



# MBV International Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 1957

**2025**  
ANNUAL REPORT

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## Corporate Information

### EXECUTIVE DIRECTORS

Dato' Tan Meng Seng (*Chairman*)  
Dato' Tan Mein Kwang (*Chief Executive Officer*)  
Mr. Tan Beng Sen  
Datin Kong Siew Peng

### NON-EXECUTIVE DIRECTOR

Ms. Hou Yanli (*re-designated from an executive Director to a non-executive Director on 1 April 2026*)

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Chui Sin Heng  
Mr. Au Wing Yuen  
Mr. Yu Cheeric

### COMPANY SECRETARY

Ms. Lam Hoi Ki (HKICPA)

### AUDIT COMMITTEE

Ms. Chui Sin Heng (*Chairlady*)  
Mr. Au Wing Yuen  
Mr. Yu Cheeric

### REMUNERATION COMMITTEE

Mr. Au Wing Yuen (*Chairman*)  
Ms. Chui Sin Heng  
Mr. Yu Cheeric

### NOMINATION COMMITTEE

Mr. Yu Cheeric (*Chairman*)  
Ms. Chui Sin Heng  
Mr. Au Wing Yuen

### AUTHORISED REPRESENTATIVES

Dato' Tan Meng Seng  
Ms. Lam Hoi Ki

### REGISTERED OFFICE

Windward 3, Regatta Office Park  
PO Box 1350  
Grand Cayman KY1-1108  
Cayman Islands

### HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN MALAYSIA

No. 58-66, Jalan Seroja 39  
Taman Johor Jaya  
81100 Johor Bahru  
Johor, Malaysia

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit B, 23/F, Yue Hing Building  
103 Hennessy Road  
Wanchai, Hong Kong

### AUDITOR

#### Forvis Mazars CPA Limited

*Certified Public Accountants, Hong Kong*  
42nd Floor, Central Plaza  
18 Harbour Road  
Wanchai, Hong Kong



## Corporate Information

### PRINCIPAL BANKS

#### Public Bank Berhad

B-21 & B-23 Jalan Molek 1/5a  
Taman Molek  
81100 Johor Bahru  
Johor, Malaysia

#### CIMB Bank Berhad

2, Jalan Dedap 20  
Johor Jaya  
81100 Johor Bahru  
Johor, Malaysia

#### Alliance Bank Malaysia Berhad

No.1 & 1-01  
Jalan Molek 1/29  
Taman Molek  
81100 Johor Bahru  
Johor, Malaysia

#### HSBC Amanah Malaysia Berhad

46, Jalan Molek 1/10  
Taman Molek  
81100 Johor Bahru  
Johor, Malaysia

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

#### Ocorian Trust (Cayman) Limited

Windward 3, Regatta Office Park  
P.O. Box 1350  
Grand Cayman KY1-1108  
Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

#### Boardroom Share Registrars (HK) Limited

2103B, 21/F  
148 Electric Road  
North Point  
Hong Kong

### STOCK CODE

1957

### COMPANY WEBSITE

<http://www.orensport.com>



## Financial Highlights

	For the year ended 31 December	
	2025 RM'000	2024 RM'000
Revenue	193,081	200,929
Gross profit	61,850	62,602
Gross profit margin	32.0%	31.2%
Profit before tax	9,717	32,653
(Loss) Profit for the year attributable to owners of the Company	(707)	22,407
(Losses) Earnings per share attributable to owners of the Company		
— Basic (RM cents)	(0.11)	3.57



# Management Discussion and Analysis

## COMPANY BACKGROUND

MBV International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is a leading imprintable apparel and gift products provider in Malaysia and Singapore. The Group sells a broad product portfolio of imprintable apparel ranging from t-shirts, uniforms, jackets, and others including other causal wear and accessories in a variety of sizes, colour and styles primarily in “blank” or undecorated form, without imprints or embellishment to customers who may decorate products with designs and logos for sale to a diversified range of consumers. With 30 years presence in the market, the Group has accumulated a large and diverse customer base in Malaysia and Singapore. Leveraging on the established and massive customer base, the Group expanded product portfolio by offering gifts and promotion items mainly for corporate marketing and advertising.

The issued shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 8 July 2020.

## Financial Overview

For the year ended 31 December 2025 (the “**Year**”), the Group’s revenue decreased by approximately 3.9% and gross profit decreased by approximately 1.2%, as compared to last corresponding year ended 31 December 2024 (the “**Last Year**”). The decrease in sales was primarily due to relatively cautions consumer sentiment amid the challenging macroeconomic environment, which moderated demand for imprintable apparel products, which led to decline in the Group’s sales.

The economic outlook for year 2026 will remain uncertain and challenging. Nevertheless, the Group will continue to remain prudent and maintain a healthy cash flow position as part of our measures to mitigate risks, while ensuring a solid financial position to seize opportunities that will enhance revenue.

## DIVIDEND

The Company did not recommend the declaration of any dividend for the Year (2024: Nil).



# Management Discussion and Analysis

## Revenue by products

The Group's product portfolio is broadly categorised into (i) imprintable apparel; and (ii) gift products. The Group's revenue was primarily generated from Malaysia which accounted for approximately 85.0% (2024: approximately 83.0%) of the Group's total revenue for the Year. With negative impacted by weak consumer spending driven by the challenging macroeconomic environment, the Group's revenue has decreased by approximately RM7.8 million or 3.9% from approximately RM200.9 million in the Last Year to approximately RM193.1 million in the Year.

## Imprintable apparel

The imprintable apparel products, the Group's primary product category, are core apparel essentials commonly used for a wide range of consumers across different demographics throughout a year in Malaysia and Singapore. The revenue generated from the imprintable apparel decreased by approximately RM10.0 million or 6.2% from approximately RM160.3 million in the Last Year to approximately RM150.3 million in the Year, which was mainly attributable to the decrease in the quantity sold by approximately 1.5% and decrease in the average unit selling price by 5% in the Year compared to the Last Year, primarily due to relatively cautions consumer sentiment amid the challenging macroeconomic environment.

## Gift products

The Group has broadened gift product portfolio by offering more product categories for the customers to choose from and successfully expanded into the imprintable gift segment since 2015, which are popular corporate marketing and advertising items. The revenue generated from the gift products increased by approximately RM2.2 million or 5.4% from approximately RM40.6 million in the Last Year to approximately RM42.8 million in the Year, which was mainly attributable to the increase in the quantity sold by approximately 5.8% in the Year compared to the Last Year, primarily due to expansion of the gift product range, which suit customer needs lead to success strike for steady growth despite of challenging macroeconomic environment.

## Selling and distribution costs

Selling and distribution expenses mainly comprised of (i) employee benefit costs including basic salaries and wages of the sales and marketing staff; (ii) sales commission for the sales and marketing staff; and (iii) advertising and promotions. Selling and distribution costs increased by approximately RM0.8 million or 8.2% from RM9.7 million in the Last Year to approximately RM10.5 million in the Year, which Group continued to invest in marketing and promotional activities to enhance brand visibility and strengthen its market presence, which expected to support the Group's long-term growth.

## Administrative and other operating expenses

Administrative and other operating expenses mainly comprised of staff costs including directors' remuneration and other office staff costs and welfare, transportation and travelling cost, depreciation, utilities, repair and maintenance, rental expenses, and legal and professional fee. Administrative and other operating expenses increased by approximately RM0.7 million or 2.8%, from approximately RM25.3 million in the Last Year to approximately RM26.0 million in the Year, which was mainly due to the increase in directors' remunerations, staff related expenses and decreased in realized exchange loss during the Year.



# Management Discussion and Analysis

## Finance costs

Finance costs for the Year mainly represented interest on interest-bearing borrowings and interest on lease liabilities. The Group's finance costs was relatively stable and remained at approximately RM0.1 million in the Year and Last Year.

## Income tax expenses

Income tax expenses primarily consisted of current and deferred income tax at the applicable tax rate in accordance with the relevant laws and regulations in Malaysia and Singapore. No provision for Hong Kong profit tax has been made as the Group has no assessable profits arising in or derived from Hong Kong for the Year. The Group's entities established in the Cayman Islands and the British Virgin Islands are exempted from corporate income tax therein. Income tax expenses for the Year and Last Year approximately RM8.4 million.

## Financial Position

As at 31 December 2025, the Group's cash and cash equivalents amounted to approximately RM130.4 million (as at 31 December 2024: approximately RM116.5 million). The increase was mainly due to net cash inflow from operating activities amounted to RM23.4 million.

## OUTLOOK

Looking ahead, the Group expects the business environment remain challenging amid ongoing global macroeconomic volatility, dynamic market conditions, inflationary pressures, and uncertainties arising from geopolitical tensions, including the ongoing conflict in Ukraine and Iran. These factors are expected to affect consumer sentiment and demand, which may continue to create uncertainties for the economy and the Group's operations. In light of these challenges, the Directors will continue to closely monitor market developments, review the Group's business strategies, and focus on enhancing operational efficiency, while striving to create long-term sustainable value for the Company and its shareholders.

Notwithstanding that the Group will continue expand its market shares by increasing and enhancing the warehouse capabilities and improving the logistics flow.

# Management Discussion and Analysis

## LIQUIDITY, CAPITAL RESOURCES AND CAPITAL STRUCTURE

The Group manages its capital structure with the objectives of maintaining a sustainable growth in business and providing a long-term reasonable return to its Shareholders. The Group's financial position remained healthy and stable. It is anticipated that the Group has sufficient working capital to fund its future working capital.

As at 31 December 2025, the Group had bank balances and cash amounting to approximately RM130.4 million (as at 31 December 2024: approximately RM116.5 million), and current assets and current liabilities of approximately RM187.7 million (as at 31 December 2024: approximately RM169.8 million) and approximately RM35.4 million (as at 31 December 2024: approximately RM37.6 million) respectively. It should be noted that net current assets balances as at 31 December 2025 was approximately RM152.3 million (as at 31 December 2024: approximately RM132.2 million).

As at 31 December 2025, there were interest-bearing borrowings of approximately RM4.2 million (as at 31 December 2024: approximately RM4.9 million) and unutilized bank facilities of approximately RM31.4 million.

As at 31 December 2025, the Group's interest-bearing borrowings carried mainly variable rate borrowings with annual effective interest rate of 0.2% (as at 31 December 2024: 0.2%) per annum.

## TREASURY POLICIES AND FOREIGN EXCHANGE EXPOSURE

The Group is exposed to foreign currency risk which refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The Group's transactions are mainly denominated in Malaysian Ringgit (or "RM") and Singapore dollars (or "S\$"). Certain financial assets and liabilities of the Group are denominated in currencies other than the functional currency of the respective group entities and therefore exposed to foreign currency risk.

The Group has not experienced any material difficult or liquidity problems resulting from foreign exchange fluctuations. Although the Group does not undertake any hedging activities, it will monitor exchange rate trends from time to time to consider if there is such a need in the future in order to mitigate any risks arising from foreign exchange fluctuation.

## GEARING RATIO

As at 31 December 2025, the gearing ratio of the Group, based on total interest-bearing borrowings and lease liabilities to total equity (including all capital and reserves) of the Group was approximately 2.8% (as at 31 December 2024: approximately 2.9%). The decrease in gearing ratio is primarily attributable to the repayment of interest-bearing borrowings and the increase in equity base.



# Management Discussion and Analysis

## EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2025, the Group employed 455 (as at 31 December 2024: 449) full-time employees in Malaysia and Singapore. The Group recognises the importance of maintaining good relationship with its employees and retaining competent staff to ensure operational efficiency and effectiveness. The remuneration packages offered to the Group's employees are based on each employee's qualifications, relevant experience, position and seniority. The Group conducts review on salary increments, bonuses and promotions based on the performance of each employee. The total staff cost (including director's emoluments) for the year ended 31 December 2025 amounted to approximately RM32.7 million (2024: approximately RM30.7 million).

The Group provides on-job training to new employees. During the Year, the Group had not experienced any strike, any significant problems with its employees or other material labour disputes which had materially disrupted its operation. The Group has not experienced any difficulties in the recruitment of experienced and skilled staff.

## CAPITAL COMMITMENTS

As at 31 December 2025, the Group has no capital commitments (as at 31 December 2024: Nil).

## SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND FUTURE PLAN FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

There was no significant investment held, nor were there material acquisition or disposal of subsidiaries during the Year, and the Group did not have any specific plan for material investments or capital assets as at 31 December 2025.

## CONTINGENT LIABILITIES

As at 31 December 2025, the Group did not have any material contingent liabilities.

## PLEDGE OF ASSETS

The interest-bearing borrowings and lease liabilities of the Group are all secured by certain assets of the Group which are set out in Note 23 to the consolidated financial statements.

# Management Discussion and Analysis

## OTHER INFORMATION

### Use of proceeds from the initial public offering

On 8 July 2020 (the “**Listing Date**”), the shares of the Company (the “**Shares**”) were listed on the Main Board of the Stock Exchange. After deducting share issuance expense and professional fee regarding to the global offering, the net proceeds amounted to approximately HK\$60.3 million (the “**Net Proceeds**”).

The Company published announcements on 6 November 2023 and 20 November 2023 in relation to the change in use of the unutilised Net Proceeds (the “**2023 Allocation**”), amounting to approximately HK\$46.5 million to funding the settlement of the consideration for the acquisition of 20,000 shares in Lordan Group Ltd. (the “**Target Company**”). Such changes were made primarily because since the Listing Date, the COVID-19 pandemic and the government-imposed lockdown and restrictions on social gatherings dealt a significant blow to the consumer apparel and gift products market in Singapore and Malaysia in the first two years, resulting in the Group rather slow utilisation of the Net Proceeds to the original purposes. As the market slowly recovered after the uplifting of pandemic-related restrictions, the Group has been exploring expansion opportunities in Asian countries such as Indonesia, Thailand and the PRC. After having considered a number of investment and expansion opportunities in these countries, the Board eventually resolved that the acquisition, due to the expansion opportunities and comparative advantages expected to be brought by it to the Group disclosed in the section headed “Reasons and Benefits of the Acquisition” in the announcement of the Company dated 6 November 2023, was the most feasible option for the Group. For further details, please refer to the announcements of the Company dated 6 November 2023 and 20 November 2023.

As stated in the Company’s announcement dated 24 March 2026, the Board resolved to change in the use of the portion of the Net Proceeds which remains unutilised, amounting to approximately HK\$33.0 million (the “**2026 Allocation**”), to revised use of the unutilised Proceeds as set out below.

The following sets out the use of Net Proceeds during the Year:

	Allocation of Net Proceeds pursuant to the 2023 Allocation HK\$ million	Balance of unutilised Net Proceeds as at 1 January 2025 HK\$ million	Actual use of Net Proceeds during the Year HK\$ million	Balance of unutilised Net Proceeds as at 31 December 2025 HK\$ million	Revised allocations of unutilised Net Proceeds pursuant to the 2026 Allocation HK\$ million	Expected timeline for unutilised Net Proceeds
Consideration for the acquisition of the Target Company	46.5	33.0	0.0	33.0	-	N/A
Payment for upgrading the existing sales offices, brand promotion and advertising and recruiting additional designer and sale and marketing personal	-	-	-	-	15.0	31 December 2028
Payment for developing an e-commerce sales platform	-	-	-	-	8.0	31 December 2028
General working capital	-	-	-	-	10.0	31 December 2028
<b>Total</b>	<b>46.5</b>	<b>33.0</b>	<b>0.0</b>	<b>33.0</b>	<b>33.0</b>	



# Management Discussion and Analysis

## Reasons for and Benefits of the Change in Use of Proceeds from the 2026 Allocation

As disclosed in the announcement dated 24 March 2026 in relation to the 2026 Allocation, as the original purpose for the use of the Net Proceeds is no longer applies, the Board considers that reallocating the unutilised Net Proceeds would enhance the Group's operation and business development. The Group's large customer base across Malaysia and Singapore is a result of its intensive sales and marketing effort. In order to capture the potential growth in the imprintable apparel and gift markets, alongside the Group's plan in expanding the Group's product portfolio, the Group intends to further strengthen its sales and marketing efforts to promote its existing and new products. A user friendly e-commerce would serve as an efficient sales channel, enabling the Group to reach its customers quickly and conveniently. The platform would help attract new customers who prefer a more efficient mean to make orders, as well as customers that are located in other areas of Malaysia not covered by the Group's existing sales office.

As at 31 December 2025, there were unutilised proceeds of approximately HK\$33.0 million. The unutilised portion of the Net Proceeds were deposited in the Group's banks in Malaysia and Hong Kong.

We will also continuously evaluate, reassess, change or modify the existing plans and explore new business opportunities in view of the latest market condition with an aim to achieve sustainable business growth and to bring long-term benefits for the shareholders of the Company.



## Directors and Senior Management

### EXECUTIVE DIRECTORS

**Dato' Tan Meng Seng (“Dato' Tan MS”)**, aged 53, was appointed as the Company's Director on 3 January 2019 and was redesignated as the Company's executive Director, chairman of the Board and chief executive officer on 10 April 2019. Dato' Tan MS has ceased to act as the chief executive officer of the Company with effect from 21 September 2020 in order to focus on the work of the Board of the Company and the strategic aspects of the Group. He is responsible for overall business strategic direction, planning and execution of the Group.

Dato' Tan MS obtained a diploma in commerce from Southern College Malaysia in May 1994. From September 2013 to October 2014, he completed the Executive Program on Oriental-Western Wisdom and Business Management for CEOs at the School of Continuing Education in Tsinghua University. Dato' Tan MS has more than 30 years of experience in the apparel industry, and is a co-founder of the Company and director of the group subsidiaries including Oren Holdings Limited (“**Oren Holdings**”), Mygift Holdings Limited (“**Mygift Holdings**”), MBV (HK) Limited (“**MBV (HK)**”), Oren Sport Sdn. Bhd. (“**Oren Sport**”), UB Uniform Marketing (M) Sdn. Bhd. (“**UB Uniform**”), UB Apparel (M) Sdn. Bhd. (“**UB Apparel**”), Oren Sport (PJ) Sdn. Bhd. (“**Oren PJ**”), Oren Sport (Klang) Sdn. Bhd. (“**Oren Klang**”), Oren Sport (Kepong) Sdn. Bhd. (“**Oren Kepon**”), MyGift Universal Sdn. Bhd. (“**MyGift**”), Oren Sport (Cheras) Sdn. Bhd. (“**Oren Cheras**”), Excel MBV Sdn. Bhd. (“**Excel MBV**”), Oren Sport (S) Pte. Ltd. (“**Oren Singapore**”) and A-Vision Apparel (S) Pte. Ltd. (“**A-Vision Apparel**”).

Dato' Tan MS was appointed as the President of The Boss Club of Malaysia from 2021 to 2025. Dato' Tan MS has been appointed as Chairman of the Board of Directors of Southern University College, Malaysia from 2018 to 2026. He is the brother of the executive Directors, namely Dato' Tan Mein Kwang and Mr. Tan Beng Sen, and the spouse of Datin Kong Siew Peng, the executive Director and chief operation officer of the Group.

**Dato' Tan Mein Kwang (“Dato' Tan MK”)**, aged 57, was appointed as the Company's Director on 3 January 2019 and was redesignated as the Company's executive Director on 10 April 2019 and chief executive officer on 21 September 2020. He oversees the sales and marketing division of the Group.

Dato' Tan MK attained senior middle three from Chong Hwa High School in Malaysia in November 1986. Dato' Tan MK has more than 30 years of experience in the apparel industry, and is a co-founder of the Company and director of the group subsidiaries including Oren Holdings, MyGift Holdings, MBV (HK), Oren Sport, UB Uniform, UB Apparel, Oren PJ, Oren Klang, Oren Kepong, MyGift, Oren Cheras, Excel MBV, Oren Singapore and A-Vision Apparel.

Dato' Tan MK was the President in Federation of Eng Choon Associations Johor from 2025 to 2028. He is the brother of the executive Directors, namely Dato' Tan MS and Mr. Tan BS, and the brother-in-law of Datin Kong Siew Peng, the executive Director and chief operation officer of the Group.



## Directors and Senior Management

**Mr. Tan Beng Sen (“Mr. Tan BS”)**, aged 55, was appointed as the Company’s Director on 3 January 2019 and was redesignated as the Company’s executive Director on 10 April 2019. He oversees the logistic operations and productions of the Group.

Mr. Tan BS attained senior middle three from Chong Hwa High School in Malaysia in October 1989. He has more than 30 years of experience in the apparel industry, and is a co-founder of the Group and director of the group subsidiaries including Oren Holdings, MyGift Holdings, MBV (HK), Oren Sport, UB Uniform, UB Apparel, Oren PJ, Oren Klang, Oren Kepong, MyGift, Oren Cheras, Excel MBV, Oren Singapore and A-Vision Apparel.

Mr. Tan BS is the Vice President of SME Association of South Johor from 2017 to 2025. He is the brother of the executive Directors, namely Dato’ Tan MS and Dato’ Tan MK, and the brother-in-law of Datin Kong Siew Peng, the executive Director and chief operation officer of the Group.

**Datin Kong Siew Peng (“Datin Kong SP”)**, aged 53, was appointed as the Company’s executive Director on 29 September 2023 and she is also the chief operation officer of the Group since December 2010. She is mainly responsible for overall group account, finance and management information system.

Datin Kong SP obtained a diploma in commerce from Southern College Malaysia in May 1995. From September 2013 to October 2014, she completed the Executive Program on Oriental-Western Wisdom and Business Management for CEOs at the School of Continuing Education in Tsinghua University. Datin Kong SP has over 28 years of experience in the apparel industry. She joined the Company in February 1998 and she was appointed as the salesperson of the Company in Malaysia and Singapore.

Datin Kong SP has been the vice president of the Alumni Association of Southern University College, Malaysia from February 2018 to December 2025. She is the spouse of Dato’ Tan Meng Seng (the executive Director of the Company) and sister-in-law of executive Directors, namely Dato’ Tan Mein Kwang and Mr. Tan Beng Sen.

### NON-EXECUTIVE DIRECTOR

**Ms. Hou Yanli (侯豔麗)**, aged 42, was an executive Director of the Company from August 2023 to March 2026. She has been re-designated as a non-executive Director with effect from 1 April 2026.

Ms. Hou holds a bachelor degree in financial management from Shandong University of Finance and Economics. Following her graduation, Ms. Hou served as the chief executive officer of Daren Group\* (大人集團) from 2021 to 2022 and the president of the live streaming business group of WeTrade Group Inc (US: WETG) from 2019 to 2021. Ms. Hou founded the 3Q Children Talent School and from 2014 to 2019, she was responsible for the overall corporate operation and development. 3Q Children Talent School is a brand under Henan Aishang International Education Consulting Co., Ltd.\* (河南艾尚國際教育諮詢有限公司). Henan Aishang International Education Consulting Co., Ltd.\* (河南艾尚國際教育諮詢有限公司) is a company listed on the Central China Equity Exchange with the enterprise code of 204424. She possesses 10 years of experience in financial accounting, auditing, fund settlement and other industries.

## Directors and Senior Management

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Ms. Chui Sin Heng** (徐倩珩), aged 45, was appointed as our Independent Non-executive Director on 28 February 2020. She is also the chairlady of the Audit Committee and a member of the Remuneration Committee and Nomination Committee. Ms. Chui has over 18 years of experience in finance and accounting. Ms. Chui is currently the general manager (corporate affairs) of Hong Kong Ferry (Holdings) Co., Ltd (HKEx stock code: 0050). Ms. Chui was the director (corporate finance and investor relations) of EC Healthcare (HKEx stock code: 2138) and the head of investor relations of Beijing Tong Ren Tang Chinese Medicine Co., Ltd. (HKEx stock code: 3613). Prior to joining the above corporates, Ms. Chui was a licensed representative and worked for various investment banks, including Piper Jaffray Asia Limited, a company previously operated by Piper Sandler Companies (New York Stock Exchange: PJC), Kim Eng Securities (Hong Kong) Limited, a wholly-owned subsidiary of Malaysia Banking Berhad (Kuala Lumpur Stock Exchange: MAYBANK) and CMBC International Holdings Limited, a wholly-owned subsidiary of China Minsheng Banking Corp., Ltd. (HKEx stock code: 1988). Ms. Chui also served as Independent Non-executive Director of Asia-express Logistics Holdings Limited (HKEx Stock code: 8620) since April 2020.

Ms. Chui obtained a bachelor of commerce in accounting and international business and a master of commerce in international finance from the University of New South Wales in Australia. Ms. Chui was admitted as a certified practicing accountant of CPA Australia and full member of the Institute of Certified Management Accountants, Australia.

**Mr. Au Wing Yuen** (區永源), aged 49, was appointed as our Independent Non-executive Director on 28 February 2020. He is also the chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee. Mr. Au has over 20 years of experience in handling numerous valuation cases for private and public listed companies. Mr. Au is currently the managing Director and shareholder of Masterpiece Valuation Advisory Limited and Riskory Consultancy Limited. Prior to setting up of the above corporates, Mr. Au worked for various valuation and corporate advisory firms, including DTZ (Debenham Tie Leung) as a senior valuer, Jones Lang LaSalle Sallmanns as valuation assistant manager and AVISTA Valuation Advisory Limited as director. Mr. Au is the Founder and Managing Director of Masterpiece Valuation Advisory Limited and the Riskory Consultancy Limited. Mr. Au has also been a guest speaker at the Chinese University of Hong Kong.

