mechanisms.

Established policies namely the Code of Ethics and Business Conduct and the Anti-Bribery and Anti-Corruption Policy serve as a core framework to guide employee behaviour and decision-making, in accordance with the Malaysian Anti-Corruption Commission Act 2009 (revised 2018) ("MACC Act").

A zero-tolerance stance towards all forms of bribery and corrupt practices is adopted in the Group, including:

- soliciting
- offering
- intending to deceive
- using office or position for gratification.

Whistleblowing policy is in place to provide secure and confidential internal channels for reporting suspected misconduct. Reports can be made on an anonymity basis. All reported cases are investigated promptly and in a fair manner.

Supply Chain Management

The Group is committed to building trust and integrity in all its supplier relationships through ethical business practices and sustainable sourcing.

Supplier selection and approval are primarily based on compliance with applicable laws and regulations, followed by commercial considerations such as pricing.

To ensure operational continuity and strengthen local economy, the Group:

- ensures standardization of ethical standards across all business relationships and activities
- prioritises local sourcing founded on trust and credibility
- implements annual supplier assessments including the incident frequency rates and the speed and attitude in handling problems based on ESG criteria
- executes supplier performance monitoring.

Current and Anticipated Financial Effects and Effects on Strategy

Governance-related factors may influence the Group's financial performance by increased costs from regulatory compliance, internal controls and supply chain management.

Currently, the Group incurs supply chain costs for procurement, audits and due diligence to ensure compliance with food safety and ethical sourcing standards. Fluctuations in raw material prices and potential logistics disruptions could impact the Group's operational resilience. Looking ahead, evolving regulatory requirements may increase the Group's exposure to penalties, legal liability and operational disruptions where controls are weak.

To manage these risks, the Group maintains robust governance practices, including sensitive to regulatory developments, continuous monitoring of internal controls and structured supplier oversight. Through supplier diversification, where two suppliers are in place for each product category, can effectively reduce supplier dependence and support operational risk mitigation.

During the reporting period, no material financial impact from governance-related risks has been determined. However, the Group incurs ongoing costs in relation to regulatory compliance, internal control processes and supply chain expenditure.

Strategic Outlook

Techna-X will further strengthen its governance framework by enhancing compliance practices, standardising internal controls and improving supply chain integrity. The priority will be given on clearer board and management responsibilities, defined accountability and consistent policies and procedures across outlets.

Shifting from basic compliance, the Group's governance is anticipated to become more integrated with incorporating sustainability reporting expectations, data-driven monitoring systems and stronger supplier controls to support operational continuity and business performance in the long term.

The Group strives to ensure regulatory compliance, maintain consistent operations and improve stakeholder confidence in driving long-term business resilience through a robust governance framework.

8. Risk Management

Techna-X adopts a structured approach to identifying, assessing, and managing sustainability-related risks and opportunities, integrated within its overall risk management framework, in line with IFRS S1 requirements.

Risk Governance and Oversight

The Board of Directors retains overall responsibility for overseeing the Group's risk management framework, including sustainability-related risks and opportunities. The Board

ensures that appropriate governance structures, policies and internal controls are in place to support risk management.
The ARMC assists the Board with the oversight and review of the Group's ERM framework, risk governance practices and internal control systems. This includes monitoring sustainability-related risks and opportunities that may affect operational efficiency, financial performance, regulatory compliance and reputation.

Management is responsible for implementing day-to-day risk management processes and ensuring that appropriate controls are in place. Management also conducts on-site monitoring to oversee operational activities and support sustainability practices.

Regular reporting is provided to the Board and senior management on key risk exposures, mitigation measures and emerging sustainability-related risks, as mentioned in Section 6.

Integration with Enterprise Risk Management (ERM)

Sustainability-related risks and opportunities are integrated into the Group's Enterprise Risk Management ("ERM") framework. This ensures that ESG risks are assessed alongside operational and financial risks using a consistent methodology.

Risks are identified, assessed and prioritised based on a structured evaluation framework that considers:

- potential financial and operational impact
- likelihood of occurrence
- time horizon (short-, medium- and long-term)
- level of operational dependency and business criticality

Both qualitative and quantitative information are applied to evaluate risk exposure. Where appropriate, management judgement is exercised to ensure that the assessment remains proportionate to the Group's size and operational complexity.

Material sustainability risks are incorporated into the Group's risk register and are subject to the same governance, monitoring, and reporting processes as other key risks.

Risk Monitoring and Management

With the assistance of the Sustainability Committee, Management implements controls and monitoring processes to manage identified risks, including:

- key risk indicators and operational performance metrics
- periodic internal reviews and compliance checks
- operational monitoring at outlet level
- corrective action plans for identified issues.

Risk exposures are reviewed regularly to ensure that mitigation measures remain effective and relevant.

Risk Identification Approach

The Group identifies sustainability-related risks through a structured process that includes:
- review of operational activities and processes
- consideration of regulatory requirements and industry trends
- input from management and relevant functional teams.

Key risk areas are assessed across:
- environmental factors, including energy consumption, water management and regulatory compliance
- operational processes, including resource optimization and supply chain reliability
- workforce-related factors, including health, safety culture and development
- governance aspects, including board structure, internal controls and ethical conduct

This approach ensures that both current and emerging risks are identified and assessed.

Identification of Opportunities

In addition to risks, the Group identifies and considers opportunities arising from sustainability initiatives, including:
- cost savings from improved energy and resource efficiency
- operational improvements through waste reduction and water utilisation
- improved employee morale and engagement through training and promotion
- enhanced brand value and customer trust
- reduced risk of non-compliance due to early adoption of sustainability practices.

These opportunities are evaluated alongside risks to support balanced decision-making.

Continuous Improvement

The Group is committed to continuously enhancing its risk management processes, data quality and internal controls, supported by periodic risk assessments. Ongoing improvements include strengthening data collection systems, refining risk assessment methodologies and increasing alignment with evolving sustainability reporting standards.

9. Metrics and Targets

Techna-X monitors a range of sustainability-related indicators to evaluate its exposure to climate-related risks and opportunities, in accordance with the disclosure requirements under IFRS S2 – Climate-related Disclosures, as well as broader environmental, social and governance considerations.

In line with the phased implementation approach under IFRS S1 and the NSRF, the Group's disclosures for the current reporting period focus primarily on climate-related metrics. Additional ESG indicators are tracked internally to support effective management oversight and transparency.

These metrics provide a basis for assessing environmental performance, identifying areas for operational improvement and monitoring progress against sustainability objectives.

Climate Metrics

Greenhouse Gases Emissions

The Group quantifies its GHG emissions using the **GHG Protocol: Corporate Accounting and Reporting Standard**, to the extent applicable to its operations and consistent with IFRS Sustainability Disclosure Standards.

As a restaurant chain operator, the Group's emissions profile is primarily driven by electricity consumption across outlets, which falls under Scope 2.

Disclosures are prepared with reference to the NSRF, with IFRS standards taking precedence where applicable.

Scope 1 emission (tCO2e)

The Group has conducted an assessment of its operational boundaries and confirmed that it does not own or control logistics or transportation assets. As such, emissions arising from transportation activities are not recognised as Scope 1 emissions. The Group will continue to review other potential direct emission sources within its operations.

Scope 2 emission (tCO2e)

Scope 2 emission represents indirect emissions from electricity purchased and consumed across the Group's operations, including restaurant chain operations in Malaysia and China.

	2025
Electrical	3,654310.9
Net operational emissions	2,579.6

These emissions are calculated using a location-based method, applying the Group's electricity consumption data and Malaysia's and China's grid emission factors issued by the relevant authorities.

Category	**Emission Source**	**Measurement Methodology**	**Activity Data**	**Emissions Factor Source**
Purchased electricity	Electricity consumption	Location-based method	Electricity meter readings (kWh) × grid emission factor	Malaysia's grid emission factor (published by Energy Commission of Malaysia)
				China's electricity carbon footprint factors (published by Ministry of Ecology and

				Environment, National Bureau of Statistics & National Energy Administration of China)

Inventory Boundary

The Group adopts the equity share approach in defining the organisational boundary for its GHG emissions inventory.

Under this approach, emissions are recognised in proportion to the Group's ownership interests in its subsidiaries, reflecting its economic exposure to sustainability-related risks and impacts.

The same methodology has been consistently applied throughout the reporting period.

Climate-Related Targets

At present, the Group has not disclosed quantitative sustainability targets due to limitations in the availability of underlying data. The current data landscape does not yet support the establishment of verifiable targets aligned with recognised reporting standards.

The Group is prioritising the development of robust data collection processes, internal controls and baseline metrics to support future target-setting. Quantitative sustainability targets will be introduced once sufficient data maturity and assurance readiness have been achieved.

Climate-Related Physical Risks
Direct exposure to physical climate risks is currently limited. However, indirect risks may arise from utilities instability, agricultural supply shocks and disruptions in logistics, which may impact operational continuity. To mitigate these risks, the Group focuses on implementing supplier diversification, maintaining reliable supplier relationships and strengthening store-level resilience.

Climate-Related Transition Risks
The Group may be exposed to transition-related risks arising from: • evolving regulatory requirements on sustainability disclosures • energy transition and rising energy costs • growing demand for sustainable sourcing and packaging. The Group actively monitors regulatory developments and industry trends to maintain compliance and increase readiness.

SUSTAINABILITY STATEMENT

Climate-Related Opportunities
Climate-related developments provide opportunities for the Group to: • improve operational efficiency through effective resource management • explore renewable energy and water-saving technologies • foster sustainable innovation to reduce high-emission ingredients • enhance sustainability reporting and disclosures • strengthen stakeholder confidence and brand competitiveness While no material financial impact has been identified in FY2025, the Group continues to evaluate these opportunities as part of its long-term environmental strategy.

ESG Metrics

ESG metrics are presented as structured, measurable indicators linked to governance, risk and performance to track accountability.

**to be replaced with CSI table*

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Environmental	Total energy consumption	Megawatt	3,654.3109		External assurance
Environmental	Scope 1 emissions in tonnes of CO_2e	Metric tonnes	-		External assurance
Environmental	Scope 2 emissions in tonnes of CO_2e	Metric tonnes	2,579.6		External assurance
Environmental	Total volume of water used	Megalitres	-		No assurance
Social	Age Group – Management Under 30	Percentage	0		No assurance
Social	Age Group – Management Between 30-50	Percentage	100		No assurance
Social	Age Group – Management Above 50	Percentage	0		No assurance
Social	Age Group – Executive Under 30	Percentage	22.5		No assurance
Social	Age Group – Executive Between 30-50	Percentage	57.5		No assurance
Social	Age Group – Executive Above 50	Percentage	20		No assurance
Social	Age Group – Non-executive/Technical Staff Under 30	Percentage	0		No assurance
Social	Age Group – Non-executive/Technical Staff Between 30-50	Percentage	50		No assurance
Social	Age Group – Non-executive/Technical Staff Above 50	Percentage	50		No assurance
Social	Gender Group – Management Male	Percentage	50		No assurance
Social	Gender Group – Management Female	Percentage	50		No assurance
Social	Gender Group – Executive Male	Percentage	52.5		No assurance
Social	Gender Group – Executive Female	Percentage	47.5		No assurance
Social	Gender Group – Non-executive/Technical Staff Male	Percentage	0		No assurance
Social	Gender Group – Non-executive/Technical Staff Female	Percentage	100		No assurance
Social	Male Directors	Percentage	40		No assurance
Social	Female Directors	Percentage	60		No assurance
Social	Directors Under 30	Percentage	0		No assurance

SUSTAINABILITY STATEMENT

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Social	Directors Between 30-50	Percentage	80		No assurance
Social	Directors Above 50	Percentage	20		No assurance
Social	Number of work-related fatalities	Number	0		No assurance
Social	Lost time incident rate ("LTIR")	Rate	0		No assurance
Social	Number of employees trained on health and safety standards	Number	52		No assurance
Social	Management Training Hours	Hours	-		Internal assurance
Social	Executive Training Hours	Hours	-		Internal assurance
Social	Non-executive/Technical Staff Training Hours	Hours	2388		Internal assurance
Social	Percentage of employees that are contractors or temporary staff	Percentage	47.8		No assurance
Social	Total number of employee turnover – Management	Number	-		Internal assurance
Social	Total number of employee turnover – Executive	Number	-		Internal assurance
Social	Total number of employee turnover – Non-executive/Technical Staff	Number	-		Internal assurance
Social	Number of substantiated complaints concerning human rights violations	Number	0		No assurance
Social	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	-		No assurance
Social	Total number of beneficiaries of the investment in communities	Number	-		No assurance
Governance	Percentage of Management who have received training on anti-corruption by employee category	Percentage	0		Internal assurance
Governance	Percentage of Executive who have received training on anti-corruption by employee category	Percentage	0		Internal assurance
Governance	Percentage of Non-executive/Technical Staff who have received training on anti-corruption by employee category	Percentage	0		Internal assurance
Governance	Percentage of operations assessed for corruption-related risks	Percentage	-		Internal assurance
Governance	Confirmed incidents of corruption and action taken	Number	0		Internal assurance
Governance	Proportion of spending on local suppliers	Percentage	50		No assurance
Governance	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0		Internal assurance

10. External Assurance

The Group has obtained limited assurance from an independent external assurance provider, ASAP Advisory PLT, on selected sustainability disclosures for FY2025.

The scope of the assurance engagement covers:
- Greenhouse gas (“GHG”) emissions (Scope 1 and Scope 2); and
- Energy consumption and management data.

The assurance was conducted in accordance with applicable assurance standards, with the objective of enhancing the reliability and credibility of the disclosed information. The assurance provider performed procedures to assess whether the selected data is prepared, in all material respects, in accordance with the Group’s stated methodologies and reporting criteria.