Mr. Au obtained a bachelor of planning and design and a bachelor of property and construction from the University of Melbourne in Australia, and a Master of Science in Real Estate from the University of Hong Kong. Mr. Au is an associate of the Australian Property Institute, a member of the Hong Kong Institute of Surveyors and a registered professional surveyor of the Hong Kong Surveyors Registration Board.



## Directors and Senior Management

**Mr. Yu Cheeric (余致力)**, aged 50, was appointed as our Independent Non-executive Director on 28 February 2020. He is also the chairman of the Nomination Committee and a member of the Audit Committee and Remuneration Committee. Mr. Yu has over 26 years of experience in auditing, advisory business services and finance management. Mr. Yu is currently a financial controller and company secretary of Wisdom Education International Holdings Company Limited (stock code: 06068) and a company secretary of Raffles Interior Limited (stock code: 01376), both companies listed on the Main Board of the Stock Exchange. Mr. Yu started his career as an accountant in assurance and advisory business service with Ernst & Young, thereafter, worked for various listed companies on the Stock Exchange, including CLP Holdings Limited (HKEx stock code: 0002), Shimao Property Holdings Limited (HKEx stock code: 0813) and Greentown Management Holdings Limited (HKEx stock code: 9979). Mr. Yu also served as independent non-executive director of Modern Living Investments Holdings Limited (HKEx stock code: 8426) since 6 March 2024.

Mr. Yu obtained a bachelor of science in business administration (accountancy) from the California State University and completed the Wharton-Greentown Asset – Light-Program Organised by the University of Pennsylvania. Mr. Yu is a member of the American Institute of Certified Public Accountants and a certified public accountant of the State of Delaware.

### SENIOR MANAGEMENT

**Mr. Tong Zhi Hao**, aged 42, is the chief financial officer of the Group and is mainly responsible for group financial planning and direction. In November 2002, he studied in Kolej International Crescendo in Malaysia and he obtained his certification from the Association of Chartered Certified Accountants in February 2007. He was admitted as a member of the ACCA in April 2007 and was classified as a Chartered Accountant from the Malaysian Institute of Accountants in January 2010. He was admitted as a fellow of the Association of Chartered Certified Accountants in November 2018. Mr. Tong has over 20 years of experiences in accounting and finance field and other corporate works.

Mr. Tong began his career as an audit senior with Atarek Choong, an accounting firm in July 2004 while pursuing his ACCA certification. He left Atarek Choong in March 2007 to join Lo Hock Ling & Co, an accounting firm in Singapore as an audit senior from June 2007 to February 2008. From March 2008 to July 2009, he worked in KPMG, an accounting firm as audit assistant. From August 2009 to June 2014, he worked in PHHP Marketing (M) Sdn Bhd, a direct selling organisation for various nutritional, food and beverage and personal healthcare products, as internal audit executive, executive assistant to the CEO and he was also assigned to oversee the Thailand operations as acting country manager. In June 2014, Mr. Tong joined the Group as finance manager and was promoted to chief financial officer in December 2018.

**Mr. Lim Kok Kheng**, aged 58, is the senior operation manager of the Group and is mainly responsible for overseeing the logistics and production department daily activities. He obtained a Master of Business Administration in Management from Greenwich University in Australia in October 2002 and had obtained a Master of Business Administration from Honolulu University in USA in December 2002.

Mr. Lim has over 34 years of experience in engineering, factory, production and operation management. He joined E&Q Electronics Sdn. Bhd. in April 1992 and left as a factory manager in April 2001. Since 2003, he worked at Shinyei Kaisha Elect (M) Sdn. Bhd. and left as a production control manager in 2013. In April 2013, Mr. Lim joined the Group as senior manager of operations and since March 2018, he has been responsible for overseeing the logistics and production department daily activities.

## Directors and Senior Management

**Ms. Ee Say Wei**, aged 42, is the sales manager of the Group and is mainly responsible for overseeing all sales matters and leader of the sales team in its cooperation with the marketing department. She obtained a professional diploma in supervisory management in Universiti Teknologi Malaysia, in May 2017. Ms. Ee has over 20 years of experience in the sales area. She began her career by joining the Group as a sales executive in June 2004. Thereafter, she was promoted to assistant sales manager in September 2010 and sales manager in June 2019.

**Ms. Lam Hoi Ki (林海琪)**, aged 39, was appointed as company secretary of the Company on 11 June 2021. She is primarily responsible for the company secretarial matters of the Group. Ms. Lam has accumulated over 15 years of auditing, accounting, corporate governance and company secretarial experience. Ms. Lam has been engaged in various accounting and company secretarial tasks since August 2015. Early in her career, Ms. Lam was employed by Ernst & Young, and thereafter she joined Hysan Development Company Limited (stock code: 0014) as a financial analyst. Since 2015, she has been engaged in handling corporate governance matters regarding Hong Kong listed companies. Currently she is also the company secretary and authorised representative of Link Holdings Limited (stock code: 8237), LVGEM (China) Real Estate Investment Company Limited (stock code: 0095), Huajin International Holdings Limited (stock code: 2738) and Feishang Anthracite Resources Limited (stock code: 1738).

Ms. Lam holds a bachelor degree of Business Administration (Honours) in Managerial Statistics from the City University of Hong Kong and is also a member of Hong Kong Institute of Certified Public Accountants.



# Corporate Governance Report

## CORPORATE GOVERNANCE PRACTICE

The Board (the “**Board**”) of Directors (the “**Directors**”) of MBV International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is committed to designing and maintaining robust corporate governance and effective internal control system for the Group, which are essential to enhancing corporate value and accountability, formulating business strategies, developing sustainable operations, enhancing transparency and safeguarding shareholders’ interests.

The Company has adopted the code provisions set out in the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) as its own code of corporate governance. In the opinion of the Directors, the Company was in compliance with all applicable code provisions set out in the CG Code for the year ended 31 December 2025 (the “**Year**”).

Details of the corporate governance practices adopted by the Company are set out below.

## ENVIRONMENTAL POLICIES AND PERFORMANCE

In 2025, in order to implement the requirements of the Environmental, Social and Governance (“**ESG**”) Reporting Guide in Appendix C2 of the Listing Rules, the Company has further attached great importance to organizing and arranging relevant preparation and disclosure, and the Company’s ESG Report for the Year was published on the websites of the Company and the Stock Exchange.

## DIRECTORS’ SECURITIES TRANSACTIONS

The Group has adopted a code of conduct regarding Directors’ securities transactions on terms and at required standard as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) in Appendix C3 of the Listing Rules.

The Group has made specific enquiries of all the Directors and they have confirmed that they have been complying with the required standard and the related code of conduct regarding Director’s securities transactions throughout the Year.

As far as the Group is aware, the Directors and senior management of the Group have not breached the required standard and the code of conduct regarding Director’s securities transactions.

# Corporate Governance Report

## BOARD OF DIRECTOR

The Board, acting in the interest of the Group and its shareholders, is primarily responsible for strategy formulation, business development, corporate governance, risk management, compliance, internal control systems, dividend policy, board diversity policy, shareholders' relationship, accounting policies and financial statements, and other functions and matters assigned to the Board as set out in the Listing Rules and Articles of Association of the Company (the "**Articles**").

The Board delegates the daily operational management of the Group's business, execution of business development plan, administrative and operational duties and the implementation of risk management and internal controls to the chief executive officer and other senior management of the Group. The Board also conducts regular reviews of the functions and performance of the management. The management of the Group shall obtain the approval of the Board before entering into and arranging any significant transaction/contract.

As at the date of this annual report, the Group has complied with the relevant Listing Rules regarding (i) appointment of at least three independent non-executive Directors, among whom at least one independent non-executive Director has appropriate professional qualifications or accounting or related financial management expertise; (ii) independent non-executive Directors account for at least one-third of the Board; and (iii) independent non-executive Directors are majority in the Audit Committee and the chairman of the committee is an independent non-executive Director.

As at the date of this annual report, each of the independent non-executive Director has confirmed his/her independence pursuant to the factors set out in Rule 3.13 of the Listing Rules. The Company is of the view that the diversity of experience, skills, expertise and background of each of the independent non-executive Directors and all independent non-executive Directors meet the guidelines for assessing independence set out in Rule 3.13 of the Listing Rules. The Board considers that they are independent.

There are mechanism established to ensure independent views and input are available to the Board, which has covered the following aspects:

- independent non-executive Director's recruitment process;
- number of independent non-executive Director and their time contribution;
- assessment or evaluation of independent non-executive Director's contribution;
- other channels where independent views are available

The Board will review the implementation and effectiveness of the mechanism on an annual basis.

The Company has arranged appropriate liability insurance in respect of relevant legal actions against the Directors.



# Corporate Governance Report

## Board Composition

As at 31 December 2025 and up to the date of this annual report, the Board is comprised of eight members, with four executive Directors, one non-executive Director and three independent non-executive Directors, as set out below:

### Executive Directors

1. Dato' Tan Meng Seng (Chairman)
2. Dato' Tan Mein Kwang (Chief Executive Officer)
3. Mr. Tan Beng Sen
4. Datin Kong Siew Peng

### Non-Executive Director

5. Ms. Hou Yanli (*re-designated from an executive Director to an non-executive Director on 1 April 2026*)

### Independent Non-Executive Directors

6. Ms. Chui Sin Heng
7. Mr. Au Wing Yuen
8. Mr. Yu Cheeric

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and performed by different individuals.

The chairman of the Board (the “**Chairman**”) and the chief executive officer of the Company (the “**Chief Executive Officer**”) are currently two separate position held by Dato' Tan Meng Seng and Dato' Tan Mein Kwang, respectively, with clear distinction in responsibilities. Dato' Tan Meng Seng is responsible for devising strategies for the continuous development of the Group, overseeing the Group's business and financial performance, as well as leading the Board in performing its function. Dato' Tan Mein Kwang is responsible for managing the overall business operation and execute business strategies of the Group.

Detailed biographical information of all Directors is contained in the “Directors and Senior Management” section on pages 12 to 16 of this annual report.

Save as disclosed in this annual report, none of the Directors have any personal relationship (including financial, business, family or other material or relevant relationship) with any other Directors and the chief executive of the Company.

# Corporate Governance Report

## Number of Meetings and Directors' Attendance

The Board will conduct at least four regular meetings a year. At least a 14-day notice will be given to all Directors before convening the Board meeting. All related information will be submitted to the Directors at least 3 days in advance. The Directors can attend meetings in person or through other means of electronic communication in accordance with the Articles.

Regular Board meetings are held at least four times a year at approximately quarterly intervals for reviewing the Group's financial and operating performance, discussing and approving annual and interim results and considering and approving the overall strategies of the Company. For the Year, the Company had held an annual general meeting and four regular Board meetings in accordance to the principles and requirements set out in principle C.1 of the CG Code. All minutes of the Board meetings and meetings of Board committees recorded in sufficient detail the matters considered by the Board and the decisions reached. Other than regular Board meetings, the Chairman also at least annually meets with independent non-executive Directors without the presence of other Directors, to facilitate an open discussion among the independent non-executive Directors on issues relating to the Group. Details of the attendance of Directors are as follows:

	Number of meetings attended/held during the Year				General Meeting
	Board	Board Committees			AGM
		Audit Committee	Remuneration Committee	Nomination Committee	
Number of meetings held during the Year	4	2	1	1	1
<i>Executive Directors</i>					
Dato' Tan Meng Seng (Chairman)	4/4	N/A	N/A	N/A	1/1
Dato' Tan Mein Kwang	4/4	N/A	N/A	N/A	1/1
Mr. Tan Beng Sen	4/4	N/A	N/A	N/A	1/1
Ms. Hou Yanli	4/4	N/A	N/A	N/A	1/1
Datin Kong Siew Peng	4/4	N/A	N/A	N/A	1/1
<i>Independent Non-Executive Directors</i>					
Ms. Chui Sin Heng	4/4	2/2	1/1	1/1	1/1
Mr. Au Wing Yuen	4/4	2/2	1/1	1/1	1/1
Mr. Yu Cheeric	3/4	2/2	1/1	1/1	1/1

The annual general meeting of the Company was held on 16 May 2025. All Directors attended the meeting in person or by way of electronic means.

The company secretary is also the company secretary of Board committees and is responsible for maintaining full minutes of the above meetings which are open for inspection at any reasonable time on reasonable notice by any of our director.



# Corporate Governance Report

## Practice and Conduct of Meetings

Meeting schedules and draft agenda of each meeting are normally made available to Directors in advance. At least 14 days' notice will be given for a regular Board meeting to provide all Directors with an opportunity to attend and include matters in the agenda for a regular meeting. For other Board and committee meetings, reasonable notices are generally given. Board papers together with all appropriate, complete and reliable information are sent to all Directors at least 3 days before each Board meeting or Board committee meeting to ensure that they have sufficient time to review the papers and are adequately prepared for the meetings, and to keep the Directors apprised of the latest developments and financial position of the Group and to enable them to make informed decisions.

Minutes of all Board meetings recording sufficient details of matters considered and decisions reached are duly kept by the company secretary at the meetings and open for inspection by the Directors.

The Articles contain provisions requiring Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest.

## Appointment and Re-election of Directors

Each of the executive Directors has entered into a service contract with the Company for a term of three years, which is subject to retirement by rotation and re-election in accordance with the Articles and may be terminated by either party upon a one-month prior written notice. Datin Kong Siew Peng was appointed as an executive Director on 29 September 2023 and has entered into a service agreement with the Company for an initial term of three years commencing on that date, which may be terminated by either party by giving not less than three months' notice in writing to the other party.

Ms. Hou Yanli was appointed as an executive Director on 1 August 2023 and was re-designated as a non-executive Director with effect from 1 April 2026. She has entered into a letter of appointment with the Company for an initial term of two years commencing on 1 April 2026, which may be terminated by either party by giving not less than three months' notice in writing to the other party.

The Articles provide that at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation and that every Director shall be subject to retirement at an annual general meeting at least once every three years.

Each of the independent non-executive Directors has entered into an appointment letter with the Company. The appointment letter of each of the independent non-executive Directors is for a term of three years commencing from the Listing Date, which may be terminated by not less than one month's notice in writing served by either party on the other. The aforesaid appointment letters are subject to termination provisions therein and the retirement and re-election provisions in the Articles. Details of the appointment letters are summarised in the section headed "Report of Directors" on pages 38 to 54 of this annual report.

# Corporate Governance Report

## BOARD COMMITTEES AND CORPORATE GOVERNANCE FUNCTIONS

The Board has established three Board committees, namely the Audit Committee (the “**Audit Committee**”), the Remuneration Committee (the “**Remuneration Committee**”) and the Nomination Committee (the “**Nomination Committee**”). All three Board committees are established, empowered and accountable for duties under relevant terms of references which are available on the Company’s and the Stock Exchange’s websites.

All Directors (including independent non-executive Directors) bring valuable business experience, knowledge and expertise from different areas to the Board facilitating it to operate efficiently and effectively. All Directors have full and timely access to all information of the Group and to the services and advice of the company secretary and senior management. The Directors may, where appropriate, seek independent professional advice for performing their duties of the Group, at the expense of the Group. Directors shall disclose the details of their other duties to the Group and the Board regularly reviews the contributions of the Directors in the discharge of their duties with the Group.

The Board is responsible for performing the functions set out in the code provision A.2.1 of the CG Code. The Board reviewed the Company’s corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company’s policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code, as well as the Company’s compliance with the CG Code and disclosure in this Corporate Governance Report.

### Audit Committee

The Board has established our Audit Committee on 28 February 2020 with written terms of reference in compliance with the Code as set out in Appendix C1 to the Listing Rules.

The Audit Committee consists of three independent non-executive Directors, namely Mr. Au Wing Yuen, Mr. Yu Cheeric and Ms. Chui Sin Heng. Ms. Chui Sin Heng is the chairlady of the Audit Committee and has professional qualifications and experience in accounting and financial management as stipulated in the Listing Rules.

The terms of reference requires that the Audit Committee must hold meetings twice a year and the necessary quorum shall be at least two.

The main responsibilities of the Audit Committee include, but not limited to:

1. Making recommendations to the Board on the appointment, reappointment, resignation, dismissal and removal of the external auditors, and to approve the remuneration and terms of engagement of the external auditors; review and monitor the external auditors’ independence and objectivity and the effectiveness of the audit process;
2. Review of financial information of the Group, including changes in accounting policies and practice, major judgemental areas, significant adjustments resulting from audit, going concern consideration, compliance with accounting standards and Listing Rules in relation to financial reporting;



## Corporate Governance Report

3. Oversight of the Company's financial reporting system, including review of the adequacy of resources, qualifications and experience of accounting staff, and their training programmes and budget of the Company's accounting and financial reporting function;
4. Review and monitor the effectiveness and adequacy of the Group's risk management and internal control measures; ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor the effectiveness of the internal audit function;
5. Regularly report observations and make recommendations to the Board (if any).

The Audit Committee also acts as the Corporate Governance function of the Group, and is mainly responsible for:

- developing and reviewing the corporate governance policies and practices of the Company and making recommendations to the Board;
- reviewing and monitoring the training and continuous professional development of Directors and senior management;
- reviewing and monitoring the policies and practices on compliance with legal and regulatory requirements;
- developing, reviewing and monitoring the code of conduct applicable to employees and Directors; and
- reviewing the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

For the year ended 31 December 2025, the Audit Committee has held two meetings regarding the followings: to assess the independence of the Company's auditor; (i) to review the risk management and internal control systems; (ii) the Group's annual financial results and report for the year ended 31 December 2024, the Group's interim financial results and report for the six months ended 30 June 2025 before submission to the Board for approval; (iii) determined the policy for the corporate governance and performed the duties for corporate governance functions; and (iv) recommended to the Board the re-appointment of the external auditor at the annual general meeting of the Company. The Audit Committee also met with the external auditors twice during the year ended 31 December 2025. The attendance of meetings for each member of the Audit Committee is set out in the sub-section headed "Number of Meetings and Directors' Attendance" of this annual report.

# Corporate Governance Report

## Remuneration Committee

The Board has established our Remuneration Committee on 28 February 2020 with written terms of reference in compliance with the Code as set out in Appendix C1 to the Listing Rules.

The Remuneration Committee consists of three members, which are all independent non-executive Directors. It is chaired by Mr. Au Wing Yuen and consisted of a majority of independent non-executive Directors as stipulated in the Listing Rules.

The Remuneration Committee's terms of reference in writing was amended and adopted by the Company on 10 December 2025. The terms of reference requires that the Remuneration Committee must hold meeting at least once a year and the necessary quorum shall be at least two.

The Company adopts the remuneration committee model set out in code provision E.1.2(c)(i) of CG Code. Accordingly, the Remuneration Committee is responsible for making recommendations to the Board regarding the Company's remuneration policy. It has the delegated responsibility for the formulation, determination and review of the remuneration packages of Directors and senior management. In evaluating the remuneration packages for Directors and senior management, the Remuneration Committee takes into consideration of various factors such as salaries paid by comparable companies, time commitment, responsibilities and employment terms elsewhere in the Group. Any discretionary bonus and other merit payments are linked to the performance of the Group and the individual performance of the Directors and senior management.

The main responsibilities of the Remuneration Committee include, but not limited to:

- making recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration;
- determining the specific remuneration packages of all executive Directors and senior management, including benefits in kind, pension rights and compensation payment;
- reviewing and approving performance-based remuneration and discretionary bonus;
- considering and approving the grant of share options and share appreciation rights to eligible participants;
- reviewing and approving matters relating to share schemes under Chapter 17 of the Listing Rules; and
- ensuring that no director can solely determine his/her own remuneration.

For the year ended 31 December 2025, the Remuneration Committee has held one meeting to review and approve the remuneration packages of the Directors and senior management of the Group and assesses the performance of the executive Directors and other related matters, as well as assessed performance of executive Directors. The attendance of meetings for each member of the Remuneration Committee is set out in the sub-section headed "Number of Meetings and Directors' Attendance" of this annual report.



# Corporate Governance Report

## Remuneration of Directors and Senior Management

Particulars of the remuneration of the Directors for the Year are set out in Note 7 to the consolidated financial statements in this annual report. Pursuant to code provision E.1.5 of the CG Code, the remuneration of the three senior management and the company secretary (other than the Directors), whose particulars are contained in the section headed “Directors and Senior Management” in this annual report, by band is set out below:

Remuneration band (in HK\$)	Number of individuals
Nil to HK\$1,000,000	4

## Nomination Committee

The Board has established our Nomination Committee on 28 February 2020 with written terms of reference in compliance with the Code as set out in Appendix C1 to the Listing Rules.

The Nomination Committee consists of three members, which are all independent non-executive Directors. It is chaired by Mr. Yu Cheeric and consisted of a majority of independent non-executive Directors as stipulated in the Listing Rules.

The terms of reference requires that the Nomination Committee must hold meeting at least once a year and the necessary quorum shall be at least two.

The main responsibilities of the Nomination Committee include, but not limited to:

- reviewing the structure, size, composition and diversity (including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service) (the “**Board Diversity Policy**”) of the Board at least annually or when necessary and make recommendations on any proposed changes to the Board to complement the Company’s corporate strategy;
- to develop, review and implement, as appropriate, the policy of the nomination of Directors (the “**Board Nomination Policy**”), which shall include the nomination procedures and the progress and criteria adopted by the Committee to select and recommend candidates for directorship, for the Board’s consideration and approval;
- identifying individuals having due regards to the Board Diversity Policy and the Board Nomination Policy who is suitably qualified to become members of the Board and selecting or making recommendations to the Board on the selection of individuals nominated for directorships;
- assessing the independence of the independent non-executive Directors and any proposed independent non-executive Directors;
- making recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors;
- reviewing the board diversity policy, as appropriate and making recommendations on any required changes to the Board for consideration;

# Corporate Governance Report

- reviewing the measurable objectives under the board diversity policy and the progress of the attainment of the objectives, so as to ensure effective implementation and make disclosure of its review results; and
- assess each Director's time commitment and contribution to the Board, as well as the Director's ability to discharge his or her responsibilities effectively, taking into account professional qualifications and work experience, existing directorships of issuers listed on the Main Board or GEM and other significant external time commitments Note (a) of such Director and other factors or circumstances relevant to the Director's character, integrity, independence and experience.

Note (a): For the purpose of these terms of reference, "significant external time commitments" includes all external commitments beyond directorship roles on issuers listed on the Main Board or GEM that involve significant time commitment. This includes, for example, directorships of issuers listed on an exchange other than the Main Board or GEM, full-time occupations, major consultancy work, major public service commitments, directorships of and involvement in statutory bodies or non-profit organisations.

## Nomination Policy

### Board Nomination Policy

The Board adopted a Nomination Policy since 1 June 2019, which sets out the approach to determine the nomination of Directors, the procedure, process and criteria to be adopted for the purposes of selecting and recommending candidates for directorship, and shall make recommendations to the Board on the appointment or re-appointment of Directors. Following the Nomination Policy, the Nomination Committee is required to consider a variety of factors in assessing the suitability of a proposed candidate, including but not limited to the following criteria:

- Board diversity policy;
- Reputation for integrity;
- Sufficient commitment in time and interest to the Group;
- Qualification, experience and achievements that are relevant and appropriate to the Group's business;
- Independence for the appointment of independent non-executive Director; and
- Any other relevant and significant factors as may be considered by the Nomination Committee and/or the Board.
- If an independent non-executive Director has served more than nine years, and such Director's further appointment is recommended by the Committee, the Committee shall report to the Board the reasons why the Committee believes that the Director is still independent and should be re-elected, including the factors considered, the process and discussion of the Committee in arriving at such determinations.

Where shareholders are required to vote on re-electing a Director, the circular accompanying the notice of the relevant general meeting should contain all the information of the candidates required under Rule 13.51(2) of the Listing Rules and, if applicable, code provision B.3.4 of the CG Code.



# Corporate Governance Report

## Board Diversity Policy

The Board has approved and adopted a board diversity policy (the “**Board Diversity Policy**”) effective since 1 June 2019 and has delegated to the Nomination Committee the responsibilities of implementation, monitoring and review of the Board Diversity Policy.

The Board believes that diversity of the Board can be achieved through consideration of a number of factors when deciding on appointments of Directors, including but not limited to skills, regional and industrial experience, cultural and educational background, professional qualifications, race, gender, age and length of service and any other factors that the Board deems appropriate from time to time. The Board is currently comprised of diversified members, including eight Directors, three of whom are female (2024:3). For the detail composition of the Board and senior management, please refer to section headed “Directors and Senior Management” in this annual report. The Board currently has 3 female Directors and the Company will endeavor to at least maintain one female representation on the Board. At present, the Nomination Committee and the Board considered that the Board was sufficiently diverse in terms of gender and balance of skills and experience.

All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

The Nomination Committee will conduct regular review on the Nomination Policy and Board Diversity Policy, as appropriate, to ensure its effectiveness.