The assurance does not extend to other sustainability disclosures, including Scope 3 emissions and non-environmental metrics. The Group intends to progressively expand the scope of external assurance in line with improvements in data quality, internal controls, and reporting maturity.

11. Events After the Reporting Period

Subsequent to the reporting period, the Group has initiated enhancements to its sustainability data collection processes, including the development of systems to support Scope 3 emissions reporting. These developments are not expected to have a material impact on the current reporting period but will strengthen future disclosures.

12. Stakeholder Feedback

The Group recognises the importance of stakeholder engagement in identifying and addressing sustainability-related risks and opportunities. Key stakeholder groups include customers, employees, suppliers, regulators, and local communities.

Stakeholder feedback is obtained through various channels, including customer surveys, employee engagement platforms, supplier interactions, and regulatory engagements. This feedback is reviewed by management and considered in the Group’s decision-making processes, including operational improvements and sustainability initiatives.

The Group remains committed to maintaining open and transparent communication with stakeholders and will continue to enhance its engagement approaches to ensure that stakeholder perspectives are appropriately considered in future reporting and strategy development.

TECHNA-X BERHAD'S SUSTAINABILITY STATEMENT FY 2025

ASAP 安盛

ASAP ADVISORY PLT
No 17-04, Blok B, Austin V, Jalan Austin Perdana 3/2,
Taman Austin Perdana, 81100 Johor Bahru, Johor.
Tel: 07-3595983

INDEPENDENT LIMITED ASSURANCE STATEMENT

Independent Limited Assurance Statement to the Directors of Techna-X Berhad ("Techna-X") on Sustainability Metrics within the Sustainability Report 2025.

Our Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter as presented in Techna-X's Sustainability Statement 2025 have not been prepared and presented fairly, in all material respects, in accordance with the Criteria defined below.

Scope of Work

ASAP Advisory PLT ("ASAP" or "we") was engaged by Techna-X to perform a 'limited assurance engagement,' as defined by the International Standard on Assurance Engagements ("ISAE") 3000 Revised, Assurance Engagement other than Audits or Review of Historical Financial Information, on selected subject matters ("Subject Matter") included in Techna-X's 2025 Sustainability Statement ("SS 2025") for the financial year ended 31st December 2025.

Subject Matter

Our limited assurance engagement was performed for the Subject Matter listed in the table below, as presented in the SS 2025:

Material Matters	Subject Matter	Scope
Climate Change	Total energy consumption	Operations assessed: Malaysia
	Scope 1 emissions in tonnes of CO_2e	
	Scope 2 emissions in tonnes of CO_2e	Operations assessed: Malaysia and China

The scope of our work was limited to the Subject Matter presented in the SS 2025 and did not include coverage of data sets or information unrelated to the data and information underlying the Subject Matter and related disclosures; nor did it include information reported outside of the SS 2025, comparisons against historical data, or management's forward-looking statements.

ASAP 安盛
ASAP ADVISORY PLT
No 17-04, Blok B, Austin V, Jalan Austin Perdana 3/2,
Taman Austin Perdana, 81100 Johor Bahru, Johor.
Tel: 07-3595983

Criteria applied by Techna-X

In preparing the Subject Matter mentioned above, Techna-X applied the following criteria:

- IFRS Sustainability Disclosure Standards, including **IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information** and **IFRS S2 – Climate-related Disclosures**
- Recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD")
- Techna-X's internal policies, procedures and reporting methodologies

Techna-X's Responsibilities

Techna-X's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

ASAP's responsibilities

Our responsibility is to express our conclusion on whether anything has come to our attention that causes us to believe that the Subject Matter and related disclosures as presented in the SS 2025 are not prepared, in all material respects, in accordance with the Criteria.

We have performed our limited assurance engagement in accordance with the terms of reference for this engagement agreed with Techna-X, including performing the engagement in accordance with the ISAE 3000, issued by the International Auditing and Assurance Standards Board. This Standard requires that we plan and perform our engagement to obtain limited assurance about whether the Subject Matter and related disclosures as presented in the SS 2025 are free from material misstatement.

A limited assurance engagement undertaken in accordance with ISAE 3000 involves assessing the suitability in the circumstances of Techna-X's use of the criteria specified as the basis of preparation used for the selected Subject Matter and related disclosures presented in the SS 2025, assessing the risks of material misstatement thereof, whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Subject Matter and related disclosures in the SS 2025. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

ASAP 安盛

ASAP ADVISORY PLT
No 17-04, Blok B, Austin V, Jalan Austin Perdana 3/2,
Taman Austin Perdana, 81100 Johor Bahru, Johor.
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Our Independence and Quality Control

This assurance has been conducted at a limited level according to Global Internal Audit Standards from the IIA2, at a minimum the internal audit function should provide the following assurance over ESG reporting;

1) Review reporting metrics for relevancy, accuracy, timeliness and consistency;
2) Review reporting for consistency with formal financial disclosure filings;
3) Conduct materiality or risk assessments on ESG reporting;

including the Principles of the IFRS Foundation – International Integrated Reporting Council (“IIRC”), the TCFD, and IFRS Sustainability Disclosure Standards S1 and S2.

Statement of Independence and Competence

ASAP provides a range of services, including internal audit, internal control review, risk management, and environmental, social, and ethical auditing and training. Additionally, we offer assurance services for environmental, social, sustainability, and ESG reports.

We affirm our independence from Techna-X, ensuring objectivity, freedom from bias, and the absence of conflicts of interest with the organisation, its subsidiaries, and stakeholders. For this assurance engagement, a specialised team was carefully assembled based on their expertise, experience, and relevant qualifications, ensuring a thorough and credible review.

ASAP’s role and independence were assessed in accordance with professional ethical requirements, and adequate safeguards were implemented to preserve assurance integrity.

Description of Procedures Performed

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.

ASAP ADVISORY PLT
No 17-04, Blok B, Austin V, Jalan Austin Perdana 3/2,
Taman Austin Perdana, 81100 Johor Bahru, Johor.
Tel: 07-3595983

Description of Procedures Performed (cont'd)

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. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

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:

- Gaining an understanding of Techna-X's business, internal processes and approach to sustainability
- Conducting interviews with key personnel and collating evidence to understand Techna-X's process for reporting performance indicators and disclosures, including inquiring regarding risks of misstatement and quality controls to address risks
- Conducting limited assurance procedures over the selected Subject Matter and disclosures, including:
    - Undertaking analytical procedures to support the reasonableness of the data
    - Checking that the calculation Criteria have been applied in accordance with the methodologies for the Subject Matter within the Statement
    - Identifying and testing assumptions supporting calculations
    - Testing, on a sample basis, underlying source information to check accuracy of the data
    - Performing recalculations of performance indicators using input data
    - Checking that measurements made at the end of the reporting period are timely entered in the records and the sustainability statement
    - Obtaining appropriate representations from management, in the form of a management representation letter addressed to us to confirm that the management believes that it has fulfilled its responsibilities

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

ASAP 安盛

ASAP ADVISORY PLT
No 17-04, Blok B, Austin V, Jalan Austin Perdana 3/2,
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Inherent Limitations

Inherent limitations of assurance engagements include use of judgement and selective testing of data, which means that it is possible that fraud, error or non-compliance may occur and not be detected in the course of performing the engagement. Accordingly, there is some risk that a material misstatement may remain undetected. Further, our limited assurance engagement is not designed to detect fraud or error that is immaterial.