## Measurable objective

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and education background, ethnicity, professional experience, skills, knowledge and length of service.

The Company will also take into account factors based on its own business model and specific needs from time to time. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

## Implementation and Review

Annually, the Nomination Committee reviews the Board’s composition under diversified perspectives, including but not limited to progress on achieving any measurable objectives that have been set for Policy implementation.

The Nomination Committee also has the responsibility for identifying suitably qualified candidates to become members of the Board and, in carrying out such responsibility, will give adequate consideration to the Policy.

# Corporate Governance Report

The Nomination Committee will review the Policy on an annual basis, as appropriate, to ensure the effectiveness of the Policy and recommend any such revisions to the Board for consideration and approval.

During the Year, the Nomination Committee, among other things, (i) considered and reviewed the Nomination Policy, the Board Diversity Policy, the process and criteria to select and recommend candidates for directorship; (ii) recommended the Board on the appointment of Directors and members to the Board committees; and (iii) recommended the Board to approve the proposed sequence for re-election of retiring Directors in the annual general meeting of the Company. The attendance of meetings for each member of the Nomination Committee is set out in the sub-section headed “Number of Meetings and Directors’ Attendance” of this annual report.

## Gender diversity of workforce

The Company recognizes the importance of gender diversity and recruits employees at all levels based on merits. As of 31 December 2025, the ratio of male and female employees (including senior management) of the Company was 49.5% and 50.5%, respectively. The Board considers that the Group’s workforce (including senior management) is sufficiently diverse in terms of gender. The Company is committed to creating a fair, unbiased, equal and diversified recruitment and working environment.

## DIRECTORS’ CONTINUOUS TRAINING AND PROFESSIONAL DEVELOPMENT

Our policy requires that each new Director is given formal, comprehensive and customised induction training at the time of first appointment to ensure their proper understanding of the Group’s business and operations, and sufficient awareness of the Directors’ duties and responsibilities under the Listing Rules and related regulations.

The Company is responsible for arranging and funding suitable professional training to Directors to keep them up to date on the Listing Rules and other applicable regulatory requirements as well as the Group’s business and governance policies.

During the Year, the Directors participated in the following continuous professional development:

	Types of training
<b>Executive Directors</b>	
Dato’ Tan Meng Seng	A & B
Dato’ Tan Mein Kwang	A & B
Mr. Tan Beng Sen	A & B
Ms. Hou Yanli	A & B
Datin Kong Siew Peng	A & B
<b>Independent Non-Executive Directors</b>	
Ms. Chui Sin Heng	A & B
Mr. Au Wing Yuen	A & B
Mr. Yu Cheeric	A & B

A: attending seminars, conferences and/or briefings on directors’ duties and corporate governance, regulatory updates, and financial and economic development.

B: reading regulatory updates, newspapers, journals, and other business, financial and economic publications.



# Corporate Governance Report

The Board requires Directors to devote sufficient time and attention to their duties and the Company's affairs. The Directors are also required to disclose to the Company annually the number and nature of offices held in public companies or organisations and other significant commitments with an indication of the time involved, as well as the identity of the public companies or organisations and the time involved to the Company, the Directors have agreed to disclose their commitments and any subsequent change to the Company in a timely manner.

Independent non-executive Directors provide the Group with diversified expertise and experience. Their views and participation in Board and Board committees meetings bring independent judgement and advice on issues relating to the Group's strategies, performance and management process, to ensure that the interests of all shareholders are taken into account and safeguarded. Pursuant to code provision C.1.2 of the CG Code, the functions of Independent non-executive Directors should include:

- (a) taking the lead where potential conflicts of interests arise;
- (b) serving on the audit, remuneration, nomination and other governance committees, if invited; and
- (c) scrutinising the issuer's performance in achieving agreed corporate goals and objectives, and monitoring performance reporting.

Independent non-executive Directors, as equal board members, should give the Board and any committees on which they serve the benefit of their skills, expertise and varied backgrounds and qualifications through regular attendance and active participation. Generally, they should also attend general meetings to gain and develop a balanced understanding of the views of shareholders.

The Board periodically reviews the Company's practices on corporate governance, compliance with the CG Code, training and continuous professional development of Directors, and the disclosures in this annual report.

## **DIRECTORS' RESPONSIBILITY FOR FINANCIAL STATEMENTS**

The Directors are aware of their obligations to prepare consolidated financial statements for the Year, to reflect a true and fair financial position, results and cash flows of the Group for the year then ended, and the proper preparation of financial statements on a going concern basis in accordance with applicable statutory requirements and accounting standards. The management has provided to the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Company's financial statements, which are put to the Board for approval. The Company provides all members of the Board with quarterly updates on the Group's performance, positions and prospects. The Directors are not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Group's ability to continue as a going concern, and therefore the Directors continue to adopt the going concern approach in preparing financial statements.

The responsibility statement by the auditors regarding their reporting responsibilities on the consolidated financial statements of the Company is set out in the "Independent Auditor's Report".

# Corporate Governance Report

## COMPANY SECRETARY

Ms. Lam Hoi Ki was appointed as the company secretary of the Company (the “**Company Secretary**”) on 11 June 2021. Ms. Lam is a member of the Hong Kong Institute of Certified Public Accountants and has taken not less than 15 hours of relevant professional training during the Year to comply with Rule 3.29 of the Listing Rules. All Directors have access to the advice and services of the Company Secretary to ensure that Board procedures, and all applicable rules and regulations are followed, and for facilitating communications among Directors, senior management as well as with shareholders of the Company.

The primary contact person of the Company with the Company Secretary is Mr. Tong Zhi Hao, the chief financial officer of the Group.

## SHAREHOLDERS' RIGHT

The Board and management are committed to meeting and communicating with shareholders through the annual general meeting of the Group, listening to shareholder opinions and answering questions from shareholders about the Group and its business. The chairman of the Board, the Directors and senior management will attend the annual general meeting of the Group to answer questions from shareholders. Notice of the annual general meeting is sent to the shareholders at least 21 days before the holding of the annual general meeting.

### Right to Convening an Extraordinary General Meeting

The procedure to convene an extraordinary general meeting is set out in the Article. The Board may whenever it thinks fit call extraordinary general meetings. Any one or more members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If within twenty-one days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

### Right to make enquiries to the Board

Shareholders may send their enquiries and concerns, in written form, to the Board by addressing them to the Company Secretary at the Company's principal place of business in Hong Kong: Unit B, 23th Floor, Yue Hing Building, 103 Hennessy Road, Wanchai, Hong Kong. Shareholders may also make enquiries to the Board at the general meeting of the Company. In addition, shareholders can contact Boardroom Share Registrars (HK) Limited, the branch share registrar of the Company in Hong Kong, if they have any enquiries about their shareholdings and entitlements to dividend.



# Corporate Governance Report

## Procedures for putting forward proposals at shareholders' meetings

To put forward proposals at a shareholders' meeting of the Company, a shareholder should lodge a written notice of his/her proposal with his/her detailed contact information at the Company's principal place of business in Hong Kong. The request will be verified with the Company's branch share registrar in Hong Kong and upon their confirmation that the request is proper and in order, the Board will be asked to include the proposal in the agenda for the general meeting.

## DIVIDEND POLICY

The Board has adopted a dividend policy effective since 1 April 2020.

The Board considers sustainable returns to shareholders whilst retaining adequate reserves for the Group's future development to be an objective. Under the dividend policy adopted by the Company, dividends may be recommended, declared and paid to shareholders from time to time.

In summary, the declaration of dividend is subject to the discretion of the Board, taking into consideration of, among others, the following factors:

- the Group's actual and expected financial results;
- the general economic conditions and other internal or external factors that may have impact on the business or financial performance and position of the Group;
- the Group's business operation strategy, including expected working capital requirements, capital expenditure requirements and future development plans;
- the Group's cash flow and liquidity position;
- retained earnings and distributable profit reserves of the Group;
- contractual restrictions on the payment of dividends imposed by the Group's lenders and other institutions;
- effects on the Group's creditworthiness;
- interest of shareholders;
- applicable statutory and regulatory restrictions; and
- any other factors that the Board considers to be applicable from time to time.

## Corporate Governance Report

Depending on the financial conditions of the Company and the Group and the factors as set out above, dividends may be proposed and/or declared by the Board for a financial year or period:

- interim dividend;
- final dividend;
- special dividend; and
- any distribution of profits that the Board may deem appropriate.

The payment of dividend is subject to any restrictions under the laws of Hong Kong and Cayman Islands and the Articles.

The Company does not have any pre-determined dividend distribution proportion or distribution ratio. The declaration, payment and amount of dividends will be subject to the Board's discretion and there is no assurance that dividends will be declared and/or paid in any particular amount for any given period.

Any dividend for a financial year will be subject to shareholders' approval.

The Board will review the dividend policy on a regular basis.

### AUDITOR'S STATEMENT AND REMUNERATION

A statement by the Group's auditor on their reporting obligations in respect of the Group's consolidated financial statements for the Year is set out in the "Independent Auditor's Report" section of this annual report.

The Group's sole external auditor is Forvis Mazars CPA Limited. The Audit Committee is responsible for making recommendation to the Board on the appointment, re-appointment and removal of the authorised external auditor and to approve the remuneration and terms of engagement of the external auditor, and any questions of resignation or dismissal of the external auditor. The Audit Committee has given their opinion on the fee charged by the external auditor to the Company and has approved the appointment of Forvis Mazars CPA Limited as auditor, which the Board fully concurred with such approval of the Audit Committee. The responsibilities of the external auditor on the financial statements are set out in the "Independent Auditor's Report" on pages 55 to 60 of this annual report.



# Corporate Governance Report

An analysis of the remuneration of the external auditors, of the Company for the Year is set out below:

	Amount of Fee RM
Annual audit and its related services for the Year	912,000
Agreed-upon procedures on interim financial information for the six months ended 30 June 2025	<u>161,000</u>
Total	<u><u>1,073,000</u></u>

## RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges its responsibility for establishing and maintaining an effective and adequate risk management and internal control systems.

The Board aims to minimise the risks rather than eliminate them entirely. Accordingly, the Board has a risk management system, including performance of a risk assessment for reviewing the key risk areas and determining appropriate risk mitigation strategies. The Group has also taken sufficient steps to identify, assess, update and monitor certain particular risks associated with its financial, operational and compliance activities.

### Internal Control

The Group does not have an internal audit department. Instead, the Group has engaged an independent professional internal control consultant firm (the “**Internal Control Consultant**”) to review the key business process and internal control systems, policies and procedures from financial, operational and compliance aspect. To assist the Audit Committee in discharging its duties, the Company has engaged an Internal Control Consultant to conduct an annual review on the adequacy and effectiveness of the Group’s internal control system in respect of its compliance each financial year and submit a report. In particular, the Internal Control Consultant shall set out in its report regarding the Group’s effectiveness of the Group’s internal control system in ensuring the Group’s compliance. The management then provided an action plan so as to mitigate those identified deficiencies in a timely manner.

The Internal Control Consultant has independently reported the findings and recommendations to the Audit Committee.

## Corporate Governance Report

The Board shall be responsible for monitoring compliance with the laws and regulations that are applicable to the operation of the Group, as well as assessing the adequacy and effectiveness of the Group's regulatory compliance procedures and system. Other than reviewing and monitoring our financial reporting process and the risk management procedures, our Audit Committee shall, on an annual basis: (a) review the reports and findings submitted by the internal control consultant to ensure the effectiveness of our regulatory compliance procedures and system; (b) advise the Board on the adoption of the recommendation (if any) proposed by the internal control consultant; (c) assess and review the adequacy of resources and training provided to our management and staff in relation to our regulatory compliance functions; and (d) receive the recommendations and reports of the Group's internal audit function, review and approve the organisation, responsibilities, plans, results, budget and resources of the internal audit team to ensure the quality of the Group's internal control measures are maintained. The Audit Committee shall also supervise the Group's internal audit team in handling actual or potential non-compliance matters (if any).

The Group has appointed the Internal Control Consultant to conduct the annual internal control review and the scope of review has covered the period from 1 January 2025 to 31 December 2025. An internal control review report has been provided to the Audit Committee. The Management has established a remediation and improvement plan for internal control weaknesses identified for the Year.

Nothing has come to the Audit Committee's or the Board's attention that causes them to believe that the risk management and internal control systems of the Group are inadequate or ineffective.

### Risk Management

The Group has established a risk management policy and formal risk assessment system. The Group's risk management framework comprises the following key elements:

1. Identify risks;
2. Analyse risks;
3. Evaluate risks; and
4. Treat risks.

Senior management identifies the key risks that potentially impact the key business processes of their operations on an annual basis. The identified risks are analysed and evaluated using established risk assessment criteria which include appropriate qualitative and quantitative techniques, these identified risks are scored based on their likelihood of occurring and the impact on business should they occur. Such risk evaluation system helps to rank the risks and to prioritise risk management efforts to determine the appropriate risk mitigation plans (i.e. accept, reduce, transfer and avoid). Results of the annual risk assessment are reported to the Audit Committee, including the significant risks of the Group and the associated control activities to mitigate or transfer the identified risks. The risk assessment results indicated limited changes in the nature and extent of significant risks identified by the Group since the Listing Date. To provide assurance over the effectiveness of the risk mitigating controls, the Group has formulated an internal audit plan which covers the identified risk mitigating controls and key business processes of the Group.



## Corporate Governance Report

In respect of the Year, the Board conducted a review of the effectiveness of the risk management and internal control systems and considers the systems to be effective and adequate. No significant areas of concern that may affect the financial, operational, compliance controls, and risk management functions of the Group have been identified. The systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. A review on the risk management and internal control systems will be conducted on an annual basis. During the review, the Board also considered the resources, qualification/experience of staff of the Group's internal control, accounting and financial reporting function, and their training and budget to be adequate.

The Group is aware of its obligation of handling and dissemination of inside information under the Listing Rules and the Securities and Futures Ordinance. The Group has established an inside information management policy for identifying, monitoring and reporting inside information to our shareholders, investors, analysts and media. The internal policy is updated whenever required and adopted accordingly to guide its stakeholder communications and the determination of inside information in order to ensure consistent and timely disclosure. The Group conducts its affairs in accordance with the disclosure requirement under the Listing Rules as well as the "Guidelines on Disclosure of Inside Information" published by the Securities and Futures Commission in June 2012.

During the Year, the Board and the Audit Committee have reviewed the need for an internal audit function and considers it more cost-effective to appoint external independent professionals to independently review and continuously evaluate the Group's internal monitoring systems and risk management systems, taking into account the size and nature of the Group. The Board will review the need for an internal audit function at least once a year.

Overall, the Board and the Audit Committee consider that the risk management and internal control system of the Group are effective and adequate. The Board will continue to assess the effectiveness and adequacy of risk management and internal controls through consideration of the reviews and recommendations made by the Audit Committee, senior management and Internal Control Consultant.

The Company has established and maintained the procedures and internal controls for the handling and dissemination of inside information. The Company has adopted the Model Code as its own code of conduct regarding Directors' securities transactions. Other employees of the Group who are likely to be in possession of inside information of the Company are also subject to the same dealing restrictions. The Group also strictly prohibits the Directors from the unauthorized use of confidential or inside information to the advantage of himself or others. The Company promptly identifies, assesses and escalates any inside information and any information which may potentially constitute inside information to the Board, which decides the need for disclosure. Inside information and other information which is required to be disclosed pursuant to the Listing Rules will be announced on the respective websites of the Stock Exchange and the Company in due course.

# Corporate Governance Report

## INSIDE INFORMATION

The Company is aware of and strictly complies with the requirements of the currently applicable laws, regulations and guidelines, including the obligations to disclose inside information under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“**SFO**”) and the Listing Rules, at the time when the relevant businesses are transacted. The Group has established the authority and accountability, as well as the handling and dissemination procedures in relation to inside information, and has communicated to all relevant personnel and provided them with specific trainings in respect of the implementation of the continuous disclosure policy.

The Board considers that the Company’s handling and dissemination procedures and measures in relation to inside information are effective.

## WHISTLE-BLOWING MECHANISM

A Whistle-blowing Policy has been set up to encourage and allow employees to raise concerns about possible improprieties in matters of financial reporting, compliance, and other malpractices at the earliest opportunity. The Audit Committee has the overall responsibility for the policy and has delegated day-to-day responsibility of overseeing and implementing such policy to the finance manager of the Group. If any employee believes reasonably and in good faith that malpractice exists in the workplace, he/she should report immediately to his/her immediate supervisor within the department. The supervisor should then forward the concerns by email to the finance manager upon receiving reports from employees. All reports are treated confidentially and the Group makes every effort to keep the employee’s identity confidential.

## ANTI-CORRUPTION TRAINING

To strengthen understanding of relevant applicable laws and regulations, training regarding ethical business conduct covering topics such as integrity and discipline, confidentiality and conflict of interest is provided to all managers and above. The Board has also received internal training on related topics.

## INVESTORS’ RELATIONSHIP

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and understanding of the Group’s business, performance and strategies. The Company also recognises the importance of timely and non-selective disclosure of information, which will enable Shareholders and investors to make the informed investment decisions.

The Group has a number of channels of communication with shareholders and public investors to ensure that they are kept up to date with the latest news and developments of the Group. The Group provides shareholders with up-to-date information on the Group’s development, financial results and major events through annual, half-yearly reports. All published information is uploaded to the Group’s website at <http://www.orensport.com>.



## Corporate Governance Report

The general meetings of the Company provide opportunities for the shareholders to communicate directly with the Directors. The chairman of the Board and the chairmen of the Board committees will attend the AGMs to answer Shareholders' questions. The auditor will also attend the annual general meeting to answer questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies and auditor's independence. Separate resolutions are proposed at shareholders' meetings on each substantial issue. Procedures regarding the conduct of the poll are explained to the shareholders at the commencement of each general meeting, and questions from shareholders regarding the voting procedures are answered. Shareholders may also submit enquiries to management and make recommendations to the Board or senior management at the shareholders' meeting. Shareholders' enquiries about their shareholdings can be directed to the Company's branch share registrar in Hong Kong, Boardroom Share Registrars (HK) Limited. Other shareholders' enquiries can be directed by post to the principal office of the Company at shown in the section headed "Corporate Information" on page 2 of this annual report, or by email to our Company at [ir@orensport.com](mailto:ir@orensport.com).

To promote effective communication, the Company adopts a shareholders' communication policy which aims at establishing a two-way relationship and communication between the Company and the shareholders. The Company has established several channels to communicate with the shareholders as follows:

- corporate communications such as annual reports, interim reports and circulars are issued in printed form and are available on the website of the Stock Exchange and on the website of the Company at <http://www.orensport.com>;
- announcements are published on the websites of the Stock Exchange and the Company;
- corporate information is made available on the Company's website; and
- annual and extraordinary general meetings, if any, provide a forum for the shareholders to make comments and exchange views with the Directors and senior management.

The Company keeps on promoting investor relations and enhancing communication with the existing shareholders and potential investors. It welcomes suggestions from investors, stakeholders and the public. Enquiries to the Board or the Company may be sent by post to the Company's principal place of business in Hong Kong.

The Company reviewed the implementation and effectiveness of the shareholders' communication policy and considered it to be effective for the Year.

### CONSTITUTIONAL DOCUMENTS

During the Year, there has been no significant change in the Company's constitutional documents.



## Report of the Directors

The Board (the “**Board**”) of Directors (the “**Directors**”) of MBV International Limited (the “**Company**”) presents its report together with the audited financial statements of the Company and its subsidiaries (together, the “**Group**”) for the year ended 31 December 2025 (the “**Year**”).

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the Company’s subsidiaries are mainly engaged in sourcing, wholesaling, supplying and marketing of imprintable apparel and gift products in Malaysia and Singapore.

### RESULTS AND APPROPRIATIONS

The results of the Group for the Year are set out in the consolidated statement of profit or loss and other comprehensive income on page 61 of this annual report.

No dividend was paid for the Year.

The Board does not recommend payment of a final dividend to the Shareholders for the Year.

### BUSINESS REVIEW

The business review of the Group for the Year is set out in the section headed “Management Discussion and Analysis” on pages 5 to 11 of this annual report.

The Group recognises the importance of and is committed to environmental conservation. During the Year, the Group has ensured compliance with applicable environmental laws and regulations, as well as the effective implementation of various policies, initiatives and practices. For details on the environmental policies and performance of the Group and further discussion on other environmental, social and governance aspects of its operation, please refer to the Environmental, Social and Governance Report.

### ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The annual general meeting of the Company (the “**AGM**”) will be held on Friday, 15 May 2026. The notice of the AGM will be published and dispatched to the Shareholders in due course in the manner as required by the Listing Rules.

In order to determine the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 12 May 2026 to Friday, 15 May 2026, both days inclusive, during which period no transfer of Shares will be registered. In order to be qualified to attend and vote at the AGM, all completed transfers forms accompanied by the relevant share certificates must be lodged for registration with the Company’s branch share registrar and transfer office in Hong Kong, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong no later than 4:30 p.m. on Monday, 11 May 2026. The record date for determining the eligibility of shareholders to attend and vote at the AGM is 15 May 2026.



# Report of the Directors

## MAJOR RISKS AND UNCERTAINTIES

The following are the principal risks and uncertainties facing the Company as required to be disclosed pursuant to the Companies Ordinance (Chapter 622 of the laws of Hong Kong):

### 1. Economic climate and individual market performance

The impact of economic conditions on consumer confidence and buying habits would affect sales and results of the Group. The economic growth or decline in our geographical markets that affect consumer spending on garments would also affect our business. The Group continues to implement its strategies to develop and strengthen penetration of different geographical markets thereby reducing its dependency on specific markets.

### 2. Customers' credit risk

The exposure to credit risk by the Group, which will cause a financial loss due to failure to discharge an obligation by the counterparties, arises from the carrying amounts of the recognised financial assets as stated in the consolidated statement of financial position. The Group only extends credit to customers based on careful evaluation of the customers' financial conditions and credit history. Credit sales of products are made to customers with an appropriate credit history. In addition, the Group reviews the recoverable amount of debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. Details of the customers' credit risk are set out in Note 32 to the consolidated financial statements.

### 3. Liquidity risk

In management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures adequacy of financial resources for operations' need and compliance with the relevant loan covenants.

Details of liquidity risk are set out in Note 32 to the consolidated financial statements.

### 4. Currency risk

The Group has foreign currency transactions and foreign currency borrowings, which expose the Group to foreign currency risk. The Group manages and monitors foreign exchange exposure to ensure appropriate measures are implemented on a timely and effective manner.

Details of the currency risk are set out in Note 32 to the consolidated financial statements.

### 5. Interest rate risk

The Group is mainly exposed to cash flow interest rate risk in relation to floating-rate bank balances and bank borrowings. The management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arises.

Details of interest rate risk are set out in Note 32 to the consolidated financial statements.

# Report of the Directors

## ENVIRONMENTAL POLICIES, COMPLIANCE WITH LAWS AND REGULATIONS

The Group is dedicated to maintaining sustainable working practices and pay close attention to ensure all resources are efficiently utilised with minimal impact on our environments. Details on the Group's environmental policies and performance can be found in the Environmental, Social and Governance Report ("ESG Report") which will be published in the Company's and the Stock Exchange's websites.

The Group has established various management systems and measures such as internal control and staff training to ensure its compliance with laws and regulations in relation to the Group's business and operation. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Group has no material breach relevant of laws and regulations that has a material impact on the Group's business and operation during the Year.

## RELATIONSHIP WITH SUPPLIERS, CUSTOMERS AND OTHER STAKEHOLDERS

The Group understands the importance of maintaining a good relationship with its employees, suppliers, customers and other stakeholders to meet its immediate and long-term goals. During the Year, there were no material and significant dispute between the Group and its employees, suppliers, customers and/or other stakeholders.

## PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group during the Year are set out in Note 13 to the consolidated financial statements.

## SUBSIDIARIES

Particulars of the Company's principal subsidiaries as at 31 December 2025 are set out in Note 12 to the consolidated financial statements.

## SHARE CAPITAL

Details of the share capital of the Company are set out in Note 26 to the consolidated financial statements.

## RESERVES

Movements in reserves of the Group and of the Company during the Year are set out on page 64 in the consolidated statement of changes in equity and Note 27 to the consolidated financial statements respectively.

## DISTRIBUTABLE RESERVES

Details of movements in the reserves of the Company are set out in Note 36 to the consolidated financial statements. As at 31 December 2025, the Company's reserves available for distribution to equity holders amounted to approximately RM13.6 million (2024: RM18.6 million).



# Report of the Directors

## SHARE OPTION SCHEME

The share option scheme (the “**Share Option Scheme**”) was approved and conditionally adopted by the Board and Shareholders by way of written resolutions on 19 May 2020. The following is a summary of the principal terms of the Share Option Scheme but does not form part of, nor was it intended to be, part of the Share Option Scheme nor should it be taken as affecting the interpretation of the rules of the Share Option Scheme:

### (1) Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to enable the Group to grant options under the Share Option Scheme (“**Options**”) to eligible persons as incentives or rewards for their contributions to the Group.

### (2) Who may join

The Board may, at its discretion, invite the following classes of participants to take up Options at a price calculated in accordance as stipulated below:

- (i) any full-time or part-time employee or the Company;
- (ii) any member of the Group, including any executive Directors, non-executive Directors and independent non-executive Directors;
- (iii) any advisers or consultants of the Company; and
- (iv) any of the Group subsidiaries.

## Report of the Directors

### (3) Total number of shares to be issued

- (i) The total number of Shares which may be issued upon the exercise of all Options to be granted under the Share Option Scheme and other schemes must not, in aggregate, exceed 10% of the Shares in issue as at the Listing Date (the “**Scheme Mandate Limit**”) provided that Options lapsed in accordance with the terms of the Shares Option Scheme or other scheme will not be counted for the purpose of calculating the Scheme Mandate Limit. On the basis of 628,000,000 Shares in issue on the Listing Date, the Scheme Mandate Limit will be equivalent to 62,800,000 Shares, representing 10% of the Shares in issue as at the date of this annual report.
- (ii) Subject to the approval of shareholders in general meeting, the Company may renew the Scheme Mandate Limit to the extent that the total number of Shares which may be issued upon exercise of all Options to be granted under the Share Option Scheme and other schemes under the Scheme Mandate Limit as renewed must not exceed 10% of the Shares in issue as at the date of such shareholders’ approval provided that Options previously granted under the Share Option Scheme and other schemes (including those outstanding, cancelled, exercised or lapsed in accordance with the terms thereof) will not be counted for the purpose of calculating the Scheme Mandate Limit as renewed. In relation to the shareholders’ approval referred to in this paragraph (ii), the Company shall send a circular to our shareholders containing the information required by the Listing Rules.
- (iii) Subject to the approval of Shareholders in general meeting, the Company may also grant Options beyond the Scheme Mandate Limit provided that Options in excess of the Scheme Mandate Limit are granted only to eligible persons specifically identified by the Company before such shareholders’ approval is sought. In relation to the Shareholders’ approval referred to in this paragraph (iii), the Company shall send a circular to the Shareholders containing a generic description of the identified eligible persons, the number and terms of the Options to be granted, the purpose of granting Options to the identified eligible persons, an explanation as to how the terms of such Options serve the intended purpose and such other information required by the Listing Rules.
- (iv) Notwithstanding the foregoing, the Company may not grant any Options if the number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Share Option Scheme and Other Schemes exceeds 30% of the Shares in issue from time to time.
- (v) The exercise of any Option shall be subject to the Shareholders in general meeting approving any increase in the authorised share capital of the Company. Subject thereto, the Board shall make available sufficient authorised but unissued share capital of the Company for purpose of allotment of shares upon exercise of Options.

The outstanding share options of the Company available for grant under the Share Option Scheme as at 1 January 2025 and 31 December 2025 were 62,800,000 and no share option of the Company was granted, exercised, lapsed or cancelled during the year ended 31 December 2025.



## Report of the Directors

### (4) Maximum entitlement of each eligible person under the Share Option Scheme

The total number of Shares issued and to be issued upon exercise of the Options granted to a participant under the Share Option Scheme and other schemes (including both exercised and outstanding Options) in any 12-month period must not exceed 1% of the Shares in issue from time to time, and provided that if approved by shareholders in general meeting with such Participant and his close associates (or his associates if the participant is a connected person) abstaining from voting, the Company may make a further grant of Options to such participant (the “**Further Grant**”) notwithstanding that the Further Grant would result in the Shares issued and to be issued upon exercise of all Options granted and to be granted under the Share Option Scheme and other schemes to such Participant (including exercised, cancelled and outstanding Options) in the 12-month period up to and including the date of the Further Grant representing in aggregate over 1% of the Shares in issue from time to time.

Where Options are proposed to be granted to a Director, chief executive or substantial shareholder of the Company or any of their respective associates, the proposed grant must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Options).

If a grant of Options to a substantial shareholder of the Company or an independent non-executive Director, or any of their respective associates will result in the total number of the Shares issued and to be issued upon exercise of the Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person under the Share Option Scheme or other schemes in any 12-month period up to and including the date of the grant (i) representing in aggregate over 0.1% (or such other percentage as may from time to time specified by the Stock Exchange) of the Shares in issue from time to time, and (ii) having an aggregate value, based on the closing price of the Shares at the date of the grant, in excess of HK\$5 million, then the proposed grant of Options must be approved by the shareholders. The grantee, his associates and all core connected persons of the Company must abstain from voting at such general meeting, except that any connected person may vote against the resolution provided that his or her intention to do so has been stated in the circular. The circular must contain the information required under the Listing Rules.

In addition, shareholders’ approval as described above will also be required for any change in terms of the Options granted to an eligible person who is a substantial shareholder of the Company, an independent non-executive Director or their respective associates.

## Report of the Directors

The circular must contain the following:

- (i) details of the number and terms of the Options (including the subscription price relating thereto) to be granted to each eligible person, which must be fixed before the relevant shareholders' meeting, and the date of Board meeting for proposing such further grant is to be taken as the date of grant for the purpose of calculating the subscription price;
- (ii) a recommendation from our independent non-executive Directors (excluding any independent non-executive Director who is a proposed grantee of the Options in question) to independent shareholders, as to voting; and
- (iii) all other information as required by the Listing Rules.

For the avoidance of doubt, the requirements for the granting of Options to a Director or chief executive (as defined in the Listing Rules) of the Company set out in this paragraph do not apply where the eligible person is only a proposed Director or proposed chief executive of the Company.

### (5) Option period

The Share Option Scheme will be valid and effective for a period of ten years commencing on the Listing Date, after which period no further Options may be granted but the provisions of the Share Option Scheme shall remain in full force and effect in all other respects and Options granted during the life of the Share Option Scheme may continue to be exercisable in accordance with their terms of issue.

### (6) Minimum vesting period

The exercise of an Option may be subject to the achievement of performance target and/or any other conditions to be notified by the Board to each participant, which the Board may in its absolute discretion determine.

### (7) Payment on acceptance of the Option

Upon acceptance of the Option, the eligible person shall pay HK\$1.00 to the Company by way of consideration for the grant. The Option will be offered for acceptance for a period of not less than five trading days from the date on which the Option is granted.



## Report of the Directors

### (8) Basis of determining the exercise price

The subscription price for the Shares subject to Options will be a price determined by our Board and notified to each Participant and shall be at least the higher of

- (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date (the **"Offer Date"**), which must be a trading day, on which the Board passes a resolution approving the making of an offer of grant of an option to an eligible person;
- (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the Offer Date; and
- (iii) the nominal value of a Share on the Offer Date.

For the purpose of calculating the subscription price, in the event that on the date of grant, the Company has been listed for less than five trading days, the offer price shall be used as the closing price for any trading day falling within the period before the Listing Date.

### (9) The remaining life of the Scheme

The Share Option Scheme will be valid and effective for a period of ten years commencing on the Listing Date, after which period no further Options may be granted but the provisions of the Share Option Scheme shall remain in full force and effect in all other respects and Options granted during the life of the Share Option Scheme may continue to be exercisable in accordance with their terms of issue. The remaining life of the Share Option Scheme is approximately 4 years and 4 months as at 31 December 2025.

No share option has been granted under the Share Option Scheme since its adoption.

## BANK BORROWINGS

Details of the bank borrowings of the Group are set out in Note 23 to the consolidated financial statements in this annual report.

## DIRECTORS

The Directors who held office during the Year and up to the date of this annual report are:

### Executive Directors:

Dato' Tan Meng Seng (*Chairman*)  
Dato' Tan Mein Kwang (*Chief Executive Officer*)  
Mr. Tan Beng Sen  
Datin Kong Siew Peng

### Non-Executive Director:

Ms. Hou Yanli (*re-designated from an executive Director to a non-executive Director on 1 April 2026*)

## Report of the Directors

### Independent Non-Executive Directors:

Ms. Chui Sin Heng  
Mr. Au Wing Yuen  
Mr. Yu Cheeric

For compliance with code provision B.2.2 set out in the CG Code and in accordance with articles 108 of the Articles, Dato' Tan Meng Seng, Mr. Tan Beng Sen and Ms. Hou Yanli will retire by rotation and, being eligible, offer themselves for re-election as Directors at the forthcoming annual general meeting.

The Company has received from each of the independent non-executive Directors an annual confirmation of his independence and considers that each of the independent non-executive Directors is independent in accordance with the guidelines set out in Rule 3.13 of the Listing Rules.

### DIRECTORS OF SUBSIDIARIES

During the Year and up to the date of this annual report, each of Dato' Tan Meng Seng, Dato' Tan Mein Kwang, Mr. Tan Beng Sen and Datin Kong Siew Peng holds directorship in certain of the Company's subsidiaries.

### BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of the Directors of the Group as at the date of this annual report are set out on pages 12 to 16 in this annual report.



# Report of the Directors

## INTERESTS OF DIRECTORS AND THE CHIEF EXECUTIVE

As at 31 December 2025, the interests and short positions of each Director and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have taken under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

### Interests and/or short positions in the Company

Director	Capacity/Nature of Interest	Number of Shares Held <sup>(1)</sup>	Percentage of Interest in the Company
Dato' Tan Meng Seng	Interest in controlled corporation <sup>(2)</sup>	414,800,000 (L)	66.05%
Dato' Tan Mein Kwang	Interest in controlled corporation <sup>(2)</sup>	414,800,000 (L)	66.05%
Mr. Tan Beng Sen	Interest in controlled corporation <sup>(2)</sup>	414,800,000 (L)	66.05%
Datin Kong Siew Peng	Interest of spouse <sup>(3)</sup>	414,800,000 (L)	66.05%

Notes:

- (1) The letter "L" denotes long position in the shares held.
- (2) These shares are held by MBV Capital Limited. The issued share capital of MBV Capital Limited is owned as to approximately 33.3% by each of Dato' Tan Meng Seng, Dato' Tan Mein Kwang and Mr. Tan Beng Sen, and therefore, each of Dato' Tan Meng Seng, Dato' Tan Mein Kwang and Mr. Tan Beng Sen are deemed to be interested in all the Shares registered in the name of MBV Capital Limited in the Company under Part XV of the SFO.
- (3) Datin Kong Siew Peng is the spouse of Dato' Tan MS. Accordingly, Datin Kong Siew Peng is deemed to be interested in all the Shares held by Dato' Tan MS under Part XV of the SFO.

Save as disclosed above, as at 31 December 2025, none of our Directors nor the chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

## ARRANGEMENT TO ACQUIRE SHARES

At the end of the Year and at any time during the Year, none of the Company, its holding company, or any of its subsidiaries or fellow subsidiaries is a party to any arrangement through which the Directors may benefit by purchasing shares or debentures of the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

## Report of the Directors

### DONATIONS

During the Year, the Group made charitable donation amounted to approximately RM234,000.

### EQUITY-LINKED AGREEMENTS

Save as disclosed in the section headed “Share Options Scheme”, at no time during the Year or at the end of the Year was the Company a party to any equity-linked agreements.

### DIRECTORS’ SERVICE CONTRACTS AND APPOINTMENT LETTERS

Each of the executive Directors has entered into a service contract with the Company for a term of three years, which is subject to retirement by rotation and re-election in accordance with the Articles, and may be terminated by either party upon a one-month prior written notice. Datin Kong Siew Peng was appointed as an executive Director on 29 September 2023 and has entered into a service agreement with the Company for an initial term of three years commencing on that date, which may be terminated by either party by giving not less than three months’ notice in writing to the other party.

Ms. Hou Yanli was appointed as an executive Director on 1 August 2023 and was re-designated as a non-executive Director with effect from 1 April 2026. She has entered into a letter of appointment with the Company for an initial term of two years commencing on 1 April 2026, which may be terminated by either party by giving not less than three months’ notice in writing to the other party.

The service contracts and appointment letters are automatically renewed upon expiration subject to the Articles, the Listing Rules and any other applicable laws from time to time.

None of the Directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company, which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

### INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section headed “Continuing Connected Transactions” in this Report of the Directors and Note 30 to the consolidated financial statements, no transaction, arrangement or contract of significance to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party and in which any of the Company’s Director or an entity connected with the Director or controlling shareholder or its subsidiaries had a material interest, whether directly or indirectly, subsisted at any time during the Year.

### DIRECTORS’ INTERESTS IN COMPETING BUSINESSES

During the Year, none of the Directors had any interest in business apart from the Group’s businesses which competed, or was likely to compete, either directly or indirectly, with the Group’s businesses under Rule 8.10 of the Listing Rules.



# Report of the Directors

## NON-COMPETITION UNDERTAKING

Each of MBV Capital Limited, Dato' Tan MS, Mr. Tan BS and Dato' Tan MK have confirmed to the Company of their compliance with the non-competition undertakings provided to the Company deeds of non-competition both dated 21 March 2020 (the “**Deeds of Non-competition**”). The independent non-executive Directors have reviewed the status of compliance and confirmed that all the undertakings under the Deeds of Non-competition had been complied with by the above-mentioned persons and duly enforced.

## INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 31 December 2025, so far as our Directors are aware, the following persons had an interest or short position in the Shares or the underlying Shares as recorded in the register required to be kept under section 336 of the SFO or which were required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name	Capacity/nature of interest	Number of shares/ positions Held <sup>(5)</sup>	Approximate percentage of shareholding
MBV Capital Limited <sup>(1)</sup>	Beneficial Owner	414,800,000 (L)	66.05%
Dato' Tan Meng Seng <sup>(1)</sup>	Interest in a controlled corporation	414,800,000 (L)	66.05%
Dato' Tan Mein Kwang <sup>(1)</sup>	Interest in a controlled corporation	414,800,000 (L)	66.05%
Mr. Tan Beng Sen <sup>(1)</sup>	Interest in a controlled corporation	414,800,000 (L)	66.05%
Datin Kong Siew Peng <sup>(2)</sup>	Interest of spouse	414,800,000 (L)	66.05%
Ms. Foo Kim Foong <sup>(3)</sup>	Interest of spouse	414,800,000 (L)	66.05%
Datin Loi Siew Yoke <sup>(4)</sup>	Interest of spouse	414,800,000 (L)	66.05%

Notes:

- These shares are held by MBV Capital Limited. The issued share capital of MBV Capital Limited is owned as to approximately 33.3% by each of Dato' Tan MS, Mr. Tan BS and Dato' Tan MK, and therefore, each of Dato' Tan MS, Mr. Tan BS and Dato' Tan MK are deemed to be interested in all the Shares registered in the name of MBV Capital Limited in the Company under Part XV of the SFO.
- Datin Kong Siew Peng is the spouse of Dato' Tan MS. Accordingly, Datin Kong Siew Peng is deemed to be interested in all the Shares held by Dato' Tan MS under Part XV of the SFO.
- Ms. Foo Kim Foong is the spouse of Mr. Tan BS. Accordingly, Ms. Foo Kim Foong is deemed to be interested in all the Shares held by Mr. Tan BS under Part XV of the SFO.
- Datin Loi Siew Yoke is the spouse of Dato' Tan MK. Accordingly, Datin Loi Siew Yoke is deemed to be interested in all the Shares held by Dato' Tan MK under Part XV of the SFO.
- The letter “L” denotes long position in the shares held.

Save as disclosed above, as at 31 December 2025, the Directors are not aware of any other person (other than the Directors and chief executives of the Company) had a beneficial interest or short position in the Shares as recorded in the register required to be kept under section 336 of the SFO or the underlying Shares which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

## Report of the Directors

### EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2025, the Group employed 455 full-time employees in Malaysia and Singapore. The Group recognises the importance of maintaining good relationship with its employees and retaining competent staff to ensure operational efficiency and effectiveness. The remuneration packages offered to the Group's employees are based on each employee's qualifications, relevant experience, position and seniority. The Group conducts review on salary increments, bonuses and promotions based on the performance of each employee. The Group provides on-job training to new employees. During the Year, the Group had not experienced any strike, any significant problems with its employees or other material labour disputes which had materially disrupted its operation. The Group has not experienced any difficulties in the recruitment of experienced and skilled staff.

The Remuneration Committee regularly reviews the Group's remuneration policy and structure for all remuneration of the Directors and senior management of the Group. Remuneration Committee takes into consideration of various factors such as salaries paid by comparable companies, time commitment, responsibilities and employment terms elsewhere in the Group. Any discretionary bonus and other merit payments are linked to the performance of the Group and the individual performance of the Directors and senior management.

### PERMITTED INDEMNITY PROVISION

Pursuant to article 191 of the Articles, the Directors shall be indemnified out of the assets of the Company from liabilities which they may incur by reason of the execution of their duties, unless such indemnification provision is avoided by any provisions of the applicable laws of the Cayman Islands.

The Company maintains an insurance policy for directors' and officers' liability during the Year.

### MANAGEMENT CONTRACT

No contract concerning the management and administration of the whole or any substantial part of the business of the Group was entered into or existed during the Year.

### MAJOR CUSTOMERS AND SUPPLIERS

The Group's revenue from any single external customer did not contribute 10% or more of the total revenue of the Group during the Year.

For the Year, the aggregate amount of revenue attributable by the Group's five largest customers represented less than 30% of the Group's total revenue.

The aggregate purchases attributable to the Group's largest and five largest suppliers combined were approximately 32.7% and 66.4% respectively of the Group's total purchases for the Year.

Saved as disclosed above, none of the Directors, their close associates, or any shareholder (who to the knowledge of the Directors owns more than 5% of the number of issued shares of the Company) had, at any time during the Year, a beneficial interest in any of the Group's five largest customers or suppliers.



# Report of the Directors

## CONTINUING CONNECTED TRANSACTIONS

### 2023 Master Service Agreement

On 17 March 2023, the Company has entered into a renewal master service agreement (the “**2023 Master Service Agreement**”) with Forever Silkscreen & Embroidery Sdn. Bhd. (“**Forever Silkscreen**”), for provision of silkscreen printing and embroidery services (the “**Continuing Connected Transactions**”). Dato’ Tan Meng Sen, Dato’ Tan Mein Kwang and Mr. Tan Beng Sen, hold in aggregate 50% of shares in Forever Silkscreen. As such, Forever Silkscreen is a connected person of the Company as defined under Chapter 14A of the Listing Rules.

The annual caps for the Year is are set out as follows:

Period	Annual Cap RM
Year ended 31 December 2025	3,700,000

During the Year, the service fee charged by Forever Silkscreen against the Group amounted to approximately RM2.4 million, which was within the annual cap for the Year.

### 2025 Master Service Agreement

Since the 2023 Master Service Agreement expired on 31 December 2025, the Company has entered into the 2025 Master Service Agreement (the “**2025 Master Service Agreement**”) for a term of three years ending 31 December 2028 with Forever Silkscreen on 12 December 2025, for the continuing provision of silkscreen printing and embroidery services by Forever Silkscreen to the Group. As at 12 December 2025, Forever Silkscreen is owned as to 50% by Mr. Tee Tong Ann, and approximately 16.67% by each Dato’ Tan MS, Mr. Tan BS and Dato’ Tan MK. As such, Forever Silkscreen is an associate of (i) Mr. Tee Tong Ann, who is a substantial shareholder of MyGift; and (ii) Dato’ Tan MS, Mr. Tan BS and Dato’ Tan MK, collectively the controlling shareholders of the Company, and thus a connected person of the Company. For further details, please refer to the announcement of the Company dated 12 December 2025.

The annual caps for each of the years under 2025 Master Service Agreement are set out as follows:

Period	Annual Cap RM
Year ending 31 December 2026	3,500,000
Year ending 31 December 2027	3,600,000
Year ending 31 December 2028	3,700,000

The transactions are subject to the reporting, announcement and annual review requirements but exempt from the independent shareholders’ approval requirement under Chapter 14A of the Listing Rules.

## Report of the Directors

The Company's auditor was engaged to report on the Group's Continuing Connected Transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) – Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and with reference to Practice Note 740 – Auditors' Letter on Continuing Connected Transactions under the Hong Kong Listing Rules issued by the Hong Kong Institute of Certified Public Accountants. The Board has received an unqualified letter from the auditor of the Company in accordance with Rule 14A.56 of the Listing Rules containing their findings and conclusion on the Continuing Connected Transactions of the Group, stating that the auditor did not notice anything that causes them to believe that any of the Continuing Connected Transactions (a) had not been approved by the Board; (b) were not entered into in accordance with the relevant agreements governing the Continuing Connected Transactions in all material aspects; and (c) exceeded the relevant annual caps for the Year with respect to the aggregate amount of the Continuing Connected Transactions.

The independent non-executive Directors have reviewed the Continuing Connected Transactions in accordance with Rule 14A.55 of Listing Rules and confirmed that up to the date of this annual report such transactions have been entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms; and
- (iii) in accordance with the Master Service Agreement on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

### RELATED PARTY TRANSACTIONS

Details of the related party transactions of the Group are set out in Note 30 to the consolidated financial statements.

The Master Service Agreement as disclosed in the section headed "Continuing Connected Transactions" in this annual report of the Directors constituted continuing connected transactions for the Company under the Listing Rules. Save as disclosed above, no other related party transactions as set out in Note 30 to the consolidated financial statements constitute connected transactions or continuing connected transactions that are required to be disclosed in this annual report in accordance with the requirements of Chapter 14A of the Listing Rules, and the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles and there are no restrictions against such rights under the laws of Cayman Islands (being the jurisdiction in which the Company was incorporated), which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.



# Report of the Directors

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities for the Year and up to the date of this annual report.

## PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained sufficient public float as required under the Listing Rules for the Year and up to the date of this annual report.

## POST BALANCE SHEET EVENT

On 16 February 2026 (after trading hours), the China MBV Holdings Limited (the "**Vendor**"), a wholly-owned subsidiary of the Company, and Belcher Ventures Investment Ltd. (the "**Purchaser**") entered into the share purchase agreement (the "**SPA**"), pursuant to which, the Vendor conditionally agreed to sell, and the Purchaser conditionally agreed to purchase, 20,000 ordinary shares held by the Group, representing 40% of the issued share capital of Lordan Group Ltd (the "**Lordan**") at the consideration of HK\$31,411,000 (the "**Disposal**"). Having made prudent assessments and taking into account the time required for Lordan to achieve sustainable profitability, as well as the limited business synergies with other segments of the Group, the Board considers that the Disposal represents a good opportunity to reallocate resources and investments to other business segments of the Group. Following the Disposal, the Group will no longer bear the operating losses of Lordan, and the overall financial performance of the Group is expected to improve. All the conditions precedent set out in the SPA have been fulfilled and the completion of the Disposal has taken place on 24 March 2026. Upon the completion of the Disposal, the Group ceases to hold any share in Lordan and Lordan ceases to be an associate of the Group. For details, please refer to announcements of the Company dated 16 February 2026 and 24 March 2026.

Save as disclosed above, there are no significant post balance sheet events affecting our Company that have occurred since the end of the Year to the date of this annual report.

## TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief and exemption available to the Shareholders by reason of their holding of the Company's securities. If the Shareholders are unsure about the taxation implications of purchasing, holding, disposing of, dealing in, or exercising of any rights in relation to the Shares, they are advised to consult their professional advisers.



## Report of the Directors

### AUDITOR

The Company has appointed Forvis Mazars CPA Limited as the auditor of the Company for the year ended 31 December 2025. The consolidated financial statements have been audited by Forvis Mazars CPA Limited, Certified Public Accountants, Hong Kong, who will retire and, being eligible, offer themselves for re-appointment. Forvis Mazars LLP has resigned as one of the joint auditors of the Company with effect from 18 October 2024 but continued to be retained by the Company as component auditors in respect of the audit work for its subsidiaries in Malaysia and Singapore.

Save as disclosed above, there has been no other change in auditor of the Company in the preceding three years.