There are additional inherent risks associated with assurance engagements performed for non-financial information given the characteristics of the subject matter and associated with the compilation of source data using definitions and methods for determining, calculating, and estimating such information that

are developed internally by management. The absence of a significant body of established practice on which to draw, allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. The precision of different measurement techniques may also vary. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgements. In particular, where the information relies on factors derived by independent third parties, our assurance work has not included examination of the derivation of those factors and other third-party information.

Other Matters

Information relating to prior reporting periods has not been subject to assurance procedures. Our report does not extend to any disclosures or assertions relating to future performance plans and/or strategies disclosed in the SS 2025. The maintenance and integrity of Techna-X's website is the responsibility of Techna-X's management. Our procedures did not involve consideration of these matters and, accordingly we accept no responsibility for any changes to the Subject Matter and related disclosures, the SS 2025 or to our independent limited assurance report that may have occurred since the initial date of presentation on Techna-X's website.

Restriction of use

Our work has been undertaken to enable us to express a limited assurance conclusion on the matters stated above in our report provided to the directors of Techna-X in accordance with the terms of our engagement, and for no other purpose.

Our report is intended solely for the directors of Techna-X and should not be used by any other parties. To the fullest extent permitted by the law, we do not accept or assume liability to any party other than the directors of Techna-X, for our work, for this report, or for the conclusion we have reached.

We agree to the publication of this assurance report in Techna-X's SS 2025 for the financial year ended 31st December 2025, provided it is clearly understood by recipients of the SS 2025 that they enjoy such receipt for information only and that we accept no duty of care to them whatsoever in respect of this report.

ASAP Advisory PLT
201804000474 (LLP0014854-LGN)

Johor Bahru, Malaysia
(date)

STATEMENT OF DIRECTORS'S RESPONSIBILITIES

In accordance with the provisions of the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and the applicable approved accounting standards, the Directors are required to prepare financial statements that give a true and fair view of the state of affairs of the Group and the Company as at 31 December 2025 and the results and cash flows for that year then ended.

In preparing the financial statements, the Directors also have: -

- Adopted the appropriate and relevant accounting policies and applied them consistently;
- Followed the applicable approved accounting standards;
- Made judgements and estimates that are reasonable and prudent; and
- Assessed the Group's and the Company's ability to continue as going concern and confirmed that the annual financial statements are prepared using the going concern basis of accounting.

The Directors are responsible for ensuring that the Group and the Company maintain accounting records that accurately disclose the financial position of the Group and Company, enabling the financial statements to comply with the Companies Act 2016.

The Directors are also responsible for taking the necessary steps to ensure appropriate systems and internal controls are in place to safeguard the assets of the Group and the Company, as well as to prevent and detect fraud and any other irregularities.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors (**"Board"**) of Techna-X Berhad (**"the Company"**) is pleased to present the Audit and Risk Management Committee (**"ARMC"**) Report for the financial period ended 31 December 2025 (**"FPE2025"**) in accordance with Paragraph 15.15 of the Main Market Listing Requirements (**"Main LR"**) of Bursa Malaysia Securities Berhad (**"Bursa Malaysia Securities"**).

INDEPENDENCE OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The Company recognises the need to uphold the independence of its external auditors and that no possible conflict of interest whatsoever should arise. Currently, none of the members of the Board nor the Audit and Risk Management Committee were former key audit partners of the external auditors appointed by the Group. The Company will observe a cooling-off period of at least three (3) years in the event any potential candidate to be appointed as a member of the Audit and Risk Management Committee was a key audit partner of the external auditors of the Group.

FINANCIAL LITERACY OF THE AUDIT AND RISK MANAGEMENT COMMITTEE MEMBERS

Collectively, the members of the Audit and Risk Management Committee have the relevant experience and expertise in finance and accounting and have carried out their duties in accordance with the terms of reference of the Audit and Risk Management Committee. The qualifications and experience of the individual Audit and Risk Management Committee members are disclosed in the Profiles of Directors on pages 9 to 17 of this Annual Report. The Audit and Risk Management Committee members continuously keep themselves abreast of the latest developments in accounting and auditing standards, statutory laws, regulations and best practices to enable them to discharge their duties effectively.

The Board, through the recommendation of the Nomination Committee where available and with the exception of the Directors who are also members of the Audit and Risk Management Committee, are generally satisfied that all the Audit and Risk Management Committee members are financially literate and have sufficient understanding of the Company's business.

COMPOSITION

The Audit and Risk Management Committee shall be appointed by the Board from amongst the directors and shall consist of not less than three (3) members, with a majority of them being independent directors.

The members of the Audit and Risk Management Committee shall elect a Chairman from among their members who shall be an Independent Director. No alternate director shall be appointed as a member of the Audit and Risk Management Committee.

At least one (1) member of the Audit and Risk Management Committee: -

(a) must be a member of the Malaysian Institute of Accountants; or
(b) if he/she is not a member of the Malaysian Institute of Accountants, he/she must have at least three (3) years' working experience and:

- he/ she must have passed the examinations specified in Part I of the First Schedule of the Accountants Act, 1967; or
- he/ she must be a member of one (1) of the association of accountants specified in Part II of the First Schedule of the Accountants Act, 1967; or
- fulfils such other requirement as prescribed by Bursa Malaysia Securities Berhad ("Bursa Securities").

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

COMPOSITION (Cont'd)

The Audit and Risk Management Committee of the Group comprises of three (3) Independent Non-Executive Directors. The composition of the Audit and Risk Management Committee are as follows: -

Chairman : **Fan Kah Seong**
Independent Non-Executive Director

Members : **Sakthi Kumar A/L Ramadas**
Independent Non-Executive Director

Dato' Linda Geh Guat Yeow
Independent Non-Executive Director

Mr. Fan Kah Seong is a member of the Malaysian Institute of Accountants (MIA).

Accordingly, the composition of the Audit and Risk Management Committee and the qualification of the members comply with Paragraph 15.09 (1) of the Main Market Listing Requirement of Bursa Securities (**"MMLR"**).

TERMS OF REFERENCE

The Terms of Reference of the ARMC, outlining the ARMC's composition, proceedings of the meeting, authority, duties and responsibilities, is available on the Company's corporate website at: www.techna-x.com.