On behalf of the Board  
**Dato' Tan Meng Seng**  
*Chairman and Executive Director*

Hong Kong, 27 March 2026

# Independent Auditor's Report



## FORVIS MAZARS CPA LIMITED

富睿瑪澤會計師事務所有限公司

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Website 網址: www.forvismazars.com/hk

## TO THE MEMBERS OF MBV INTERNATIONAL LIMITED

*(Incorporated in the Cayman Islands with limited liability)*

### OPINION

We have audited the consolidated financial statements of MBV International Limited (the “**Company**”) and its subsidiaries (together, the “**Group**”) set out on pages 61 to 139, which comprise the consolidated statement of financial position at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group at 31 December 2025, and of its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (the “**IASB**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HKSAs**”) as issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). Our responsibilities under those standards are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements” section of our report. We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “**Code**”), as applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

# Independent Auditor's Report

## KEY AUDIT MATTERS (CONTINUED)

Key Audit Matter	How our audit addressed the key audit matter
<p><b>Valuation for inventories</b></p> <p>Refer to Note 17 to the consolidated financial statements</p> <p>At 31 December 2025, the Group had inventories (net of provision for write-down of inventories) of approximately RM40,488,000.</p> <p>In determining the provision for write-down of inventories, the Group's management assesses the level of provision for write-down of inventories required at the end of the reporting period after considering the inventory ageing and other relevant factors, including obsolescence, slow-moving or no longer recoverable or suitable for use in production as well as significant drop in market price. Such assessment involves significant management judgement and estimation in determining the value of inventories which will not be recoverable at the end of the reporting period.</p> <p>We identified the valuation for inventories as a key audit matter due to its significance to the consolidated financial statements, and the use of judgement by the Group's management in evaluating the provision for write-down of inventories.</p>	<p>Our key audit procedures, among others, included:</p> <ul style="list-style-type: none"><li>a) obtaining an understanding of the basis used to determine the policy for provision for write-down of inventories and the information used by the Group's management to determine the inventory provision, including the historical accuracy of management estimation on provision for write-down of inventories;</li><li>b) understanding the Group's key internal controls over the provision for write-down of inventories' assessment process;</li><li>c) checking on a sample basis, whether items in the inventory ageing report were classified within the appropriate ageing brackets by comparing the individual items selected with underlying production records;</li><li>d) checking the mathematical accuracy of inventory provision made by the Group's management; and</li><li>e) selecting inventory items, on a sample basis, at the end of the reporting period and comparing their carrying values with their subsequent selling prices as indicated in sales invoices less the estimated costs of completion and the estimated costs necessary to make the sale, if appropriate.</li></ul>

# Independent Auditor's Report

## KEY AUDIT MATTERS (CONTINUED)

Key Audit Matter	How our audit addressed the key audit matter
<p><b><i>Impairment assessment of investment in associates</i></b></p> <p>Refer to Note 15 to the consolidated financial statements</p> <p>At 31 December 2025, the carrying amount of investment in associates amounted to approximately RM16,076,000 (net of impairment of approximately RM18,659,000 which was recognised during the year ended 31 December 2025).</p> <p>The Group's management engaged an independent professional valuer to assess the valuation of the investment in associates. The enterprise value of the associates was derived under market approach using the enterprise value-to-sales ("<b>EV/sales</b>") ratio of comparable companies based on comparability of the overall industry sector in the public. The impairment assessment involves significant management judgements on the key assumptions adopted in the valuation model, i.e. the average EV/sales of the comparable companies and the discount on the lack of marketability.</p> <p>We identified the impairment assessment of investment in associates as a key audit matter due to the significance of the Group's investment in associates in the context of the Group's consolidated financial statements, combined with the judgements involved in the Group's management's impairment assessment of the investment in associates, in particular, the future prospects of the associates.</p>	<p>Our key audit procedures, among others, included:</p> <ul style="list-style-type: none"><li>a) assessing the appropriateness of the Group's accounting treatment for investment in associates;</li><li>b) evaluating the competence, capabilities and objectivity of the independent professional valuer;</li><li>c) assessing the reasonableness of the Group's management's impairment assessment of the investment in associates in accordance with the requirements of the prevailing accounting standards;</li><li>d) understanding the independent professional valuer's methodology adopted on the valuation of investment in associates and the parameters used, and assessing whether they are reasonable and supportable, based on our knowledge of the business and industry;</li><li>e) involving our valuation specialists to assist us on the assessment of recoverable amount prepared by the professional valuer;</li><li>f) evaluating the sensitivity of impairment assessment to changes in key assumptions; and</li><li>g) considering the adequacy of the Group's disclosure in respect of the impairment assessment.</li></ul>

# Independent Auditor's Report

## OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the 2025 annual report of the Company but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards issued by the IASB, and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

## Independent Auditor's Report

As part of an audit in accordance with HKSAAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

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

## Independent Auditor's Report

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

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

### **Forvis Mazars CPA Limited**

*Certified Public Accountants,*  
*Hong Kong*  
42nd Floor, Central Plaza  
18 Harbour Road,  
Wanchai  
Hong Kong

27 March 2026

The engagement director on the audit resulting in this independent auditor's report is:

### **She Shing Pang**

Practising Certificate number: P05510

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

Year ended 31 December 2025

	Note	2025 RM'000	2024 RM'000
Revenue	4	193,081	200,929
Cost of sales		(131,231)	(138,327)
<b>Gross profit</b>		<b>61,850</b>	<b>62,602</b>
Other income	5	2,798	2,420
Selling and distribution expenses		(10,537)	(9,720)
Administrative and other operating expenses	6	(26,001)	(25,303)
Reversal of impairment loss of trade receivables, net	32	388	192
Share of results of associates	15	46	2,536
Impairment loss of investment in associates	15	(18,659)	–
Finance costs	6	(168)	(74)
<b>Profit before tax</b>	6	<b>9,717</b>	<b>32,653</b>
Income tax expenses	9	(8,424)	(8,413)
<b>Profit for the year</b>		<b>1,293</b>	<b>24,240</b>
<b>Other comprehensive (loss) income:</b>			
<i>Item that will not be reclassified to profit or loss</i>			
Exchange differences on translation of the Company's financial statements to presentation currency		(1,901)	(550)
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange differences on consolidation		3,755	(676)
Other comprehensive income (loss) for the year		1,854	(1,226)
<b>Total comprehensive income for the year</b>		<b>3,147</b>	<b>23,014</b>
<b>(Loss) Profit for the year attributable to:</b>			
Owners of the Company		(707)	22,407
Non-controlling interests		2,000	1,833
		<b>1,293</b>	<b>24,240</b>
<b>Total comprehensive income for the year attributable to:</b>			
Owners of the Company		1,147	21,181
Non-controlling interests		2,000	1,833
		<b>3,147</b>	<b>23,014</b>
		<b>RM cents</b>	<b>RM cents</b>
<b>(Losses) Earnings per share attributable to owners of the Company</b>			
Basic and diluted	10	(0.11)	3.57

# Consolidated Statement of Financial Position

At 31 December 2025

	Note	2025 RM'000	2024 RM'000
<b>Non-current assets</b>			
Property, plant and equipment	13	55,892	54,516
Intangible assets	14	279	644
Investment in associates	15	16,076	34,689
Deferred tax assets	25	2,343	2,075
		<u>74,590</u>	<u>91,924</u>
<b>Current assets</b>			
Financial assets at fair value through profit or loss ("FVPL")	16	–	720
Inventories	17	40,488	36,921
Trade and other receivables	18	12,122	15,521
Fixed deposit with a licensed bank	19	4,644	106
Bank balances and cash	20	130,419	116,506
		<u>187,673</u>	<u>169,774</u>
<b>Current liabilities</b>			
Trade and other payables	21	8,734	8,640
Consideration payable	22	22,176	26,156
Interest-bearing borrowings	23	771	977
Lease liabilities	24	1,277	777
Tax payable		2,450	1,041
		<u>35,408</u>	<u>37,591</u>
<b>Net current assets</b>		<u>152,265</u>	<u>132,183</u>
<b>Total assets less current liabilities</b>		<u>226,855</u>	<u>224,107</u>
<b>Non-current liabilities</b>			
Interest-bearing borrowings	23	3,439	3,944
Lease liabilities	24	709	603
		<u>4,148</u>	<u>4,547</u>
<b>NET ASSETS</b>		<u>222,707</u>	<u>219,560</u>

# Consolidated Statement of Financial Position

At 31 December 2025

	Note	2025 RM'000	2024 RM'000
<b>Capital and reserves</b>			
Share capital	26	3,379	3,379
Reserves	27	210,574	209,427
Equity attributable to owners of the Company		213,953	212,806
Non-controlling interests	29	8,754	6,754
<b>TOTAL EQUITY</b>		<b>222,707</b>	<b>219,560</b>

These consolidated financial statements on pages 61 to 139 were approved and authorised for issue by the Board of Directors on 27 March 2026 and signed on its behalf by

**Dato' Tan Meng Seng**  
Director

**Dato' Tan Mein Kwang**  
Director

# Consolidated Statement of Changes in Equity

Year ended 31 December 2025

	Attributable to owners of the Company							Total equity RM'000
	Reserves					Total RM'000	Non- controlling interests RM'000 (Note 29)	
	Share capital RM'000 (Note 26)	Share premium RM'000 (Note 27(a))	Capital reserve RM'000 (Note 27(b))	Translation reserve RM'000 (Note 27(c))	Accumulated profits RM'000			
At 1 January 2024	3,379	45,543	2,190	2,347	138,166	191,625	4,921	196,546
Profit for the year	-	-	-	-	22,407	22,407	1,833	24,240
<b>Other comprehensive loss:</b>								
<i>Items that will not be reclassified to profit or loss</i>								
Exchange differences on translation of the Company's financial statements to presentation currency	-	-	-	(550)	-	(550)	-	(550)
<i>Items that may be reclassified subsequently to profit or loss</i>								
Exchange differences on consolidation	-	-	-	(676)	-	(676)	-	(676)
Other comprehensive loss for the year	-	-	-	(1,226)	-	(1,226)	-	(1,226)
<b>Total comprehensive (loss) income for the year</b>	-	-	-	(1,226)	22,407	21,181	1,833	23,014
At 31 December 2024	3,379	45,543	2,190	1,121	160,573	212,806	6,754	219,560
<b>At 1 January 2025</b>	3,379	45,543	2,190	1,121	160,573	212,806	6,754	219,560
(Loss) Profit for the year	-	-	-	-	(707)	(707)	2,000	1,293
<b>Other comprehensive (loss) income:</b>								
<i>Items that will not be reclassified to profit or loss</i>								
Exchange differences on translation of the Company's financial statements to presentation currency	-	-	-	(1,901)	-	(1,901)	-	(1,901)
<i>Items that may be reclassified subsequently to profit or loss</i>								
Exchange differences on consolidation	-	-	-	3,755	-	3,755	-	3,755
Other comprehensive income for the year	-	-	-	1,854	-	1,854	-	1,854
<b>Total comprehensive income (loss) for the year</b>	-	-	-	1,854	(707)	1,147	2,000	3,147
At 31 December 2025	3,379	45,543	2,190	2,975	159,866	213,953	8,754	222,707

# Consolidated Statement of Cash Flows

Year ended 31 December 2025

	Note	2025 RM'000	2024 RM'000
<b>OPERATING ACTIVITIES</b>			
Profit before tax		9,717	32,653
Adjustments for:			
Depreciation		3,153	2,540
Amortisation		322	343
Exchange differences		917	226
Finance costs		168	74
Interest income		(1,749)	(1,986)
Gain on disposal of property, plant and equipment		(140)	(76)
Net fair value (gain) loss on financial assets at FVPL		(80)	130
Provision for write-down of inventories, net		927	1,004
Reversal of impairment loss of trade receivables, net		(388)	(192)
Share of results of associates		(46)	(2,536)
Impairment loss of investment in associates	15	18,659	–
<b>Operating cash inflows before movements in working capital</b>		<b>31,460</b>	<b>32,180</b>
Changes in working capital:			
Inventories		(4,494)	3,571
Trade and other receivables		3,787	542
Trade and other payables		94	1,179
<b>Cash generated from operations</b>		<b>30,847</b>	<b>37,472</b>
Income tax paid		(7,283)	(7,777)
Interest paid		(168)	(74)
<b>Net cash from operating activities</b>		<b>23,396</b>	<b>29,621</b>
<b>INVESTING ACTIVITIES</b>			
Interest received		1,749	1,986
Partial cash consideration for investment in associates paid	22	–	(5,000)
Increase in fixed deposit with a licensed bank		(4,538)	(4)
Purchase of property, plant and equipment		(2,920)	(956)
Proceeds from disposal of financial assets at FVPL		800	350
Proceeds from disposal of property, plant and equipment		595	366
<b>Net cash used in investing activities</b>		<b>(4,314)</b>	<b>(3,258)</b>

# Consolidated Statement of Cash Flows

Year ended 31 December 2025

	Note	2025 RM'000	2024 RM'000
<b>FINANCING ACTIVITIES</b>			
Inception of interest-bearing borrowings		270	420
Repayment of interest-bearing borrowings		(981)	(1,133)
Repayment of lease liabilities		(1,474)	(949)
<b>Net cash used in financing activities</b>	31(b)	<b>(2,185)</b>	<b>(1,662)</b>
<b>Net increase in cash and cash equivalents</b>		<b>16,897</b>	<b>24,701</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>116,506</b>	<b>93,246</b>
Effect on exchange rate changes		(2,984)	(1,441)
<b>Cash and cash equivalents at the end of the reporting period, represented by bank balances and cash</b>		<b>130,419</b>	<b>116,506</b>

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 1. CORPORATE INFORMATION AND BASIS OF PREPARATION

MBV International Limited (the “**Company**”, together with its subsidiaries are collectively referred to as the “**Group**”) was incorporated as an exempted company with limited liability in the Cayman Islands on 3 January 2019. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 8 July 2020 (the “**Listing**”). The registered office of the Company is situated at Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. The Company’s principal place of business is situated at Unit B, 23/F, Yue Hing Building, 103 Hennessy Road, Wan Chai, Hong Kong and the Group’s headquarter is situated at No. 58–66, Jalan Seroja 39, Taman Johor Jaya, 81100 Johor Bahru, Johor, Malaysia.

The Company is an investment holding company and its subsidiaries are principally engaged in the provision of imprintable apparel and gift products in Malaysia and Singapore.

The immediate and ultimate holding company of the Company is MBV Capital Limited (“**MBV Capital**”), which is incorporated in the British Virgin Islands (the “**BVI**”). In the opinion of the directors of the Company, the ultimate controlling parties are Dato’ Tan Meng Seng, Dato’ Tan Mein Kwang and Mr. Tan Beng Sen (together, the “**Ultimate Controlling Party**”), who have been acting-in-concert over the course of the Group’s business history.

## 2. PRINCIPAL ACCOUNTING POLICIES

### Statement of compliance

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (the “**IASB**”), which collective term includes all applicable individual IFRS Accounting Standards, IAS Standards and IFRIC Interpretations issued by the IASB. The consolidated financial statements also complies with the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

The consolidated financial statements are presented in Malaysian Ringgit (“**RM**”) and all amounts have been rounded to the nearest thousand (“**RM’000**”), unless otherwise indicated.

The consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2024 consolidated financial statements except for the adoption of the revised IFRS Accounting Standards that are relevant to the Group and effective from the current period.

A summary of the principal accounting policies adopted by the Group in preparing the consolidated financial statements is set out below.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Changes in accounting policies

The Group has applied, for the first time, the following revised IFRS Accounting Standard that is relevant to the Group:

Amendments to IAS 21                      Lack of Exchangeability

### *Amendments to IAS 21: Lack of Exchangeability*

The amendments require an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

### Basis of measurement

The measurement basis used in the preparation of these consolidated financial statements is historical cost, except for the listed equity securities classified as “**Financial assets at FVPL**” which is measured at fair value, as explained in the accounting policies set out below.

### Basis of consolidations

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company using consistent accounting policies.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full. Unrealised losses are also eliminated unless the transactions provide evidence of an impairment of the asset transferred.

Non-controlling interests are presented, separately from owners of the Company, in the consolidated statement of profit or loss and other comprehensive income and within equity in the consolidated statement of financial position. The non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree’s net assets in event of liquidation, are measured initially either at fair value or at the present ownership instruments’ proportionate share in the recognised amounts of the acquiree’s identifiable net assets. This choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are initially measured at fair value, unless another measurement basis is required by IFRS Accounting Standards.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Basis of consolidations (Continued)

#### *Allocation of total comprehensive income*

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to the owners of the Company and the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

#### *Changes in ownership interest*

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest determined at the date when control is lost and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests at the date when control is lost. The amounts previously recognised in other comprehensive income in relation to the disposed subsidiary are accounted for on the same basis as would be required if the parent had directly disposed of the related assets or liabilities. Any investment retained in the former subsidiary and any amounts owed by or to the former subsidiary are accounted for as a financial asset, associate, joint venture or others as appropriate from the date when control is lost.

#### **Subsidiaries**

A subsidiary is an entity that is controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

In the Company's statement of financial position as set out in Note 36, investments in subsidiaries are stated at cost less impairment loss. The carrying amount of the investments is reduced to its recoverable amount on an individual basis, if it is higher than the recoverable amount. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

The Group's investment in associates is accounted for under the equity method of accounting, except when the investment or a portion thereof is classified as held for sale. Under the equity method, the investment is initially recorded at cost and adjusted thereafter for the post-acquisition changes in the Group's share of the investee's net assets and any impairment loss relating to the investment. Except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee, the Group discontinues recognising its share of further losses when the Group's share of losses of the investee equals or exceeds the carrying amount of its interest in the investee, which includes any long-term interests that, in substance, form part of the Group's net investment in the investee.

Goodwill arising on an acquisition of associates is measured as the excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the acquired associates. Such goodwill is included in investment in associates. On the other hand, any excess of the Group's share of its net fair value of identifiable assets and liabilities over the cost of investment is recognised immediately in profit or loss as an income.

### Property, plant and equipment

Property, plant and equipment, other than freehold land, are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Repairs and maintenance are charged to the profit or loss during the period in which they are incurred.

Depreciation is provided to write off the cost less accumulated impairment losses of property, plant and equipment over their estimated useful lives at the annual rate/useful lives as set out below from the date on which they are available for use and after taking into account their estimated residual values, using the straight-line method. Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis and depreciated separately:

Right-of-use assets	Shorter of assets useful lives and over the unexpired term of lease
Buildings	50 years or over the unexpired term of lease, as appropriate
Leasehold improvements	10% to 20%
Plant and machinery, furniture, fixtures and office equipment	10% to 20%
Motor vehicles	10% to 20%

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Property, plant and equipment (Continued)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the period in which the item is derecognised.

### Intangible assets

#### Software

The initial cost of acquiring software is capitalised. Software with finite useful life is carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is provided on the straight-line basis over their estimated useful lives of 5 years.

### Financial instruments

#### Financial assets

##### *Recognition and derecognition*

Financial assets are recognised when and only when the Group becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial asset is derecognised when and only when (i) the Group's contractual rights to future cash flows from the financial asset expire or (ii) the Group transfers the financial asset and either (a) it transfers substantially all the risks and rewards of ownership of the financial asset, or (b) it neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises the financial asset to the extent of its continuing involvement and an associated liability for amounts it may have to pay.

Financial assets (except for trade receivables without a significant financing component which are initially measured at their transaction price) are initially recognised at their fair value plus, in the case of financial assets not carried at FVPL, transaction costs that are directly attributable to the acquisition of the financial assets. Such trade receivables are initially measured at their transaction price.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Financial instruments (Continued)

#### Financial assets (Continued)

##### *Recognition and derecognition (Continued)*

On initial recognition, a financial asset is classified as (i) measured at amortised cost; (ii) debt investment measured at fair value through other comprehensive income (“**FVOCI**”); (iii) equity investment measured at FVOCI; or (iv) measured at FVPL.

The classification of financial assets at initial recognition depends on the Group’s business model for managing the financial assets and the financial asset’s contractual cash flow characteristics. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing them, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

##### 1) *Financial assets measured at amortised cost*

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVPL:

- (i) it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses arising from impairment, derecognition or through the amortisation process are recognised in profit or loss.

The Group’s financial assets at amortised cost include trade and other receivables, fixed deposit with a licensed bank and bank balances and cash.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Financial instruments (Continued)

#### Financial assets (Continued)

##### 2) Financial assets at FVPL

These investments include financial assets held for trading, financial assets designated upon initial recognition as FVPL, financial assets resulting from a contingent consideration arrangement in a business combination to which IFRS 3 applies, and financial assets that are otherwise required to be measured at FVPL. They are carried at fair value, with any resultant gain and loss recognised in profit or loss, which does not include any dividend or interest earned on the financial assets. Dividend or interest income is presented separately from fair value gain or loss.

A financial asset is classified as held for trading if it is:

- (i) acquired principally for the purpose of selling it in the near term;
- (ii) part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking on initial recognition; or
- (iii) a derivative that is not a financial guarantee contract or not a designated and effective hedging instrument.

Financial assets are designated at initial recognition as at FVPL only if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains or losses on them on different bases.

The Group's financial assets designated as at FVPL include listed equity securities recognised as financial assets at FVPL.

#### Financial liabilities

##### Recognition and derecognition

Financial liabilities are recognised when and only when the Group becomes a party to the contractual provisions of the instruments.

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Financial instruments (Continued)

#### *Financial liabilities (Continued)*

##### *Classification and measurement*

Financial liabilities are initially recognised at their fair value plus, in the case of financial liabilities not carried at FVPL, transaction costs that are direct attributable to the issue of the financial liabilities.

The Group's financial liabilities include trade and other payables, consideration payable and interest-bearing borrowings. All financial liabilities, except for financial liabilities at FVPL, are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

##### *Impairment of financial assets*

The Group recognises loss allowances for expected credit losses (“**ECL**”) on financial assets that are measured at amortised cost. Except for the specific treatments as detailed below, at each reporting date, the Group measures a loss allowance for a financial asset at an amount equal to the lifetime ECL if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Group measures the loss allowance for that financial asset at an amount equal to 12-month ECL.

##### *Measurement of ECL*

ECL is a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument.

For financial assets, a credit loss is the present value of the difference between the contractual cash flows that are due to an entity under the contract and the cash flows that the entity expects to receive.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument while 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Financial instruments (Continued)

#### *Impairment of financial assets (Continued)*

##### *Measurement of ECL (Continued)*

Where ECL is measured on a collective basis, the financial instruments are grouped based on the following one or more shared credit risk characteristics:

- (i) past due information
- (ii) nature of instrument
- (iii) nature of collateral, if any
- (iv) industry of debtors
- (v) geographical location of debtors
- (vi) external credit risk ratings

Loss allowance is remeasured at each reporting date to reflect changes in the financial instrument's credit risk and loss since initial recognition. The resulting changes in the loss allowance are recognised as an impairment gain or loss in profit or loss with a corresponding adjustment to the carrying amount of the financial instrument.

##### *Definition of default*

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that the Group may not receive the outstanding contractual amounts in full if the financial asset that meets any of the following criteria.

- (i) information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group); or
- (ii) there is a breach of financial covenants by the counterparty.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Financial instruments (Continued)

#### *Impairment of financial assets (Continued)*

##### *Assessment of significant increase in credit risk*

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. In particular, the following information is taken into account in the assessment:

- the debtor's failure to make payments of principal or interest on the due dates;
- an actual or expected significant deterioration in the financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- actual or expected changes in the technological, market, economic or legal environment that have or may have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, except for the financial instrument which the Group has reasonable and supportable information to demonstrate that previous non-payments were an administrative oversight, instead of resulting from financial difficulty of the borrower, or that there is no correlation between significant increases in the risk of a default occurring and financial assets on which payments are more than 30 days past due.

Notwithstanding the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

##### *Low credit risk*

A financial instrument is determined to have low credit risk if:

- (i) it has a low risk of default;
- (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Financial instruments (Continued)

#### *Impairment of financial assets (Continued)*

##### *Low credit risk (Continued)*

- (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group's fixed deposit with a licensed bank is considered to have low credit risk.

##### *Simplified approach of ECL*

For trade receivables without a significant financing components or otherwise for which the Group applies the practical expedient not to account for the significant financing components, the Group applies a simplified approach in calculating ECL. The Group recognises a loss allowance based on lifetime ECL at each reporting date and has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

##### *Credit-impaired financial asset*

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- (e) the disappearance of an active market for that financial asset because of financial difficulties; or
- (f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Financial instruments (Continued)

#### *Impairment of financial assets (Continued)*

##### *Write-off*

The Group writes off a financial asset when the Group has no reasonable expectations of recovering the contractual cash flows on a financial asset in its entirety or a portion thereof. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities under the Group's procedures for recovery of amounts due, taking into account legal advice if appropriate. Any subsequent recovery is recognised in profit or loss.

### Cash equivalents

For the purpose of the consolidated statement of cash flows, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash, and which are subject to an insignificant risk of changes in value. For classification in the statement of financial position, cash equivalents represent assets similar in nature to cash, and which are not restricted as to use.

### Revenue recognition

#### *Revenue from contracts with customers within IFRS 15*

The Group adopts a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation

#### *Nature of goods or services*

The nature of the goods or services provided by the Group is provision of imprintable apparel and gift products.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Revenue recognition (Continued)

#### *Revenue from contracts with customers within IFRS 15 (Continued)*

##### *Identification of performance obligations*

At contract inception, the Group assesses the goods or services promised in a contract with a customer and identifies as a performance obligation each promise to transfer to the customer either:

- (a) a good or service (or a bundle of goods or services) that is distinct; or
- (b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

A good or service that is promised to a customer is distinct if both of the following criteria are met:

- (a) the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer (i.e. the good or service is capable of being distinct); and
- (b) the Group's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (i.e. the promise to transfer the good or service is distinct within the context of the contract).

##### *Timing of revenue recognition*

Revenue is recognised when (or as) the Group satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Group transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- (a) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- (b) the Group's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or
- (c) the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Revenue recognition (Continued)

#### *Revenue from contracts with customers within IFRS 15 (Continued)*

##### *Timing of revenue recognition (Continued)*

If a performance obligation is not satisfied over time, the Group satisfies the performance obligation at a point in time when the customer obtains control of the promised asset. In determining when the transfer of control occurs, the Group considers the concept of control and such indicators as legal title, physical possession, right to payment, significant risks and rewards of ownership of the asset, and customer acceptance.

Wholesaling of imprintable apparel and gift products and manufacturing of imprintable apparel are recognised at a point in time at which the customer obtains the control of the promised asset, which generally coincides with the time when the goods are delivered to customers and the title is passed.