ARMC MEETINGS

During the 18-month financial period ended 31 December 2025, the ARMC has convened total of eight (8) meetings. The ARMC's attendance records are as follows:-

ARMC	Position	Date of ARMC Meeting								Total	%
		29 Aug 2024	29 Oct 2024	7 Nov 2024	28 Nov 2024	27 Feb 2025	26 May 2025	21 Aug 2025	20 Nov 2025		
Fan Kah Seong	Independent Non-Executive Director	√	√	√	√	√	√	√	√	8/8	100%
Sakthi Kumar A/L Ramadas (appointed w.e.f. 1 July 2024)	Independent Non-Executive Director	√	√	√	√	√	√	√	√	8/8	100%
Dato' Linda Geh Guat Yeow (appointed w.e.f. 18 July 2024)	Independent Non-Executive Director	√	√	√	√	√	√	√	√	8/8	100%

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

SUMMARY OF THE WORK OF THE ARMC

The ARMC had carried out the following works during FPE2025 in the discharge of its functions and duties: -

Financial Reporting

Reviewed and discussed the quarterly results and annual audited financial statements of the Company and the Group prior to recommendations to the Board for consideration and approval. The key areas of focus included the following:-

- Any change in accounting policies and practices;
- Significant adjustments, if any, arising from the audit;
- Going concern assumptions;
- Compliance and accounting standards and other legal requirements;
- Significant matters highlighted in the financial statements, if any; and
- Significant judgements, if any, made by the Management.

The dates on which the ARMC meetings were convened during the financial year to deliberate on financial reporting matters are detailed below:

Date of Meetings	Activities
29 August 2024	• Unaudited quarterly report on consolidated results of the Company and Group for the sixth quarter ended 30 June 2024.
29 October 2024	• Review and approved draft Audited financial statements, Audit and Risk Management Committee Report and the Statement on Risk Management and Internal Control of the Company and Group for the financial period ended 30 June 2024.
7 November 2024	• Review and approved draft Audited financial statements, Audit and Risk Management Committee Report and the Statement on Risk Management and Internal Control of the Company and Group for the financial period ended 30 June 2024.
28 November 2024	• Unaudited quarterly report on consolidated results of the Company and Group for the first quarter ended 30 September 2024.
27 February 2025	• Unaudited quarterly report on consolidated results of the Company and Group for the second quarter ended 31 December 2024.
26 May 2025	• Unaudited quarterly report on consolidated results of the Company and Group for the third quarter ended 31 March 2025.
21 August 2025	• Unaudited quarterly report on consolidated results of the Company and Group for the fourth quarter ended 30 June 2025.
20 November 2025	• Unaudited quarterly report on consolidated results of the Company and Group for the fifth quarter ended 30 September 2025.

External Audit

The ARMC reviewed and discussed with the External Auditors on their scope of work and audit plan for financial period ended 31 December 2025. In reviewing the audit plan, the ARMC discussed significant and elevated risk areas identified by the External Auditors. The ARMC also held discussions with the External Auditors on audit status, the results of their audit, the audit report and internal control recommendations in respect of improvements in internal control procedures noted in the course of their audit for the financial period ended 31 December 2025.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

SUMMARY OF THE WORK OF THE ARMC (Cont'd)

External Audit (Cont'd)

In line with best practices of corporate governance, the ARMC met with the External Auditors, without the presence of the Management, to discuss on pertinent issues arising from the audits and ensuring the Management was responsive to their findings and recommendations. On 29 August 2024, the ARMC met privately with the External Auditors without the presence of the Management.

Internal Audit

The ARMC had reviewed the Internal Audit Reports issued by the external professional Internal Audit firm on a half- yearly basis and ensured that action plans recommended by the Internal Auditors had been implemented by the Management on a timely basis.

Related Party Transactions

The ARMC had reviewed the related party transactions or recurrent related party transactions on a quarterly basis for compliance with both in-house procedures and the Main LR of Bursa Malaysia Securities.

Other Matters

(a) The ARMC had reviewed and confirmed the minutes of the ARMC meetings.

(b) The ARMC had reviewed the ARMC Report and Statement on Risk Management and Internal Control prior to submission to the Board for consideration and approval and inclusion in the Annual Report of the Company in respect of the financial period ended 31 December 2025.

(c) The ARMC had reviewed the Terms of Reference of the ARMC prior to submission to the Board for consideration and approval.

(d) The ARMC had reviewed the appointment of compliance officers in charge of the whistleblowing matters prior to submission to the Board for approval.

Summary of Work of the Internal Audit Function

The Group has outsourced its internal audit function to an independent professional services firm, Talent League Sdn. Bhd. to assist in performing the necessary and appropriate internal audit function for its technology-driven casual dining food and beverage businesses as well as the digital transformation enabler businesses.

The outsourced Internal Auditors report directly to the ARMC and assist the ARMC in discharging its functions and duties.

The engagement team from Talent League Sdn. Bhd. is headed by Mr. Roy Thean, a member of the MIA, Malaysian Institute of Certified Public Accountants, and Institute of Internal Auditors Malaysia. All the personnel deployed by Talent League Sdn. Bhd. range from 3 to 4 staff, are free from any relationships or conflict of interest, which could impair their objectivity and independence during the course of work. The internal audits carried out by the Internal Auditors are guided by the International Professional Practices Framework issued by the Institute of Internal Auditors Inc., a globally recognised professional body for internal auditors.

The internal audit function is independent of the management and is not involved in the operational activities of the Group. This is to ensure that the internal audit activities are performed with impartiality, proficiency, and due professional care.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

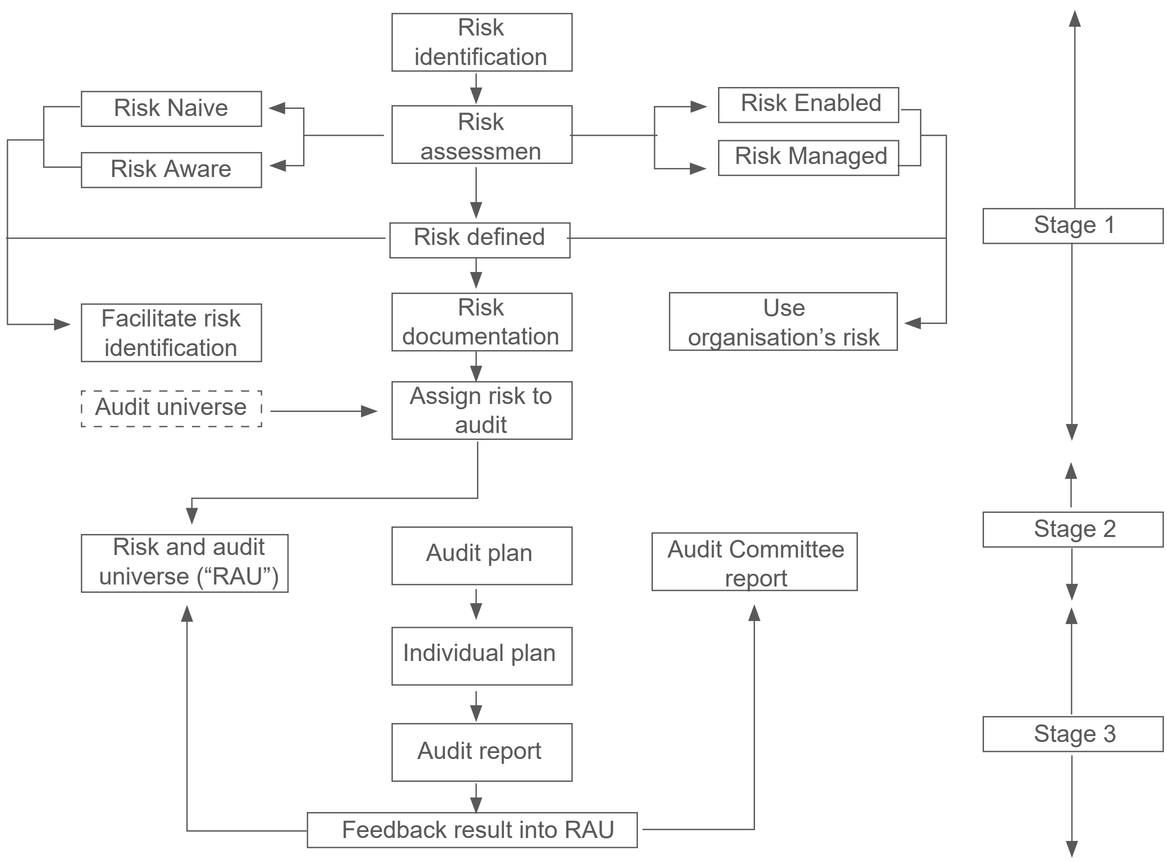
SUMMARY OF THE WORK OF THE ARMC (Cont'd)