##### *Transaction price: significant financing components*

When the contract contains a significant financing component (i.e. the customer or the Group is provided with a significant benefit of financing the transfer of goods or services to the customer), in determining the transaction price, the Group adjusts the promised consideration for the effects of the time value of money. The effect of the significant financing component is recognised as an interest income or interest expense separately from revenue from contracts with customers in profit or loss.

The Group determines the interest rate that is commensurate with the rate that would be reflected in a separate financing transaction between the Group and its customer at contract inception by reference to, where appropriate, the interest rate implicit in the contract (i.e. the interest rate that discounts the cash selling price of the goods or services to the amount paid in advance or arrears), the prevailing market interest rates, the Group's borrowing rates and other relevant creditworthiness information of the customer of the Group.

The Group has applied the practical expedient in paragraph 63 of IFRS 15 and does not adjust the consideration for the effect of the significant financing component if the period of financing is one year or less.

### *Revenue from other source*

#### *Interest income*

Interest income from financial assets is recognised using the effective interest method. For financial assets measured at amortised cost that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the assets while it is applied to the amortised cost (i.e. the gross carrying amount net of loss allowance) in case of credit-impaired financial assets.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "**functional currency**"). The consolidated financial statements are presented in RM, which is also the functional currency of the operating subsidiaries of the Group in Malaysia and rounded to the nearest thousands unless otherwise indicated. The Company's functional currency is Hong Kong dollars ("**HK\$**").

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

The results and financial position of all the group entities that have a functional currency different from the presentation currency ("**foreign operations**") are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of the reporting period;
- income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rate;
- all resulting exchange differences arising from the above translation and exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation are recognised as a separate component of equity;
- on the disposal of a foreign operation, which includes a disposal of the Group's entire interest in a foreign operation and a disposal involving the loss of control over a subsidiary that includes a foreign operation, the cumulative amount of the exchange differences relating to the foreign operation that is recognised in other comprehensive income and accumulated in the separate component of equity is reclassified from equity to profit or loss when the gain or loss on disposal is recognised; and
- on the partial disposal of the Group's interest in a subsidiary that includes a foreign operation which does not result in the Group losing control over the subsidiary, the proportionate share of the cumulative amount of the exchange differences recognised in the separate component of equity is re-attributed to the non-controlling interests in that foreign operation and are not reclassified to profit or loss.
- On all other partial disposals, which includes partial disposal of associates or joint ventures that do not result in the Group losing significant influence or joint control, the proportionate share of the cumulative amount of exchange differences recognised in the separate component of equity is reclassified to profit or loss.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted average cost method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period of the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

### Impairment of other assets

At the end of each reporting period, the Group reviews internal and external sources of information to assess whether there is any indication that the Group's property, plant and equipment (included right-of-use assets), intangible assets and the Company's investments in subsidiaries and associates may be impaired or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs of disposal and value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e., cash-generating unit).

If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as an expense in profit or loss immediately.

A reversal of impairment loss is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior periods. Reversal of impairment loss is recognised as income in profit or loss immediately.

### Borrowing costs

Borrowing costs incurred, net of any investment income on the temporary investment of the specific borrowings, that are directly attributable to the acquisition, construction or production of qualifying assets, i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is credited to a deferred income account/recognised as a deduction from the carrying amount of the relevant asset and is released to profit or loss over the expected useful life of the relevant assets by equal annual instalments.

### Leases

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

### *The Group as lessor*

The Group classifies each of its leases as either a finance lease or an operating lease at the inception date of the lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset. All other leases are classified as operating leases.

The Group accounts for each lease component within a lease contract as a lease separately from non-lease components of the contract. The Group allocates the consideration in the contract to each lease component on a relative stand-alone price basis.

### *The Group as lessor – operating lease*

The Group applies the derecognition and impairment requirements in IFRS 9 to the operating lease receivables.

A modification to an operating lease is accounted for as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

The Group's rental income from operating lease is recognised to profit or loss on a straight-line basis over the term of the relevant lease.

### *The Group as lessee*

The Group leases various properties. Rental contracts are typically made for fixed periods of one to two years. The lease agreements do not impose any covenants and the lease terms are negotiated on an individual basis with a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may be used as security for borrowing purposes.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Leases (Continued)

#### *The Group as lessee (Continued)*

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

The Group has elected not to separate non-lease components from lease components, and accounts for each lease component and any associated non-lease components as a single lease component.

The Group accounts for each lease component within a lease contract as a lease separately. The Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component.

Amounts payable by the Group that do not give rise to a separate component are considered to be part of the total consideration that is allocated to the separately identified components of the contract.

Leases are recognised as a right-of-use asset (included in property, plant and equipment) and corresponding liability at the date of which the leased asset is available for use by the Group. Each lease payment is discounted using the interest rate implicit in the lease, or where it is not readily determinable, the incremental borrowing rate of the lessee and allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The depreciation of the right-of-use asset is provided to write off the cost less accumulated impairment losses over the shorter of the asset's useful lives and the unexpired term of lease on a straight-line basis (Unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option).

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments that are not paid:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease if the lease term reflects the Group exercising an option to terminate the lease.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Leases (Continued)

#### *The Group as lessee (Continued)*

Right-of-use assets are measured at cost comprising the followings:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentive received;
- any initial direct costs; and
- restoration costs unless those costs are incurred to produce inventories.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis over the lease term as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office furniture with individual value below RM20,000.

### Employee benefits

#### *Short term employee benefits*

Salaries, annual bonuses, paid annual leave and the cost of non-monetary benefits are accrued in the period in which the associated services are rendered by employees.

#### *Defined contribution plans*

The obligations for contributions to defined contribution retirement scheme are recognised as an expense in profit or loss as incurred. The assets of the scheme are held separately from those of the Group in an independently administered fund.

In accordance with the statutory requirements prescribed by the relevant Malaysian laws and regulations, the Group's entities established in Malaysia are required to contribute certain percentage range from 4%–13% of payroll costs to Employees Provident Fund, which is a federal statutory body managing the retirement benefits for the employees in Malaysia.

For the Group's entities established in Singapore, as required by the relevant laws and regulations in Singapore, the maximum contributions by the Group's entities for each of the employee are fixed at Singapore dollar (“S\$”) 1,258 (equivalent to approximately RM4,050) per month for monthly salaries to Central Provident Fund, which is a local fund in Singapore. These employees are also required to contribute 20% of their gross salaries and bonus, if applicable, to the Central Provident Fund.

The Group's entities in Malaysia and Singapore participate in defined contribution schemes managed by the respective local governments in these countries. The Group has no further payment obligations once the contributions have been paid.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Employee benefits (Continued)

#### Defined contribution plans (Continued)

During the years ended 31 December 2025 and 2024, there were no contributions forfeited by the Group on behalf of its employees who leave the plan prior to vesting fully in such contribution, nor had there been any utilisation of such forfeited contributions to reduce future contributions. At 31 December 2025 and 2024, no forfeited contributions were available for utilisation by the Group's entities to reduce the existing level of contributions.

### Taxation

The charge for current income tax is based on the results for the period as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of each reporting period.

Deferred tax is provided, using the liability method, on all temporary differences at the end of each reporting period between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, any deferred tax arising from initial recognition of goodwill; or other asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss is not recognised.

The deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

### Related parties

A related party is a person or entity that is related to the Group:

- (a) A person or a close member of that person's family is related to the Group if that person:
  - (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of the key management personnel of the Group or of a holding company of the Group.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Related parties (Continued)

- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each holding company, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
  - (vi) The entity is controlled or jointly controlled by a person identified in (a).
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a holding company of the entity).
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to a holding company of the Group.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

### Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to Group's most senior executive management for the purpose of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Segment reporting (Continued)

Individual material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

### Critical accounting estimates and judgements

Estimates and assumptions concerning the future and judgements are made by the management in the preparation of the consolidated financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Where appropriate, revisions to accounting estimates are recognised in the period of revision and future periods, in case the revision also affects future periods.

Key sources of estimation uncertainty:

#### **(i) Useful lives of property, plant and equipment (including right-of-use assets) and intangible assets**

The Group's management determines the estimated useful lives of the Group's property, plant and equipment and intangible assets based on the historical experience of the actual useful lives of the relevant assets of similar nature and functions. The estimated useful lives could be different as a result of technical innovations which could affect the related depreciation and amortisation charges included in profit or loss.

#### **(ii) Impairment of property, plant and equipment (including right-of-use assets) and intangible assets**

The Group's management determines whether the Group's property, plant and equipment and intangible assets are impaired when an indication of impairment exists. This requires an estimation of the recoverable amount of the property, plant and equipment and intangible assets, which is equal to the higher of fair value less costs of disposal and value in use. Estimating the value in use requires the Group's management to make an estimate of the expected future cash flows from the property, plant and equipment and intangible assets and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Any impairment will be charged to profit or loss.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Critical accounting estimates and judgements (Continued)

#### *(iii) Allowance for inventories*

The Group's management reviews the inventory ageing analysis periodically and makes allowances for inventories that are identified as obsolete, slow-moving or no longer recoverable or suitable for use in production. The Group carries out the inventory review on a product-by-product basis and makes allowances at the end of each reporting period by reference to management's estimation of the net realisable value based on the latest market prices and current market conditions.

#### *(iv) Loss allowance for ECL*

The Group's management estimates the loss allowance for trade and other receivables by using various inputs and assumptions including risk of a default and expected loss rate. The estimation involves high degree of uncertainty which is based on the Group's historical information, existing market conditions as well as forward-looking estimates at the end of each reporting period. Where the expectation is different from the original estimate, such difference will impact the carrying amount of trade and other receivables.

#### *(v) Income taxes*

The Group is subject to income taxes in several jurisdictions. Significant estimates are required in determining the provision for income taxes and deferred taxation. There are transactions and calculations for which the ultimate tax determination is uncertain where the final tax outcome of these matters may be different from the amounts that were initially recorded and such differences will affect the income tax and deferred tax provision in the period in which such determination is made.

#### *(vi) Impairment assessment of investment in associates*

If circumstances indicate that the carrying amount of investment in associates may not be recoverable, the asset may be considered "impaired", and an impairment loss may be recognised in accordance with accounting policy for impairment of other assets as adopted by the Group.

The recoverable amount is the greater of the fair value less costs of disposal and value-in-use. In determining the fair values which were derived under market approach using the enterprise value-to-sales ratio, of the comparable companies based on the comparability of the overall industry sector in the public. The Group uses all readily available information in determining an amount that is a reasonable approximation of the recoverable amount, including estimates based on reasonable and supportable assumptions. Changes in these judgements and estimates could have a significant impact on the recoverable amount of the investment in associates and could result in an additional impairment charge or reversal of impairment in future periods.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Future changes in IFRS Accounting Standards

At the date of approving these consolidated financial statements, the IASB has issued the following new/ revised IFRS Accounting Standards that are not yet effective for the current period, which the Group has not early adopted.

Amendments to IFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>[1]</sup>
Annual Improvements to IFRS Accounting Standards	Volume 11 <sup>[1]</sup>
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity <sup>[1]</sup>
IFRS 18	Presentation and Disclosure in Financial Statements <sup>[2]</sup>
IFRS 19	Subsidiaries without Public Accountability: Disclosures <sup>[2]</sup>
Amendments to IAS 21	Translation to Hyperinflationary Presentation Currency <sup>[2]</sup>
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>[3]</sup>

<sup>[1]</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>[2]</sup> Effective for annual periods beginning on or after 1 January 2027

<sup>[3]</sup> The effective date to be determined

### IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 replaces IAS 1 Presentation of Financial Statements. IFRS 18 retains numbers of requirements of IAS 1 and introduces the following new key requirements:

- a. presentation of new defined subtotals in the statement of profit or loss and other comprehensive income, i.e. operating profit and profit before financing and income taxes, and classifications of income and expenses into operating, investing, financing, income taxes and discontinued operations in the statement of profit or loss and other comprehensive income, with some modifications for companies with specific business activities, e.g. banks, insurers and investment property companies;
- b. identification of management-defined performance measures (MPMs) which are defined as subtotals of income and expenses used in public communications outside financial statements to communicate management's view of an aspect of the financial performance for the company as a whole and are not listed or required by IFRS Accounting Standards and disclosures about MPMs in a single note to the financial statements; and
- c. enhanced requirements for grouping (aggregation and disaggregation) of information in the primary financial statements and information disclosed in the notes to the financial statements.

Except for IFRS 18, the directors of the Company anticipate that the application of these amendments to IFRS Accounting Standards will have no material impact on the Group's consolidated financial statements in the foreseeable future.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 3. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being identified as the chief operating decision makers (“**CODM**”), for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered. No operating segments identified by the CODM have been aggregated in arriving at the reportable operating segments of the Group.

Specifically, the Group’s reportable and operating segments are as follows:

- 1) Wholesaling of imprintable apparel and gift products.
- 2) Manufacturing of imprintable apparel.

### Segment revenue and results

The accounting policies of the operating segments are the same as the Group’s accounting policies described in Note 2.

Segment revenue represents revenue derived from wholesaling of imprintable apparel and gift products and manufacturing of imprintable apparel.

Segment results represent the gross profit reported by each segment. This is the measure reported to the CODM of the Group for the purposes of resource allocation and performance assessment.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 3. SEGMENT INFORMATION (CONTINUED)

### Segment revenue and results (Continued)

The segment information provided to the CODM of the Group for the reportable operating segments is as follows:

	Wholesaling RM'000	Manufacturing RM'000	Total RM'000
<b>Year ended 31 December 2025</b>			
Segment revenue	177,129	15,952	193,081
Segment cost of sales	(120,954)	(10,277)	(131,231)
<b>Segment results</b>	<b>56,175</b>	<b>5,675</b>	<b>61,850</b>
Other income			2,798
Selling and distribution expenses			(10,537)
Administrative and other operating expenses			(26,001)
Reversal of impairment loss of trade receivables, net			388
Share of results of associates			46
Impairment loss of investment in associates			(18,659)
Finance costs			(168)
Profit before tax			9,717
Income tax expenses			(8,424)
Profit for the year			1,293
<i>Other information</i>			
Depreciation	(3,093)	(60)	(3,153)
Amortisation	(322)	–	(322)
Provision for write-down of inventories, net	(927)	–	(927)
Reversal of impairment loss of trade receivables, net	388	–	388

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 3. SEGMENT INFORMATION (CONTINUED)

### Segment revenue and results (Continued)

	Wholesaling RM'000	Manufacturing RM'000	Total RM'000
<b>Year ended 31 December 2024</b>			
Segment revenue	184,448	16,481	200,929
Segment cost of sales	(127,324)	(11,003)	(138,327)
<b>Segment results</b>	<b>57,124</b>	<b>5,478</b>	<b>62,602</b>
Other income			2,420
Selling and distribution expenses			(9,720)
Administrative and other operating expenses			(25,303)
Reversal of impairment loss of trade receivables, net			192
Share of results of associates			2,536
Finance costs			(74)
Profit before tax			32,653
Income tax expenses			(8,413)
Profit for the year			24,240
<i>Other information</i>			
Depreciation	(2,480)	(60)	(2,540)
Amortisation	(343)	–	(343)
Provision for write-down of inventories, net	(1,004)	–	(1,004)
Reversal of impairment loss of trade receivables, net	192	–	192

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 3. SEGMENT INFORMATION (CONTINUED)

### Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

	Wholesaling RM'000	Manufacturing RM'000	Unallocated RM'000	Total RM'000
<b><u>At 31 December 2025</u></b>				
<b>Assets</b>				
Reportable segment assets	<u>79,973</u>	<u>4,275</u>	<u>178,015</u>	<u>262,263</u>
<b>Liabilities</b>				
Reportable segment liabilities	<u>7,340</u>	<u>1,394</u>	<u>30,822</u>	<u>39,556</u>
<b>Other information</b>				
Capital expenditures	<u>4,310</u>	<u>690</u>	<u>–</u>	<u>5,000</u>

	Wholesaling RM'000	Manufacturing RM'000	Unallocated RM'000	Total RM'000
<b><u>At 31 December 2024</u></b>				
<b>Assets</b>				
Reportable segment assets	<u>79,039</u>	<u>3,627</u>	<u>179,032</u>	<u>261,698</u>
<b>Liabilities</b>				
Reportable segment liabilities	<u>7,513</u>	<u>1,127</u>	<u>33,498</u>	<u>42,138</u>
<b>Other information</b>				
Capital expenditures	<u>2,352</u>	<u>110</u>	<u>–</u>	<u>2,462</u>

For the purposes of monitoring segment performance and allocating resources between segments:

- segment assets include property, plant and equipment, inventories and certain trade and other receivables. Other assets are not allocated to operating segments as these assets are managed on a corporate basis; and
- segment liabilities include certain trade and other payables. Other liabilities are not allocated to operating segments as these liabilities are managed on a corporate basis.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 3. SEGMENT INFORMATION (CONTINUED)

### Geographical information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment and intangible assets (the "Specified Non-current Assets"). The geographical location of the revenue is presented based on the entity's countries of domicile for the provision of imprintable apparel and gift products. The geographical location of the Specified Non-current Assets is presented based on the location of the assets.

#### (a) Location of revenue

	Wholesaling RM'000	Manufacturing RM'000	Total RM'000
<b>Year ended 31 December 2025</b>			
Malaysia	151,982	12,128	164,110
Singapore	25,147	3,824	28,971
	<u>177,129</u>	<u>15,952</u>	<u>193,081</u>
<b>Year ended 31 December 2024</b>			
Malaysia	155,274	11,546	166,820
Singapore	29,174	4,935	34,109
	<u>184,448</u>	<u>16,481</u>	<u>200,929</u>

#### (b) Location of the Specified Non-current Assets

	2025 RM'000	2024 RM'000
Malaysia	55,819	54,584
Singapore	352	576
	<u>56,171</u>	<u>55,160</u>

### Information about major customers

The Group's revenue from any single external customer did not contribute 10% or more of the total revenue of the Group during the reporting periods.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 4. REVENUE

	2025 RM'000	2024 RM'000
<b>Revenue from contracts with customers within IFRS 15 – at a point in time</b>		
Wholesaling		
– Imprintable apparel	134,354	143,808
– Gift products	42,775	40,640
Manufacturing	15,952	16,481
	<b>193,081</b>	<b>200,929</b>

## 5. OTHER INCOME

	2025 RM'000	2024 RM'000
Interest income	1,749	1,986
Exchange gain, net	431	–
Government grants (Note)	61	108
Rental income	137	87
Net fair value gain on financial assets at FVPL	80	–
Gain on disposal of property, plant and equipment	140	76
Sundry income	200	163
	<b>2,798</b>	<b>2,420</b>

Note:

During the years ended 31 December 2025 and 2024, government grants primarily consist of subsidy for transitional wage support for employers in Singapore.

There was no unfulfilled condition or contingency relating to the government grants.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 6. PROFIT BEFORE TAX

This is stated after (crediting) charging:

	2025 RM'000	2024 RM'000
<b>Finance costs</b>		
Interest on interest-bearing borrowings	10	9
Interest on lease liabilities	158	65
	<u>168</u>	<u>74</u>
<b>Staff costs (including directors' emoluments)</b>		
Salaries, discretionary bonus, allowances and other benefits in kind	29,700	27,691
Contributions to defined contribution plans	3,036	3,007
	<u>32,736</u>	<u>30,698</u>

	2025 RM'000	2024 RM'000
<b>Other items</b>		
Cost of inventories sold (Note i)	131,231	138,327
Auditor's remuneration		
– Audit services	912	971
– Non-audit services	161	114
Amortisation (charged to “administrative and other operating expenses”)	322	343
Depreciation (charged to “cost of sales” and “administrative and other operating expenses”, as appropriate)	3,153	2,540
Exchange (gain) loss, net	(431)	1,874
Lease payments on premises recognised as short-term lease	32	243
Gain on disposal of property, plant and equipment	(140)	(76)
Net fair value (gain) loss on financial assets at FVPL	(80)	130
Provision for write-down of inventories, net (included in cost of inventories sold)	927	1,004
	<u>927</u>	<u>1,004</u>

Note (i): During the year ended 31 December 2025, cost of inventories sold included approximately RM9,681,000 (2024: RM9,246,000) relating to the aggregate amount of certain staff costs and depreciation of property, plant and equipment, which were included in the respective amounts as disclosed above.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 7. DIRECTORS' REMUNERATION

The aggregate amounts of remuneration received and receivable by the directors of the Company are set out below.

### Year ended 31 December 2025

	Directors' fees RM'000	Salaries, allowances and benefits in kind RM'000	Discretionary bonus RM'000	Contributions to defined contribution plans RM'000	Total RM'000
<i>Executive directors</i>					
Dato' Tan Meng Seng	-	1,283	880	205	2,368
Dato' Tan Mein Kwang	-	1,242	840	251	2,333
Mr. Tan Beng Sen	-	1,242	875	251	2,368
Ms. Hou Yanli	-	322	-	-	322
Datin Kong Siew Peng	-	494	206	80	780
<i>Independent non-executive directors</i>					
Mr. Au Wing Yuen	97	-	-	-	97
Ms. Chui Sin Heng	97	-	-	-	97
Mr. Yu Cheeric	97	-	-	-	97
	<u>291</u>	<u>4,583</u>	<u>2,801</u>	<u>787</u>	<u>8,462</u>

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 7. DIRECTORS' REMUNERATION (CONTINUED)

Year ended 31 December 2024

	Directors' fees RM'000	Salaries, allowances and benefits in kind RM'000	Discretionary bonus RM'000	Contributions to defined contribution plans RM'000	Total RM'000
<i>Executive directors</i>					
Dato' Tan Meng Seng	–	784	904	211	1,899
Dato' Tan Mein Kwang	–	751	840	169	1,760
Mr. Tan Beng Sen	–	751	840	169	1,760
Ms. Hou Yanli	–	343	–	–	343
Datin Kong Siew Peng	–	521	214	101	836
<i>Independent non-executive directors</i>					
Mr. Au Wing Yuen	103	–	–	–	103
Ms. Chui Sin Heng	103	–	–	–	103
Mr. Yu Cheeric	103	–	–	–	103
	<u>309</u>	<u>3,150</u>	<u>2,798</u>	<u>650</u>	<u>6,907</u>

During the years ended 31 December 2025 and 2024, no remuneration was paid by the Group to any of these directors as an inducement to join or upon joining the Group, or as a compensation for loss of office. There was no arrangement under which a director waived or agreed to waive any emoluments during the years ended 31 December 2025 and 2024.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 8. FIVE HIGHEST PAID INDIVIDUALS

An analysis of the five highest paid individuals during the years ended 31 December 2025 and 2024 is as follows:

	Number of individuals	
	2025	2024
Director	4	4
Non-director	1	1
	<u>5</u>	<u>5</u>

Details of the remuneration of the above highest paid non-director individuals are as follows:

	2025	2024
	RM'000	RM'000
Salaries, allowances and other benefits in kind	507	689
Discretionary bonus	83	75
Contributions to defined contribution plans	36	33
	<u>626</u>	<u>797</u>

The number of the non-director individual whose emoluments fell within the following emoluments band is as follows:

	2025	2024
HK\$1,000,001 to HK\$1,500,000	<u>1</u>	<u>1</u>

During the years ended 31 December 2025 and 2024, no remuneration was paid by the Group to the highest paid non-director individual as an inducement to join or upon joining the Group, or as a compensation for loss of office. There was no arrangement under which any of the highest paid non-director individual waived or has agreed to waive any emoluments during the years ended 31 December 2025 and 2024.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 9. TAXATION

	2025 RM'000	2024 RM'000
<b>Current tax</b>		
<i>Malaysia corporate income tax</i>		
Current year	7,693	8,111
Under (Over)-provision in prior year	654	(428)
	<u>8,347</u>	<u>7,683</u>
<i>Singapore corporate income tax</i>		
Current year	469	937
Over-provision in prior year	(124)	(29)
	<u>345</u>	<u>908</u>
	<u>8,692</u>	<u>8,591</u>
<b>Deferred tax</b> (Note 25)		
Changes in temporary differences	(268)	(178)
	<u>8,424</u>	<u>8,413</u>

No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising in or derived from Hong Kong for the reporting periods.

The group entities established in the Cayman Islands and the BVI are exempted from corporate income tax ("CIT") therein.

For the years ended 31 December 2025 and 2024, Malaysia CIT is calculated at 24% of the estimated assessable profits. Malaysia incorporated entities with paid-up capital of RM2.5 million or less and having gross business income of not more than RM50 million enjoy tax rate of 15% on the first RM150,000 and 17% on the next RM450,000 of the estimated assessable profits and remaining balance at tax rate of 24%.

For the years ended 31 December 2025 and 2024, Singapore CIT is calculated at 17% of the assessable profits. The Group's entities incorporated in Singapore can also enjoy 75% tax exemption on the first S\$10,000 of normal chargeable income and a further 50% tax exemption on the next S\$190,000 of normal chargeable income for the years ended 31 December 2025 and 2024.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 9. TAXATION (CONTINUED)

### Reconciliation of income tax expenses

	2025 RM'000	2024 RM'000
Profit before tax	9,717	32,653
Income tax at statutory tax rate applicable in respective territories	2,078	7,646
Non-deductible expenses	5,928	1,341
Tax concessions	(112)	(117)
Under (Over)-provision in prior year	530	(457)
Income tax expenses	8,424	8,413

## 10. (LOSSES) EARNINGS PER SHARE

The calculation of basic and diluted (losses) earnings per share attributable to owners of the Company is based on the following information:

	2025 RM'000	2024 RM'000
(Loss) Profit for the year attributable to owners of the Company, used in basic and diluted (losses) earnings per share calculation	(707)	22,407
	'000	'000
Weighted average number of ordinary shares for basic and diluted (losses) earnings per share calculation	628,000	628,000

Diluted (losses) earnings per share are same as the basic (losses) earnings per share as there are no potential dilutive ordinary shares in existence for the years ended 31 December 2025 and 2024.

## 11. DIVIDEND

The directors of the Company did not recommend payment of any dividend for the years ended 31 December 2025 and 2024.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 12. SUBSIDIARIES

Details of the subsidiaries at the end of each reporting period are as follows:

Name of subsidiary	Place of incorporation/ establishment	Date of incorporation/ establishment	Issued/Paid up capital	Attributable equity interest held by the Company	Principal activities/ place of operation
<i>Directly held</i>					
Oren Holdings Limited ("Oren Holdings")	The BVI	19 December 2018	United States Dollars ("US\$") 3	100% (2024: 100%)	Investment holding/The BVI
MyGift Holdings Limited ("MyGift Holdings")	The BVI	19 December 2018	US\$3	100% (2024: 100%)	Investment holding/The BVI
China MBV Holdings Limited ("MBV China")	The BVI	1 November 2024	US\$3	100% (2024: 100%)	Investment holding/The BVI
MBV (HK) Limited ("MBV (HK)")	Hong Kong	12 October 2018	HK\$300	100% (2024: 100%)	Investment holding/Hong Kong
<i>Indirectly held</i>					
Oren Land Sdn. Bhd.	Malaysia	31 March 2024	RM3	100% (2024:100%)	Investment holding/ Malaysia
Oren Sport (Cheras) Sdn. Bhd.	Malaysia	6 April 2007	RM3	100% (2024: 100%)	Wholesale of garments/ Malaysia
Oren Sport (Kepong) Sdn. Bhd.	Malaysia	13 July 2006	RM100	100% (2024: 100%)	Wholesale of garments/ Malaysia
Oren Sport (Klang) Sdn. Bhd.	Malaysia	24 November 2006	RM150,000	100% (2024: 100%)	Wholesale of garments/ Malaysia
Oren Sport (PJ) Sdn. Bhd.	Malaysia	7 January 2010	RM250,000	100% (2024: 100%)	Wholesale of garments/ Malaysia
Oren Sport (S) Pte. Ltd.	Singapore	9 July 1977	S\$300,003	100% (2024: 100%)	Import, sale and distribution of uniforms, apparels, souvenirs and gifts/ Singapore
Oren Sport Sdn. Bhd.	Malaysia	23 October 2008	RM500,000	100% (2024: 100%)	Wholesale of garments/ Malaysia
MyGift Universal Sdn. Bhd. ("MyGift")	Malaysia	23 May 2007	RM100,000	70% (2024: 70%)	Wholesale of gifts, articles and related products of souvenirs, clothes and garments/Malaysia
A-Vision Apparel (S) Pte. Ltd.	Singapore	25 May 2007	S\$100,000	100% (2024: 100%)	Sales and distribution of uniforms, apparels, souvenirs and gifts/ Singapore
Excel MBV Sdn. Bhd.	Malaysia	24 November 2014	RM100,000	100% (2024: 100%)	Wholesale of garments/ Malaysia
UB Apparel (M) Sdn. Bhd.	Malaysia	14 May 2002	RM200,000	100% (2024: 100%)	Wholesale of garments/ Malaysia
UB Uniform Marketing (M) Sdn. Bhd.	Malaysia	2 June 2005	RM300,000	100% (2024: 100%)	Sale of clothes/Malaysia

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 13. PROPERTY, PLANT AND EQUIPMENT

	Right-of-use assets	Freehold land	Buildings	Leasehold improvements	Plant and machinery, furniture, fixtures and office equipment	Motor vehicles	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Reconciliation of carrying amount – year ended 31 December 2024							
At 1 January 2024	822	38,430	11,218	429	803	3,176	54,878
Additions	1,506	–	–	170	216	570	2,462
Disposals	–	–	–	–	(18)	(272)	(290)
Depreciation	(918)	–	(273)	(142)	(332)	(875)	(2,540)
Exchange realignments	5	–	–	–	1	–	6
<b>At 31 December 2024</b>	<b>1,415</b>	<b>38,430</b>	<b>10,945</b>	<b>457</b>	<b>670</b>	<b>2,599</b>	<b>54,516</b>
Reconciliation of carrying amount – year ended 31 December 2025							
At 1 January 2025	1,415	38,430	10,945	457	670	2,599	54,516
Additions	2,080	–	–	359	207	2,354	5,000
Disposals	–	–	–	–	–	(455)	(455)
Depreciation	(1,533)	–	(270)	(185)	(251)	(914)	(3,153)
Exchange realignments	(14)	–	–	–	(2)	–	(16)
<b>At 31 December 2025</b>	<b>1,948</b>	<b>38,430</b>	<b>10,675</b>	<b>631</b>	<b>624</b>	<b>3,584</b>	<b>55,892</b>
At 31 December 2024							
Cost	3,827	38,430	14,396	2,249	7,064	6,239	72,205
Accumulated depreciation	(2,412)	–	(3,451)	(1,792)	(6,394)	(3,640)	(17,689)
	<b>1,415</b>	<b>38,430</b>	<b>10,945</b>	<b>457</b>	<b>670</b>	<b>2,599</b>	<b>54,516</b>
At 31 December 2025							
Cost	5,908	38,430	14,396	2,608	7,190	7,549	76,081
Accumulated depreciation	(3,960)	–	(3,721)	(1,977)	(6,566)	(3,965)	(20,189)
	<b>1,948</b>	<b>38,430</b>	<b>10,675</b>	<b>631</b>	<b>624</b>	<b>3,584</b>	<b>55,892</b>

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The carrying amounts of the Group's property, plant and equipment pledged to secure banking facilities (Note 23) and lease liabilities (Note 24) at 31 December 2025 and 2024 are as follows:

	Freehold land RM'000	Buildings RM'000
<i>Pledged to secure banking facilities</i>		
<b>At 31 December 2025</b>	<b>14,175</b>	<b>10,675</b>
At 31 December 2024	14,175	10,945
		Motor vehicles RM'000
<i>Pledged to secure lease liabilities</i>		
<b>At 31 December 2025</b>		<b>–</b>
At 31 December 2024		46

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 14. INTANGIBLE ASSETS

	<b>Software</b> RM'000
<b>Reconciliation of carrying amount – year ended 31 December 2024</b>	
At 1 January 2024	1,004
Amortisation	(343)
Exchange realignments	(17)
	<u>644</u>
At 31 December 2024	<u>644</u>
<b>Reconciliation of carrying amount – year ended 31 December 2025</b>	
At 1 January 2025	644
Amortisation	(322)
Exchange realignments	(43)
	<u>279</u>
<b>At 31 December 2025</b>	<b>279</b>
At 31 December 2024	
Cost	1,680
Accumulated amortisation	(1,036)
	<u>644</u>
At 31 December 2025	
Cost	1,522
Accumulated amortisation	(1,243)
	<u>279</u>

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 15. INVESTMENT IN ASSOCIATES

	2025 RM'000	2024 RM'000
Unlisted shares, at cost	16,076	34,689

Details of the principal associates at the end of the reporting period are as follows:

Name of associates	Principal place of business and place of incorporation	Class of shares held	Proportion of value of issued/ registered capital held by the Company		Principal activities
			Directly	Indirectly	
Lordan Group Ltd. (" <b>Lordan</b> ", together with its subsidiaries, " <b>Lordan Group</b> ")	The Cayman Islands	Ordinary	–	40% (2024: 40%)	Investment holding
China Daren Group Limited (" <b>China Daren</b> ")	Hong Kong	Ordinary	–	40% (2024: 40%)	Investment holding
大仁科技(深圳)有限公司 Daren Technology (Shenzhen) Co., Ltd.* (" <b>Daren Technology</b> ")	The People's Republic of China (the " <b>PRC</b> ")	Paid-up capital	–	40% (2024: 40%)	Investment holding
大人數科(北京)科技集團有限公司 Daren Digital Science (Beijing) Technology Co., Ltd.* (" <b>Daren Digital</b> ")	The PRC	Paid-up capital	–	40% (2024: 40%)	Service provider in digitalisation and e-commerce transformation of physical businesses
北京首科迅達科技有公司 Beijing Shoukexunda Technology Co., Ltd.* (" <b>Shouke Xunda</b> ")	The PRC	Paid-up capital	–	20.4% (2024: 20.4%)	Inactive
宇游國際旅行社(海南經濟特區)有限公司 Yuyou International Travel Agency (Hainan Special Economic Zone) Co., Ltd.* (" <b>Yuyou International</b> ")	The PRC	Paid-up capital	–	40% (2024: 40%)	Travel agency and tour guide services

\* English translation for identification purposes only.

All of the above associates are accounted for using the equity method in the consolidated financial statements.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 15. INVESTMENT IN ASSOCIATES (CONTINUED)

### Relationship with associates

Lordan is an exempted company incorporated in the Cayman Islands with limited liability. It is an investment holding company.

China Daren is a private company incorporated in Hong Kong with limited liability. It is an investment holding company and a wholly owned subsidiary of Lordan.

Daren Technology as a wholly foreign-owned enterprise in the PRC. it is an investment holding company and a wholly owned subsidiary of China Daren.

Daren Digital is a company established in the PRC with limited liability and principally engaged in the business of provision of services in digitalisation and e-commerce transformation of physical businesses in the PRC. Daren Digital is wholly owned by Daren Digital registered shareholders but beneficially owned and controlled by Daren Technology pursuant to certain contractual arrangements signed between Daren Technology and Daren Digital registered shareholders.

Shouke Xunda is a company established in the PRC with limited liability. Shouke Xunda does not have any operations during the financial years ended 31 December 2025 and 2024, it intends to engage in the business of technical development, technical services, e-commerce, supply chain and online marketing services for clients engaged in the upstream supply chain sector in the PRC. Shouke Xunda is a non-wholly owned subsidiary of Daren Digital.

Yuyou International is a company established in the PRC with limited liability and principally engaged in the business of travel agency and tour guide services in the PRC.

### Fair Value of investments

At the end of the reporting period, the Group's associates are private companies and there is no quoted market price available for the investments.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 15. INVESTMENT IN ASSOCIATES (CONTINUED)

### Impairment testing

The Group has engaged an independent professional valuer, Peak Vision Appraisals Limited (“**Peak Vision**”), to perform appraisal of the valuation of the investment in associates for the purpose of impairment assessment. At 31 December 2025 and 2024, based on the valuation report prepared by Peak Vision, the enterprise value of investment in associates was determined based on fair value less cost of disposal (“**FVLCD**”) by the Group’s management.

In determining the FVLCD of the associate, the Group’s has adopted market approach (level 3 fair value measurements). Several companies with business scopes and operations similar to the investment in associates were adopted as comparable companies. The comparable companies were selected mainly with reference to the following selection criteria:

- (i) companies that are actively traded and publicly listed in Hong Kong and the PRC;
- (ii) companies primarily engaged in providing online services, software solutions, and other digitalisation and e-commerce transformation related services to merchants;
- (iii) companies that are loss making;
- (iv) over 70% of the revenue are derived from the provision of e-commerce services and solutions to merchants;
- (v) over 70% of the revenue are generated in the PRC and/or Hong Kong; and
- (vi) shares of the comparable companies are listed for more than 1 year.

Key assumptions used for FVLCD calculations for investment in associates are as follows:

	2025 RM’000	2024 RM’000
Enterprise value (“ <b>EV</b> ”) divided by sales ratio (“ <b>S</b> ”) (“ <b>EV/S</b> ” ratio)	2.40~13.38	0.33~20.23
Discounts for lack of marketability (“ <b>DLOM</b> ”)	20.4%	20.4%

At the end of the reporting period, the Group assessed the recoverable amount of its investment in associates after identifying indicators of impairment arising from the associates’ financial performance. The associates were adversely affected by weaker market demand and intensified competition in their respective industries, which led to a significant decline in revenue.

The directors of the Company are of the opinion that based on the impairment assessment, the recoverable amount of investment in associates was approximately RM16,076,000 which was lower than its then carrying value and impairment loss of approximately RM18,659,000 was recognised for the year ended 31 December 2025. (2024: exceeded carrying value by approximately RM25,834,000 (“**headroom**”), and no impairment on the investment in associates was recognised).

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 15. INVESTMENT IN ASSOCIATES (CONTINUED)

### Impairment testing (Continued)

The following table indicates how the recoverable amount or headroom would have decreased if certain key assumptions used in the FVLCD calculations had changed, assuming all other assumptions remained constant for the years ended 31 December 2025 and 2024:

Recoverable amount would have decreased by	2025 RM'000
If EV/S decreases by 0.5%	87
If DLOM increases by 0.5%	22
<b>Headroom would have decreased by</b>	<b>2024 RM'000</b>
If EV/S decreases by 0.5%	311
If DLOM increases by 0.5%	80

### Financial information of associates

Summarised financial information of Lordan Group is set out below, which represents amounts shown in the associates' financial statements prepared in accordance with IFRS Accounting Standards and adjusted by the Group for equity accounting purposes including any differences in accounting policies and fair value adjustments.

Lordan Group	2025 RM'000	2024 RM'000
<b>Gross amount</b>		
Current assets	27,638	32,943
Non-current assets	14,162	19,919
Current liabilities	(42,051)	(57,153)
Non-controlling interests	(704)	3,220
	<u>(955)</u>	<u>(1,071)</u>
Group's ownership interests	<u>40%</u>	<u>40%</u>
Group's share of equity	(382)	(428)
Goodwill	35,117	35,117
Impairment of investment in associates	(18,659)	–
Carrying amount of the Group's interests	<u>16,076</u>	<u>34,689</u>

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 15. INVESTMENT IN ASSOCIATES (CONTINUED)

### Financial information of associates (Continued)

	2025 RM'000	2024 RM'000
<b>Gross amount</b>		
Revenue	17,524	248,898
Net Profit	115	6,340
Other comprehensive income	–	–
Total comprehensive Income	115	6,340
Group's ownership interests	40%	40%
Group's share of results	46	2,536

On 16 February 2026, the Group and the 2026 Purchaser (as defined in Note 37) entered into a share purchase agreement, pursuant to which, the Group conditionally agreed to sell, and the 2026 Purchaser conditionally agreed to purchase, 20,000 ordinary shares held by the Group, representing 40% of the issued share capital of Lordan, at the consideration of HK\$31,411,000 (equivalent to approximately RM16,076,000). Further details are set out in Note 37.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 16. FINANCIAL ASSETS AT FVPL

	2025 RM'000	2024 RM'000
At fair value		
Listed equity securities (Note i)	–	720
	–	720

Note:

- (i) The amount at 31 December 2024 represented equity securities listed in Malaysia. The fair values of the listed equity securities are determined on the basis of quoted market prices at the end of the reporting period.

The movement of the listed debt securities and listed equity securities are analysed as follows:

	Listed debt securities RM'000	Listed equity securities RM'000	Total RM'000
<b>2025</b>			
At the beginning of the reporting period	–	720	720
Disposals	–	(800)	(800)
Fair value changes recognised in profit or loss	–	80	80
<b>At the end of the reporting period</b>	–	–	–

	Listed debt securities RM'000	Listed equity securities RM'000	Total RM'000
<b>2024</b>			
At the beginning of the reporting period	360	840	1,200
Disposals	(350)	–	(350)
Fair value changes recognised in profit or loss	(10)	(120)	(130)
<b>At the end of the reporting period</b>	–	720	720

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 17. INVENTORIES

	2025 RM'000	2024 RM'000
Raw materials	1,237	992
Work-in-progress	564	318
Finished goods	38,687	35,611
	<u>40,488</u>	<u>36,921</u>

At the end of each reporting period, the ageing analysis of inventories is as follows:

	2025 RM'000	2024 RM'000
Within 30 days	9,941	10,304
31 to 60 days	8,447	8,761
61 to 90 days	7,293	5,137
91 to 120 days	3,242	4,261
121 to 180 days	4,084	5,109
Over 180 days but less than 1 year	7,481	3,349
	<u>40,488</u>	<u>36,921</u>

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 18. TRADE AND OTHER RECEIVABLES

	Note	2025 RM'000	2024 RM'000
<b>Trade receivables</b>			
From a related party	18(a)	205	–
From third parties		8,170	8,101
Less: Loss allowances	32	(517)	(905)
	18(b)	7,858	7,196
<b>Other receivables</b>			
Prepayments		776	617
Deposits paid to suppliers (Note)		2,869	5,940
Other deposits and receivables		619	1,768
		4,264	8,325
		12,122	15,521

Note: The balances at 31 December 2025 and 2024 included payment in advance to certain suppliers for the ordered apparels and gifts products to be delivered, upon completion, to the Group.

### 18(a) Trade receivable from a related party

The trade receivable from a related party is unsecured, interest-free and with normal credit terms up to 60 days.

	2025 RM'000	2024 RM'000
MYSUB Sdn. Bhd. (“ <b>MYSUB</b> ”) (Note)	205	–

Note: At 31 December 2025, close members of the Ultimate Controlling Party have significant influence over MYSUB.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 18. TRADE AND OTHER RECEIVABLES (CONTINUED)

### 18(b) Trade receivables

The ageing of trade receivables, net of loss allowances, based on invoice date at the end of each reporting period is as follows:

	2025 RM'000	2024 RM'000
Within 30 days	6,031	5,858
31 to 60 days	1,498	1,127
61 to 90 days	329	211
	<u>7,858</u>	<u>7,196</u>

At the end of each reporting period, the ageing analysis of the trade receivables, net of loss allowances, by due date is as follows:

	2025 RM'000	2024 RM'000
Not yet due	6,818	6,857
Past due:		
Within 30 days	898	339
31 to 60 days	142	–
	<u>7,858</u>	<u>7,196</u>

The Group normally grants credit terms up to 60 days (2024: up to 60 days) from the date of issuance of invoices.

**18(c)** Information about the Group's exposure to credit risks and loss allowance for trade and other receivables is included in Note 32.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 19. FIXED DEPOSIT WITH A LICENSED BANK

	2025 RM'000	2024 RM'000
Fixed deposit – non-pledged	4,644	106

Fixed deposit at 31 December 2025 and 2024 represented fixed bank deposit with original maturity of more than three months placed in a bank in Malaysia. The fixed interest rate was 3.3% per annum (2024: 3.8% per annum).

The carrying amounts of fixed deposits with a licensed bank are denominated in RM.

The fixed deposit with a licensed bank generally has maturity periods over three months but less than one year and bearing annual interest rates of 3.3% (2024: 3.8%) at 31 December 2025.

## 20. BANK BALANCES AND CASH

Cash at banks earn interest at floating rates based on daily bank deposit rates.

	2025 RM'000	2024 RM'000
Bank balances and cash		
Cash at banks and in hand	78,312	65,726
Fixed deposits (Note)	52,107	50,780
As stated in the consolidated statement of cash flows	130,419	116,506

The carrying amounts of bank balances and cash are denominated in the following currencies:

	2025 RM'000	2024 RM'000
RM	86,630	81,087
S\$	23,737	10,421
HK\$	19,912	24,912
US\$	140	86
	130,419	116,506

Note: The short-term fixed deposits have maturity periods between one month and three months and bear annual interest rates ranging from 1.1% to 3.1% at 31 December 2025 (2024: 2.3% to 3.8%).

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 21. TRADE AND OTHER PAYABLES

	Note	2025 RM'000	2024 RM'000
<b>Trade payables</b>			
To related parties	21(a)	460	418
To third parties		1,091	1,235
	21(b)	1,551	1,653
<b>Other payables</b>			
Salary payables		4,132	4,184
Other accruals and other payables		3,051	2,803
		7,183	6,987
		8,734	8,640

### 21(a) Trade payables to related parties

The trade payables to related parties are unsecured, interest-free and with normal credit terms up to 30 days (2024: Up to 30 days).

	2025 RM'000	2024 RM'000
Forever Silkscreen & Embroidery Sdn. Bhd. ("Forever Silkscreen") (Note)	453	418
MYSUB	7	–
	460	418

Note: At 31 December 2025 and 2024, the Ultimate Controlling Party held 50% equity interests of Forever Silkscreen.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 21. TRADE AND OTHER PAYABLES (CONTINUED)

### 21(b) Trade payables

The trade payables are interest-free and with normal credit terms up to 30 days (2024: up to 30 days).

At the end of each reporting period, the ageing analysis of the trade payables based on invoice date is as follows:

	2025 RM'000	2024 RM'000
Within 30 days	1,102	1,408
31 to 60 days	449	239
61 to 90 days	–	6
	<u>1,551</u>	<u>1,653</u>

## 22. CONSIDERATION PAYABLE

	2025 RM'000	2024 RM'000
At the end of the reporting period	<u>22,176</u>	<u>26,156</u>

On 6 November 2023, the Group and Belcher Ventures Investment Ltd., an independent third party incorporated in the BVI (the “**2023 Vendor**”), entered into a conditional share purchase agreement in relation to the proposed acquisition (the “**2023 Share Purchase Agreement**”). Pursuant to which, the Group conditionally agreed to acquire, and the 2023 Vendor conditionally agreed to sell 20,000 shares in Lordan held by the 2023 Vendor, representing 40% of the issued share capital of Lordan at the consideration of HK\$57,218,250 (equivalent to approximately RM34,139,000). All the conditions precedent set out in the Share Purchase Agreement have been fulfilled and the completion took place on 29 November 2023. Upon Completion, the Group holds 40% of the issued share capital of Lordan, and it had become an associate of the Group.

In connection with the acquisition of Lordan and its subsidiaries during the year ended 31 December 2023, the total consideration of HK\$57,218,250 (equivalent to approximately RM34,139,000) shall be settled by the Group in cash, initial cash consideration of HK\$5,000,000 (equivalent to approximately RM2,983,000) was paid during the year ended 31 December 2023 and the Group shall pay HK\$52,218,250 (equivalent to approximately RM31,156,000), being the balance of the consideration to the Vendor on or before 30 April 2024.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 22. CONSIDERATION PAYABLE (CONTINUED)

During the year ended 31 December 2024, the Group has partially settled HK\$8,500,000 (equivalent to approximately RM5,000,000) to the 2023 Vendor. The remaining balance of the consideration of HK\$43,718,250 (equivalent to approximately RM26,156,000), was mutually agreed by the Group and the 2023 Vendor to extend the settlement on or before 31 March 2025.

During the year ended 31 December 2025, the remaining balance of the consideration of HK\$43,718,250 (equivalent to approximately RM22,176,000) was mutually agreed by the Group and the 2023 Vendor to extend the settlement on or before 30 September 2025 and further extended to on or before 30 September 2026.

On 5 February 2026, the 2023 Vendor agreed to waive part of the remaining balance of the consideration amounting to HK\$12,307,250 (equivalent to approximately RM6,100,000). The waiver was granted in recognition of the operational and managerial support the Group has extended to the associates since the acquisition. Accordingly, the remaining balance of the consideration amounted to HK\$31,411,000 (equivalent to approximately RM16,076,000) at the date of the waiver.

## 23. INTEREST-BEARING BORROWINGS

The secured bank borrowings are repayable ranging from within one year to over five years since their inception. At 31 December 2025, the secured bank borrowings carried weighted average effective interest rate of approximately 0.22% per annum (2024: 0.17% per annum).

At the end of each reporting period, details of the interest-bearing borrowings of the Group are as follows:

	2025 RM'000	2024 RM'000
Secured bank borrowings		
– Current portion	771	977
– Non-current portion	3,439	3,944
	<u>4,210</u>	<u>4,921</u>
Carrying amounts of the above borrowings are repayable:		
Within one year	771	977
More than one year, but not exceeding two years	659	687
More than two years, but not exceeding five years	1,109	1,484
Over five years	1,671	1,773
	<u>4,210</u>	<u>4,921</u>
Less: Amounts shown under current liabilities	(771)	(977)
Amounts shown under non-current liabilities	<u>3,439</u>	<u>3,944</u>

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 23. INTEREST-BEARING BORROWINGS (CONTINUED)

The interest-bearing borrowings are secured by:

- (i) guarantees provided by the Company; and
- (ii) certain property, plant and equipment with aggregate net carrying amount of approximately RM24,850,000 (2024:RM25,120,000), as set out in Note 13.

All the banking facilities are subject to the fulfilment of covenants, as is commonly found in lending arrangements with financial institutions. If the subsidiaries were to breach the covenants, the drawn-down facilities would become repayable on demand. At 31 December 2025, none (2024: none) of the covenants relating to drawn down facilities had been breached.