Summary of Work of the Internal Audit Function (cont'd)

The principals adopted for the Group's internal audit function involve the Risk-Based Internal Audit ("RBIA") methodology, which serves to provide assurance that the risks are being managed within the organisation's risk appetite. The methodology consists of 5 core internal audit roles that cover the risk management framework of the whole organisation, namely:-

1. Giving assurance that the processes used by the Management to identify all significant risks are effective.
2. Giving assurance that the risks are correctly assessed/scored by the Management in order to prioritise them.
3. Evaluating the risk management processes to ensure the response to any risk is appropriate and conforms to the organisation's policies.
4. Evaluating the reporting of key risks by managers to Directors.
5. Reviewing the management of key risks by managers to ensure controls have been put into operation and are being monitored.

Based on an agreed-upon internal audit planning schedule, the abovementioned RBIA approach shall be rolled out in 3 stages, namely:-



AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

SUMMARY OF THE WORK OF THE ARMC (Cont'd)

Summary of Work of the Internal Audit Function (cont'd)

The activities performed by the outsourced Internal Auditors include:-

(i) Performed reviews of the key processes to examine and evaluate the adequacy and effectiveness of the operations' internal control system and highlighted any significant risks and non-compliance matters that have an impact on the Group;

(ii) Conducted follow-up review on the status of the Management's implementation based on the agreed recommendations, which were previously reported in the preceding cycles of internal audit; and

(iii) Developed Internal Audit Plan for years 2022 to 2024, setting out the implementation of the internal audit scope for the Group based on agreed communication, timelines, and reporting protocols.

The total cost incurred for the Group's internal audit function in respect of the financial period ended 31 December 2025 was RM18,000 (2024:RM16,000).

BOARD'S CONCLUSION

The Board is satisfied that the ARMC and its members have carried out their functions, duties, and responsibilities according to the Terms of Reference of ARMC. There were no material misstatements, frauds, and deficiencies in the internal control systems not addressed by the Management.

The ARMC Report was approved by the Board of Directors' Meeting held on 30 April 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

The transformation of Techna-X Berhad (“Techna-X” or “the Company”) in Information Technology was forced to pivot in the rapidly evolving era of AI (“Artificial Intelligence), While AI has presented the Company and its subsidiaries (“the Group”), it has also forced the Company to face the limited potential of their existing investments. During the financial period ended 31 December 2025 (“FPE2025”), the Management and Board of Directors (“Board”) of Techna-X have discussed and deliberated on a multitude of matters/issues. Amongst others, key discussions details/ information on the various subject matters under deliberation and decision-making considerations, include the following: -

1. Fund Raising Exercises

   The company completed private placement of 24,417,600 new ordinary shares representing up to 10% of total number of shares of issued shares raising RM 1,851,692 in working capital for the company.

2. Disposal of Wavetree Technologies Sdn Bhd and Touchpoint International Sdn. Bhd

   Wavetree Technologies Sdn. Bhd (“Wavetree”), an Information Technology subsidiary focusing on IoT Solutions; and Touchpoint International Sdn. Bhd (“TPI”) , an Information Technology subsidiary specialising in Smart City solutions. Both Wavetree and TPI experienced considerable losses over an extended duration and The Company determined that the prospects for future profitability within these business areas were very uncertain. This led to the decision of the company to dispose its 100% stake in both Wavetree and TPI. The condition precedents of the SPA have been satisfied and deemed completed on 1st August 2025.

   Subsequently, the Company recorded a loss on disposal of RM 2,939,576 for TPI and a loss on disposal of RM 8,089,845 for Wavetree.

3. Disposal of Caseria Pasifika Sdn Bhd. (“CPSB”)

   Caseria Pasifika Sdn Bhd, manages and operates 9 of the Company’s’ TGIF restaurants in Malaysia. The 100% owned subsidiaries of CPSB include

   - Bistroamericana (A) Sdn. Bhd. [201001035934 (919858-K)]
   - Bistroamericana (BU) Sdn. Bhd. [200201030029 (597692-U)]
   - Bistroamericana (Hartamas) Sdn. Bhd. [200801037030 (838371-T)]
   - Bistroamericana (PBJ) Sdn. Bhd. [202101037359 (1437659-U)]
   - Bistroamericana (QB) Sdn. Bhd. [200601023168 (742922-X)]
   - Bistroamericana (TC) Sdn. Bhd. [200401014513 (653016-U)]

   51% equity interest subsidiaries of CPSB:

   - Bistroamericana (J.B.) Sdn. Bhd. [199601042819 (415172-P)] – TGIF @ SouthKey Shopping Mall, Johor Bahru
   - Craveat (BB) Sdn. Bhd. [202301018114 (1512036-U)] – TGIF @ Pavilion Kuala Lumpur Shopping Mall
   - Craveat (SP) Sdn. Bhd. [202301018116 (1512038-D)] – TGIF @ Sunway Pyramid Shopping Mall

   The Company determined that due to the challenges facing the TGIF brand name and financial stability internationally; as well as significant capital expenditure requirements to refresh existing restaurants and open new ones, to seek to offload 100% of CPSB, which the Company announced on the 19th of September 2025. CPSB was disposed for a purchase consideration of RM 4,500,000. The Company incurred a loss on disposal of RM 2,771,606

4. Disposal of Tarik Place Sdn Bhd (“TTSB”) and Equity interest in Bistroamericana (MyTown) Sdn. Bhd. (MYTOWN”)

   TTSB was another loss-making Food and Beverage subsidiary that was loss making in the last 2 financial periods (2022 and 2024). The Management of the company reached a consensus that there the prospect for a return to profitability was very unlikely.

   TTSB, bundled together with the remaining TGIF Outlet, MYTOWN was disposed for a total purchase consideration of RM 1,300,000, comprising TTSB for RM 900,000 and MYTOWN, RM 400,000.

   The disposal of the above had a gain on disposal of approximately RM 4,097,219 for the group

MANAGEMENT DISCUSSION AND ANALYSIS

5. Planned disposal of equity interest in HK Aerospace Beidou New Energy Technology Co. Ltd ("HKAB")

   The Company has entered into a Share Sale Agreement ("SPA") with a purchaser for the proposed disposal of its entire 50% equity interest in HK Aerospace Beidou New Energy Technology Co. Ltd. ("HKAB"), comprising 100,000 ordinary shares held by the Company.

   The proposed disposal forms part of the Group's strategic rationalisation and restructuring initiatives to streamline its business operations and focus on its core continuing businesses.

   As at the date of this report, the disposal remains subject to the fulfilment of the remaining conditions precedent. One of the conditions precedent, being the waiver of approximately RM14 million owing by directors, has been fulfilled.

FINANCIAL PERFORMANCE AND OPERATIONAL REVIEW

Rapid advancements in Artificial Intelligence have prompted Techna-X Berhad ("Techna-X") to restructure its technology businesses for future readiness. The Group faced challenges during FPE2025 amid persistent global economic uncertainties, which also impacted Malaysia's subdued economy.

On the background of the foregoing, the Group's core digital and technology businesses turned in a higher consolidated net loss of approximately RM41.6million for FPE2025 compared to a consolidated net loss of RM20 million recorded in the preceding financial period.

Notwithstanding the above, the Group's businesses recorded a total consolidated revenue of RM82 million in FPE2025, out of which the F&B business contributed approximately RM81.5 million while the Technology businesses contributed approximately RM0.5 million.

The decrease in revenue from the F&B business seen in FPE2025 compared to that in FPE2024 period was mainly due to the disposal of subsidiaries operating the Group's F&B outlets in September 2025, resulting in limited remaining operational contribution during the current financial period.

As far as the Group's technology businesses is concerned, there was a significant reduction in contribution to the Group, wherein it managed to generate a very low revenue of approximately RM0.5 million in FPE2025 compared to approximately RM0.7 million recorded last period.

The Group's total cost of sales from continuing operations decreased to approximately RM28.6 million in FPE2025 from RM33.6 million recorded in the preceding financial period. Despite the lower revenue base during the financial period, the Group's gross profit margin improved from 64% to 65%, mainly attributable to changes in the Group's business mix following the disposal of lower-margin operations and the continued contribution from higher-margin offerings within the F&B segment.

The administrative and operating expenses of the continuing business operations and that of corporate holding company level saw an increase to RM115.5 million in FPE2025 from RM96.7 million recorded in the preceding period. This higher administrative and operating expense was mainly attributable to several one-off and non-recurring items recognised during the financial period, including impairment losses on intangible assets and receivables amounting to RM6.9 million following a reassessment of their recoverability, the write-off of receivables totalling RM24.5 million arising from amounts deemed irrecoverable, as well as a loss on disposal of subsidiaries of RM9.7 million in connection with the Group's divestment of certain business operations undertaken during the period.

Premised on the above, the operations of the Group recorded a net loss of approximately RM41.8 million in FPE2025, compared to that recorded in the preceding period of approximately RM20.0 million. Based on the weighted average number of shares in issue, this translates to a loss per share of 15.86 sen per share (based on 252 million number of shares) in FPE2025 compared to a loss per share of 14.61 sen per share (based on 131 million number of shares).

The total assets of the Group in FPE2025 amounted to RM78.2 million, compared to RM160.4 million recorded in the preceding financial period. Key components of the Group's Total Assets comprised predominantly of (i) Assets classified as held for sale of RM57.7 million (ii) Trade and Other Receivables of RM9.8 million.

MANAGEMENT DISCUSSION AND ANALYSIS

Total Liabilities registered in FPE2025 amounted to RM48.3 million, compared to RM106.3 million in the preceding financial period. Key components of the Total Liabilities comprised (i) Other Payables and accrued expenses of RM7.5 million, as well as (ii) Liabilities classified as held for sale of RM34.1 million.

Premised on the above, the Group's Total Equity for the current financial period has a positive territory with the amount of RM31.8 million, out of which RM1.9 million (deficit) was attributed to the portion of Non-controlling Interest compared to RM54.1 million in FPE2024. Accordingly, the Equity Attributable to the Shareholders of Techna-X for the current financial period stood at RM33.8 million compared to RM55.9 million in FPE2024. This represents a decrease of RM22.1 million, or approximately 39.5%, mainly attributable to losses incurred during the financial period, including non-recurring items such as impairment losses, write-off of receivables and losses arising from the disposal of subsidiaries.

KEY RISKS

The Group is mindful of several risks which it could be potentially exposed to: -

Risk relating to the Technology Business

(i) Loss and replacement of key & technical personnel
The continuous innovation required to keep up with technology developments and fiscal responsibility requires a particular type of leader that is becoming scarcer in the region. This will lead to a change in how the company expands and invests in the technology space moving forward.

(ii) Competition and rapid evolution of technological trends
Our technology businesses will face competition from newer, nimbler and hungrier startups as well existing, matured competitors who are pivoting into our area of business. This will lead to not just competition in business, but also personnel resources required to innovate and deliver client solutions,

(iii) Foreign exchange risk
Our technology business will engage in foreign transactions involving various currencies, exposing us to foreign exchange risk. If foreign currencies depreciate significantly against the RM, our profits may decrease when converted to RM. Additionally, currency fluctuations can affect our Group's reported financial results due to exchange differences at consolidation.

(iv) Repatriation of profit to Malaysia
Our technology subsidiaries overseas are significantly affected by both Malaysian and foreign policies on investment and profit repatriation. Any changes to these laws could have a substantial impact on our Group.

Risk relating to the F&B Business

(i) Competition risks

The F&B service market in Malaysia consists of establishments ranging from F&B chains to small independently owned restaurants. It is a highly fragmented industry, and industry players compete to attract and retain customers by ensuring the food offering are quality, competitively priced and/or innovative as well as effectively and efficiently managing their operations.

Furthermore, some of these F&B establishments are more reputable than others, enabling them to seek and negotiate more suitable and strategic locations for their restaurants/outlets. This is highly important as the visibility and accessibility as well as high foot traffic locations are contributing factors to the success of a particular F&B establishment. The aforementioned factors are key differentiators for industry players, and failure on any industry player's part to build on these differentiating factors as a competitive advantage for themselves could cause losses in sales and a decline in customer loyalty to their establishments, leading to a subsequent loss in market share.

The Group's F&B subsidiary, Craveat International Sdn Bhd ("Craveat"), is dedicated in remaining competitive by constantly engaging consumers on all platforms including digital and social media to drive the brand visibility and focuses on local store marketing, special promotions and innovative menu items to cater for the different needs of consumers.

MANAGEMENT DISCUSSION AND ANALYSIS

(ii) Reliance on human resources

The F&B service market is service-oriented, and it is therefore important for us to ensure that suitable personnel are hired as cashiers and waiter/waitresses as their interaction with our customers has an impact on the customers' dining experiences. Inefficient and unfriendly customer service could lead to a loss in sales or loss in repeat customers. Also, there is an increasing reliance on foreign employees by our F&B business. Some of the foreign employees hired by our F&B business are from countries such as Nepal and Bangladesh may face language and cultural barriers, and it is important for us to provide sufficient training to ensure that the quality of customer service is maintained at an acceptable level. Furthermore, the government may amend policies relating to the employment of foreign workers in the F&B service market and/or introduce new conditions from time to time. As our F&B service market is dependent on the supply of foreign workers, any scarcity in supply or change in regulations would adversely affect our F&B business. Additionally, any increase in the levy or minimum wages for foreign workers or any other additional costs to be paid to the government in relation to the employment of foreign workers would increase retail overheads and directly impact the financial performance of our Group.

(iii) Economic risks

Our F&B business is dependent upon the present state of the economy, as a growing economy signifies a population with higher disposable income that has greater spending power, creating demand for our F&B establishments. A decline in economic conditions may decrease consumer spending power, which will in turn have a negative impact on our F&B business. A slowdown in the economy may cause reduced sales volumes, which could have a negative impact on our overall financial condition.

(iv) Fluctuation in raw material price

Our F&B business will be affected by the availability and price fluctuations of food ingredients. The prices of food ingredients may fluctuate due to various factors beyond our control, such as increase in food prices, outbreak of diseases, droughts, floods, or other disruption on a significant scale. Our F&B business is highly dependent on a sufficient supply of food ingredients that meet its price and quality requirements. A significant increase in the market price of food ingredients will have an effect on our margins if our business is unable to pass such increase in the price of food ingredients to our customers. A material shortage will also affect the operation of our restaurants and its financial performance accordingly

(v) Non-renewal of leases or renewal of leases on less favourable terms

Our F&B business may be affected by any increase in the rental or the failure to renew our existing leases. Since the rental expenses represent a relatively significant portion of the total operating expenses of our restaurants, our F&B business's financial performance will be affected by any substantial increase in rental. The landlords have the right to review and change the terms and conditions of the lease agreements upon expiry of the existing leases. There is no assurance that lease agreements could be renewed on terms acceptable to us. The non-renewal of leases or renewal on less favourable terms may have a negative effect on our business and financial performance.

(vi) Business operations / franchise agreements risk

TGI Fridays ("TGIF")

TGIF restaurants in Beijing operate under franchise agreements with the franchisor. Craveat has rights to run these restaurants as per these agreements, but there is no guarantee they can renew them or avoid early termination or revocation. If any agreement ends, Craveat may not be able to continue TGIF operations, negatively affecting its business and financial results.

Factors that harm TGIF's franchisor may negatively impact Craveat if they prevent the franchisor from fulfilling obligations or invalidate the Franchise Agreements. This could hurt Craveat's business and financial performance. However, Craveat's long-standing relationship with TGIF's franchisor provides operational support and reduces these risks. Craveat will ensure compliance with Franchise Agreements and take prompt action to address any issues.

Italiannies ("ITA")

Craveat owns two ITA restaurants but cannot guarantee the recruitment of suitable overseas franchisees. Franchisees operate independently, and Craveat does not fully control their daily operations. The quality of ITA franchised outlets may vary due to local factors beyond Craveat's expectations.

ITA franchisees must operate outlets according to Craveat's standards while adapting to local market needs, which may pose challenges in hiring and training qualified employees as required by Craveat.

If ITA franchisees fail to uphold Craveat's standards, it may negatively impact both ITA's reputation and Craveat's business performance. There is no guarantee that franchisees will follow the franchise agreement or possess the necessary skills and resources for success. Despite these risks, Craveat reduces potential issues by carefully screening prospective franchisees and providing ongoing support and strong relationships with its overseas ITA franchisees.

(vii) Change in consumers preferences

Our business relies on the goodwill and market acceptance of the TGIF, and ITA brands; this may change over time, requiring us to adapt.

The growth of e-commerce could shift consumer habits toward online shopping and reduce mall traffic, negatively affecting sales at Craveat's restaurant outlets.

Changing consumer lifestyles and preferences, influenced by factors such as disposable income and cost of living, may lead to decreased spending on dining out and impact Craveat's business.

(viii) Foreign exchange risk

Some of our TGIF franchisees operate in foreign country and Craveat may also further expand its business to other foreign countries. There will be an inherent foreign exchange risk involved due to fluctuations of foreign currency relative the RM. In the event of significant depreciation of the foreign currency, in which the revenues of the overseas F&B Business are denominated, the effective value of Craveat's profits as expressed or converted into RM may be materially reduced. Nevertheless, we will assess the need to utilise financial instruments to hedge its foreign exchange exposure to mitigate both transaction and/or translation exchange risk exposure.

Other General Perceivable Risks

Political, Economic, and Regulatory Risks

Adverse developments in political, economic, or regulatory environments within Malaysia or globally may significantly impact the financial standing and future prospects of our business. Such risks include, but are not limited to, economic downturns, changes in monetary and fiscal policies, modifications to exchange control regulations, the implementation of new industry-specific rules, fluctuations in interest rates, inflation, reforms in taxation methods, shifts in overall employment trends, and changes in political leadership.

There is no guarantee that material changes in political, economic, or regulatory conditions will not have a substantive effect on our operations and financial performance.

MANAGEMENT DISCUSSION AND ANALYSIS

MOVING FORWARD

It has been a challenging 18 months for Techna-X as it decides what is the focus of the group moving forward. The strategic pillars that will remain drive Techna-X Group, are as follows:

Technology

Following the restructuring and divestment of its technology subsidiaries, Techna-X is repositioning its technology business for future growth through a joint venture with a leading Chinese technology firm specializing in AI-driven city and transportation solutions. The company maintains the view that smart city development in Malaysia remains at an early stage and anticipates that this sector will continue to represent a multi-billion-dollar opportunity as urban areas across the country adopt smarter technologies.

Food & Beverage

Despite disposing of The Tarik Place and TGI Friday’s Malaysian restaurants, the Group—through Craveat International—remains a leader in F&B casual dining with over 20 years’ experience. Its core brands are now TGI Fridays (Beijing) and Italiannies. The Group will concentrate on growing Italiannies in Malaysia and expanding into China by introducing new brands through partnerships and joint ventures centred on Malaysian cuisine. Management aims to leverage China’s interest in Malaysian flavours by collaborating with local partners to grow its presence there.

Overall Prospects of TXB Group

The Group’s F&B business contributed about 99.2% of total revenue for FPE 2025, with expansion focused on our Italian casual dining brand, Italiannies. We have exited digital transformation and technology businesses but will re-enter through smart partnerships and joint ventures to leverage strengths and reduce risks. Upcoming fundraising initiatives will target these verticals.