## 24. LEASE LIABILITIES

	2025 RM'000	2024 RM'000
<b>Right-of-use assets (Note 13)</b>		
Motor vehicles	–	46
Leased properties	1,948	1,369
	<u>1,948</u>	<u>1,415</u>

	2025 RM'000	2024 RM'000
<b>Depreciation charge of right-of-use assets</b>		
Motor vehicles	46	21
Leased properties	1,487	897
	<u>1,533</u>	<u>918</u>

The lease contracts of leased properties contain extension or termination options. These options aim to provide flexibility for the Group in managing the leased assets. The extension option of the leased properties is normally exercised because the Group does not want to incur additional costs, such as leasehold improvements, while exercising the termination option is normally unusual unless the Group could replace the leased properties without significant cost or acquisition of a new property. The Group seldom exercises options that were not included in the lease liabilities. During the year ended 31 December 2025, all lease contracts for leased properties contain an extension or termination option, in which the total lease payment made amounted to approximately RM1,649,000 (2024: RM1,246,000), representing the total cash outflows for lease during the reporting period.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 24. LEASE LIABILITIES (CONTINUED)

Most of the leases impose a restriction that, unless approval is obtained from the lessor, the right-of-use asset can only be used by the Group, and the Group is prohibited from selling or pledging the underlying assets. The Group is also required to keep those leased assets in a good state of repair and return the leased assets in their original condition at the end of the lease.

At 31 December 2025 and 2024, the Group has no commitment to lease contracts in relation to leased properties that have not yet commenced.

At 31 December 2025, the Group was committed to short-term leases or low-value asset leases of approximately RM59,000 (2024: RM43,000).

During the years ended 31 December 2025 and 2024, no lease contract contains variable lease payment terms.

	2025 RM'000	2024 RM'000
<b>Lease liabilities</b>		
Current	1,277	777
Non-current	709	603
	<u>1,986</u>	<u>1,380</u>

Commitments and present value of lease liabilities:

	Lease payments		Present value of lease payments	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Amounts payable:				
Within one year	1,395	803	1,303	777
From one year to two years	685	512	663	455
From three years to five years	21	174	20	148
	<u>2,101</u>	1,489	<u>1,986</u>	1,380
Less: future finance charges	(115)	(109)	–	–
Total lease liabilities	<u>1,986</u>	<u>1,380</u>	<u>1,986</u>	<u>1,380</u>

The lease liabilities were secured by certain motor vehicles with aggregate net carrying amount of approximately RM46,000 at 31 December 2024, as set out in Note 13.

At 31 December 2025, the weighted average effective interest rates of the lease liabilities of the Group were approximately 6.2% per annum (2024: 6.4% per annum).

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 25. DEFERRED TAX ASSETS

	2025 RM'000	2024 RM'000
At the beginning of the reporting period	2,075	1,897
Credited to profit or loss	268	178
<b>At the end of the reporting period</b>	<b>2,343</b>	<b>2,075</b>

The movements in the Group's deferred tax assets (liabilities) for the reporting periods were as follows:

	Impairment/ write-down of assets RM'000	Accelerated tax depreciation RM'000	Total RM'000
At 1 January 2024	2,248	(351)	1,897
Income tax credit (expense)	195	(17)	178
At 31 December 2024	2,443	(368)	2,075
At 1 January 2025	2,443	(368)	2,075
Income tax credit	129	139	268
<b>At 31 December 2025</b>	<b>2,572</b>	<b>(229)</b>	<b>2,343</b>

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 26. SHARE CAPITAL

	Number of shares		Equivalent to RM
	'000	HK\$'000	approximately RM'000

Ordinary shares of HK\$0.01 each

Authorised:

At 1 January 2024, 31 December 2024,  
**1 January 2025 and 31 December 2025**

5,000,000	50,000	25,636
628,000	6,280	3,379

Issued and fully paid:

At 1 January 2024, 31 December 2024,  
**1 January 2025 and 31 December 2025**

## 27. RESERVES

### 27(a) Share premium

Share premium represents the excess of the net proceeds from issuance of the Company's shares over its par value. Under the law of the Cayman Islands and the Company's Articles of Association, it is distributable to the Company's shareholders provided that the Company is able to pay its debts as they fall due in the ordinary course of business.

### 27(b) Capital reserve

The capital reserve represents the aggregate amount of the nominal value of the issued/paid-up capital of the Group's subsidiaries less consideration paid to acquire the relevant interests (if any), after adjusting the issued/paid-up capital held by those attributable to the non-controlling interests prior to the reorganisation for the Listing.

### 27(c) Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of foreign operations for consolidation and the Company's financial statements to the presentation currency.

## 28. SHARE OPTION SCHEME

The Company's share option scheme (the "**Scheme**") was adopted pursuant to the written resolutions of the shareholders passed on 19 May 2020.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 28. SHARE OPTION SCHEME (CONTINUED)

Under the Scheme, the Board of Directors (the “**Board**”) may at its discretion offer to any individual who is an employee of the Group (including directors) or any entity in which the Company holds any equity interest and such other persons (the “**Participants**”) in the sole discretion of the Board, has contributed or will contribute to the Group of the options to subscribe for shares in the Company in accordance with the terms of the Scheme and Chapter 17 of the Listing Rules. The principal purposes of the Scheme are to recognise and acknowledge the contributions made by the Participants, to attract skilled and experienced personnel, to incentivise them to remain with the Company and to motivate them to strive for the future development and expansion of the Group. The Scheme commenced on 19 May 2020 and will end on the day immediately prior to the tenth anniversary thereof.

The number of shares of the Company available for grant under the Share Option Scheme at 1 January 2025 and 31 December 2025 were 62,800,000 and no share option of the Company was granted, exercised, lapsed or cancelled during the years ended 31 December 2025 and 2024.

The maximum number of shares in respect of which options may be granted under the Scheme and any other share option scheme of the Company may not exceed 10% of issued share capital of the Company, or may not exceed a maximum of 30%, should the shareholders renew the 10% limit, from time to time which have been duly allotted and issued. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders’ approval in a general meeting.

Share options granted under the Scheme where applicable to a director, chief executive, substantial shareholder or management shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors (excluding any independent non-executive directors who are the prospective grantees in question). In addition, any share options granted to a substantial shareholder or any independent non-executive director of the Company, or any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the closing price of the Company’s shares at the date of the grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders’ approval in advance in a general meeting.

An option may be exercised in accordance with the terms of the Scheme where applicable at any time during the option period after the option has been granted by the Board. The option period, during which an option may be exercised, is determined by the Board under the Scheme, but may not be later than ten years after the date of the grant of the option. According to the Scheme where applicable, there is no provision requiring a minimum holding period before an option may be exercised. A nominal consideration of HK\$1 is payable on acceptance of the grant of an option under the Scheme where applicable.

The subscription price for the shares subject to options will be a price determined by the Board and notified to each Participant and shall be at least the higher of (i) the closing price of the shares as stated in the Stock Exchange’s daily quotations sheet on the date of grant of the options, which must be a trading day; (ii) the average closing price of the shares as stated in the Stock Exchange’s daily quotations sheets for the five trading days immediately preceding the date of grant of the options; and (iii) the nominal value of a share.

No option has been granted or exercised under the Scheme during the years ended 31 December 2025 and 2024.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 29. NON-CONTROLLING INTERESTS

The following table shows the information relating to MyGift that has material non-controlling interests (“**NCI**”) during the years ended 31 December 2025 and 2024. The summarised financial information represents amounts before inter-company eliminations.

At 31 December 2025, 30% (2024: 30%) of equity interests of MyGift were owned by the non-controlling shareholders.

	2025 RM'000	2024 RM'000
Current assets	31,221	23,944
Non-current assets	463	128
Current liabilities	(2,505)	(1,559)
Net assets	<u>29,179</u>	<u>22,513</u>
Carrying amounts of NCI	<u>8,754</u>	<u>6,754</u>
Revenue and other income	41,645	39,097
Expenses	(34,978)	(32,988)
Profit and total comprehensive income for the year	<u>6,667</u>	<u>6,109</u>
Profit and total comprehensive income for the year attributable to NCI	<u>2,000</u>	<u>1,833</u>
Net cash flows from (used in):		
Operating activities	<u>7,394</u>	<u>3,873</u>
Investing activities	<u>(446)</u>	<u>(21)</u>
Financing activities	<u>(347)</u>	<u>(221)</u>

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 30. RELATED PARTY TRANSACTIONS

In addition to the transactions/information disclosed elsewhere in the consolidated financial statements, further information of the related party transactions for the reporting periods is set out below.

### (a) Related party transactions of the Group:

Name of the related party	Nature of transaction	2025 RM'000	2024 RM'000
Forever Silkscreen	Service costs	(2,408)	(2,348)
MYSUB	Sales of products	337	–
	Service costs	(880)	–

### (b) Remuneration for key management personnel (including directors) of the Group:

	2025 RM'000	2024 RM'000
Salaries, discretionary bonus, allowances and other benefits in kind	8,432	7,030
Contributions to defined contribution plans	882	746
	9,314	7,776

Further details of the directors' remuneration are set out in Note 7.

## 31. ADDITIONAL INFORMATION ON THE CONSOLIDATED STATEMENT OF CASH FLOWS

### (a) Major non-cash transactions

In addition to the information disclosed elsewhere in the consolidated financial statements, the Group had the following major non-cash transactions:

During the year ended 31 December 2025, the Group entered into lease arrangements in respect of leased assets with a total capital value at the inception of leases of approximately RM2,080,000 (2024: RM1,506,000).

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 31. ADDITIONAL INFORMATION ON THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

### (b) Reconciliation of liabilities arising from financing activities

The movements during the years ended 31 December 2025 and 2024 in the Group's liabilities arising from financing activities are as follows:

	At 1 January 2025 RM'000	Net cash outflow RM'000	Non-cash changes Addition of property, plant and equipment RM'000	At 31 December 2025 RM'000
<b>Year ended 31 December 2025</b>				
Interest-bearing borrowings	4,921	(711)	–	4,210
Lease liabilities	1,380	(1,474)	2,080	1,986
<b>Total liabilities from financing activities</b>	<b>6,301</b>	<b>(2,185)</b>	<b>2,080</b>	<b>6,196</b>
	At 1 January 2024 RM'000	Net cash outflow RM'000	Non-cash changes Addition of property, plant and equipment RM'000	At 31 December 2024 RM'000
<b>Year ended 31 December 2024</b>				
Interest-bearing borrowings	5,634	(713)	–	4,921
Lease liabilities	823	(949)	1,506	1,380
<b>Total liabilities from financing activities</b>	<b>6,457</b>	<b>(1,662)</b>	<b>1,506</b>	<b>6,301</b>

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial instruments comprise financial assets at FVPL, trade and other receivables, fixed deposit with a licensed bank, bank balances and cash, trade and other payables, consideration payable, interest-bearing borrowings and lease liabilities. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The Group's management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

### Price risk

The Group is exposed to price risk arising from its listed equity securities which are classified as financial assets at FVPL.

For the year ended 31 December 2024, if the fair value of the listed equity securities has been 5% higher/lower with all other variables held constant, the Group's pre-tax results would increase/decrease by approximately RM36,000 in aggregate.

The sensitivity analysis has been determined assuming that the reasonably changes in the fair value of the listed equity securities had occurred at the end of the reporting period and had been applied to the exposure to price risk in existence at that date. The stated changes represent the Group's management's assessment of reasonably possible changes in the fair value of the listed equity securities over the next 12 months after the end of reporting period.

In the opinion of the Group's management, the sensitivity analysis is unrepresentative of the inherent price risk because the exposure at the end of reporting period does not reflect the exposure during the year ended 31 December 2024.

### Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to the Group's interest-bearing borrowings with floating interest rates of approximately RM4,210,000 at 31 December 2025 (2024: RM4,921,000). The Group currently does not have a policy to hedge against the interest rate risk as the Group's management does not expect any significant interest rate risk at the end of each reporting period.

If interest rates had been 1% higher/lower and all other variables were held constant, the Group's pre-tax results would decrease/increase by approximately RM42,000 (2024: RM49,000) for the year ended 31 December 2025.

The sensitivity analysis above has been determined, assuming that the changes in interest rate had occurred throughout the reporting period and had been applied to the exposure to interest rate risk for the closing balances of interest-bearing borrowings in existence at the end of each reporting period. The stated changes represent management's assessment of a reasonably possible change in interest rates over the next twelve months after the end of the reporting period.

In the opinion of the Group's management, the sensitivity analysis is unrepresentative of the inherent interest rate risk because the exposure at the end of each reporting period does not reflect the exposure during the years ended 31 December 2025 and 2024.

In addition, the Group's financial liabilities measured at amortised cost are considered not to expose to fair value interest rate risk at the end of each reporting period.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### Foreign currency risk

The Group's transactions are mainly denominated in RM and S\$.

Certain financial assets and financial liabilities of the Group are denominated in currencies other than the functional currencies of the respective group entities and therefore exposed to foreign currency risk. The carrying amounts of those financial assets and liabilities are analysed as follows:

	Financial assets		Financial liabilities	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
S\$	32,840	12,593	(1,593)	(2,795)

The following table indicates the approximate change in the Group's pre-tax results if exchange rates of S\$ had changed against the functional currencies of the respective group entities by 10% and all other variables were held constant at the end of each reporting period.

	2025 RM'000	2024 RM'000
+10%	3,125	980
-10%	(3,125)	(980)

The sensitivity analysis has been determined, assuming that the changes in foreign exchange rates had occurred at the end of each reporting period and had been applied to the Group's exposure to currency risk for financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant.

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the end of the next reporting period.

In the opinion of the Group's management, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of each reporting period does not reflect the exposure during the years ended 31 December 2025 and 2024.

# Notes to the Consolidated Financial Statements

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## 32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### Credit risk

The carrying amount of financial assets recognised on the consolidated financial statements, which is net of impairment loss allowances, represents the Group's exposure to credit risk on these financial assets without taking into account the credit enhancements.

	2025 RM'000	2024 RM'000
Trade and other receivables	11,346	14,904
Fixed deposit with a licensed bank	4,644	106
Bank balances and cash	130,419	116,506
	<u>146,409</u>	<u>131,516</u>

### Trade receivables from third parties

The Group trades only with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the Group's management. The Group limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 60 days.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and country in which customers operate also has an influence on credit risk but to a lesser extent. The credit quality of a customer is assessed based on an extensive credit rating and individual credit limit assessment, which is mainly based on the Group's own trading records.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### Credit risk (Continued)

#### Trade receivables from third parties (Continued)

The Group's customer base consists of a wide range of customers and the trade receivables are categorised by common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. The Group applies a simplified approach in calculating ECL for trade receivables and recognises loss allowances based on lifetime ECL at each reporting date and has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The expected loss rate used in the provision matrix is calculated for each category based on actual credit loss experience over the past three years and adjusted for current and forward-looking factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's estimate on future economic conditions over the expected lives of the receivables. Having considered the default risk of trade receivables is not significant for the balances overdue for less than 90 days and it will increase significantly if overdue for more than 90 days upon due for payment, the Group consistently applied 0% and 100% expected credit loss rate on the trade receivables overdue for less than 90 days and over 90 days, respectively, during the reporting period. There was no change in the estimation techniques or significant assumptions made during the years ended 31 December 2025 and 2024.

The information about the exposure to credit risk and ECL for trade receivables using a provision matrix is summarised as follows:

#### At 31 December 2025

##### Group: Risk of non-payment

Past due	Expected loss rate %	Gross carrying amount RM'000	Loss allowance RM'000	Carrying amount RM'000
>90 days	100	517	(517)	–

The group of risk of late-payment has gross carrying amount of approximately RM7,858,000, for which the estimated credit losses are insignificant.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### Credit risk (Continued)

#### Trade receivables from third parties (Continued)

#### At 31 December 2024

Group: Risk of non-payment

Past due	Expected loss rate %	Gross carrying amount RM'000	Loss allowance RM'000	Carrying amount RM'000
>90 days	100	905	(905)	–

The group of risk of late-payment has gross carrying amount of approximately RM7,196,000, for which the estimated credit losses are insignificant.

The Group does not hold any collateral over trade receivables at 31 December 2025 (2024: Nil).

At 31 December 2025, the Group recognised the loss allowance of approximately RM517,000 (2024: RM905,000) on the trade receivables. The movement in the loss allowance for trade receivables during the years ended 31 December 2025 and 2024 is summarised below.

	2025 RM'000	2024 RM'000
Balance at the beginning of the reporting period	905	1,097
Increase in allowance	195	155
Reversal of allowance	(583)	(347)
Balance at the end of the reporting period	517	905

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### Credit risk (Continued)

#### *Trade receivables from third parties (Continued)*

The following significant changes in the gross carrying amounts of trade receivables contributed to the changes in the loss allowance during the during the years ended 31 December 2025 and 2024:

- (a) changes because of financial instruments originated or acquired during the reporting period; and
- (b) changes because of financial instruments that were recovered or derecognised during the report period.

#### *Other receivables*

The Group's management considers that other receivables have low credit risk based on its strong capacity to meet its contractual cash flow obligations in the near term and low risk of default. Impairment on other receivables is measured on 12-month ECL and reflects the short maturities of the exposures.

In estimating the ECL, the Group's management has taken into account the historical actual credit loss experience over the past three years and the financial position of the counterparties, adjusted for forward-looking factors that are specific to the debtors and general economic conditions of the industry in which the counterparties operate, in estimating the probability of default of these financial assets, as well as the loss upon default in each case. The Group's management considers the ECL of other receivables to be insignificant after taking into account the financial position and credit quality of the counterparties.

There was no change in the estimation techniques or significant assumptions made during the years ended 31 December 2025 and 2024.

#### *Fixed deposit with a licensed bank and bank balances and cash*

The Group's management considers the credit risk in respect of fixed deposit with a licensed bank and bank balances and cash is minimal because the counterparties are authorised financial institutions with high credit ratings.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility. The Group has no specific policy for managing its liquidity. The undiscounted contractual maturity profile of the Group's financial liabilities at the end of each reporting period, based on the contractual undiscounted payments, is summarised below:

	Total carrying amount RM'000	Total contractual undiscounted cash flow RM'000	On demand or less than 1 year RM'000	1 to 2 years RM'000	2 to 5 years RM'000	Over 5 years RM'000
<b>At 31 December 2025</b>						
Trade and other payables	8,429	8,429	8,429	-	-	-
Consideration payable	22,176	22,176	22,176	-	-	-
Interest-bearing borrowings	4,210	4,242	778	665	1,120	1,679
Lease liabilities	1,986	2,101	1,395	685	21	-
	<u>36,801</u>	<u>36,948</u>	<u>32,778</u>	<u>1,350</u>	<u>1,141</u>	<u>1,679</u>
<b>At 31 December 2024</b>						
Trade and other payables	7,835	7,835	7,835	-	-	-
Consideration payable	26,156	26,156	26,156	-	-	-
Interest-bearing borrowings	4,921	4,956	985	694	1,496	1,781
Lease liabilities	1,380	1,489	803	512	174	-
	<u>40,292</u>	<u>40,436</u>	<u>35,779</u>	<u>1,206</u>	<u>1,670</u>	<u>1,781</u>

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 33. FAIR VALUE MEASUREMENTS

The following presents the assets and liabilities measured at fair value or required to disclose their fair value on a recurring basis across the three levels of the fair value hierarchy defined in IFRS 13 “**Fair Value Measurement**” with the fair value measurement categorised in its entirety based on the lowest level input that is significant to the entire measurement. The levels of inputs are defined as follows:

- Level 1 (highest level): quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 (lowest level): unobservable inputs for the asset or liability.

### (a) Assets measured at fair value

	Fair value hierarchy	Valuation techniques and key inputs	2025 RM'000	2024 RM'000
Financial assets at FVPL				
– Listed equity securities (Note 16)	Level 1	Quoted prices in an active market	–	720

During the years ended 31 December 2025 and 2024, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements.

### (b) Assets and liabilities with fair value disclosure, but not measured at fair value

All other financial assets and liabilities are carried at amounts not materially different from their fair values at the end of each reporting period.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 34. COMMITMENTS

### Commitments under operating leases

#### *The Group as lessor*

The Group leases out its properties under operating leases with average lease terms of three years. The future aggregate minimum rental receivables under non-cancellable operating leases are as follows:

	2025 RM'000	2024 RM'000
Within one year	137	78
In the second to third years inclusive	93	48
	<u>230</u>	<u>126</u>

## 35. CAPITAL MANAGEMENT

The objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to provide returns for equity owners. The Group manages its capital structure and makes adjustments, including payment of dividends, call for additional capital from equity owners or sale of assets to reduce debts. No changes were made in the objectives, policies or processes during the years ended 31 December 2025 and 2024.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 36. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	Note	2025 RM'000	2024 RM'000
<b>Non-current assets</b>			
Intangible assets		279	644
Investments in subsidiaries	36(a)	—*	—*
		<u>279</u>	<u>644</u>
<b>Current assets</b>			
Other receivables		139	156
Amounts due from subsidiaries	36(b)	29,465	34,321
		<u>29,604</u>	<u>34,477</u>
<b>Current liabilities</b>			
Other payables		1,669	722
Amounts due to subsidiaries	36(b)	11,211	12,376
		<u>12,880</u>	<u>13,098</u>
<b>Net current assets</b>		<u>16,724</u>	<u>21,379</u>
<b>NET ASSETS</b>		<u>17,003</u>	<u>22,023</u>
<b>Capital and reserves</b>			
Share capital	26	3,379	3,379
Reserves	36(c)	13,624	18,644
<b>TOTAL EQUITY</b>		<u>17,003</u>	<u>22,023</u>

\* Represent amount less than RM1,000

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 36. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

### 36(a) Investment in subsidiaries

Investments in subsidiaries represent 100% of the issued share capital of Oren Holdings, MyGift Holdings and MBV (HK) and MBV China.

### 36(b) Amounts due from/to subsidiaries

The amounts due from/to subsidiaries are non-trade in nature, unsecured, interest-free and repayable on demand.

### 36(c) Movement of share capital and reserves

	Share capital RM'000 (Note 26)	Share premium RM'000 (Note 27(a))	Translation reserve RM'000 (Note 27(c))	Accumulated losses RM'000	Total RM'000
At 1 January 2024	3,379	45,543	1,077	(25,466)	24,533
Loss for the year	–	–	–	(1,960)	(1,960)
<b>Other comprehensive income:</b>					
Exchange differences on translation	–	–	(550)	–	(550)
Total comprehensive income (loss) for the year	–	–	(550)	(1,960)	(2,510)
<b>At 31 December 2024 and 1 January 2025</b>	<b>3,379</b>	<b>45,543</b>	<b>527</b>	<b>(27,426)</b>	<b>22,023</b>
<b>Loss for the year</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(3,119)</b>	<b>(3,119)</b>
<b>Other comprehensive loss:</b>					
<b>Exchange differences on translation</b>	<b>–</b>	<b>–</b>	<b>(1,901)</b>	<b>–</b>	<b>(1,901)</b>
<b>Total comprehensive loss for the year</b>	<b>–</b>	<b>–</b>	<b>(1,901)</b>	<b>(3,119)</b>	<b>(5,020)</b>
<b>At 31 December 2025</b>	<b>3,379</b>	<b>45,543</b>	<b>(1,374)</b>	<b>(30,545)</b>	<b>17,003</b>

During the years ended 31 December 2025 and 2024, certain corporate administrative expenses of the Company were borne by the subsidiaries of the Company without recharge.

# Notes to the Consolidated Financial Statements

Year ended 31 December 2025

## 37. EVENTS AFTER THE REPORTING PERIOD

The Group evaluated subsequent events through 27 March 2026. Subsequent to 31 December 2025, save as disclosed elsewhere in the consolidated financial statements, the Group has the following subsequent events:

On 16 February 2026, The Group and Belcher Ventures Investment Ltd. (the “**2026 Purchaser**”), entered into a share purchase agreement (the “**2026 Share Purchase Agreement**”), pursuant to which, the Group conditionally agreed to sell, and the 2026 Purchaser conditionally agreed to purchase 20,000 ordinary shares held by the Group, representing 40% of the issued share capital of Lordan Group at the consideration of HK\$31,411,000 (equivalent to approximately RM16,076,000) (the “**Consideration**”).

The completion of the disposal (the “**Completion**”) is subject to the fulfilment or (where applicable) waiver of the following conditions on or before 16 June 2026 (being the date falling four months after the date of the 2026 Share Purchase Agreement) (the “**Long Stop Date**”) or such other date as the 2026 Purchaser and the Group may agree in writing:

- (a) the 2026 Purchaser having obtained necessary consent and approval required for the transactions contemplated under the 2026 Share Purchase Agreement;
- (b) the Group having obtained necessary consent and approval required for the transactions contemplated under the 2026 Share Purchase Agreement;
- (c) the representations and warranties of the Group remaining true, accurate and complete and not misleading in all material respects at all times throughout the period from the date of the 2026 Share Purchase Agreement to the completion date.

The 2026 Purchaser may at any time waive in writing the condition set forth in paragraph (c) above.

If any of the conditions has not been fulfilled or waived (where applicable) on or before the Long Stop Date, then the 2026 Share Purchase Agreement and any matters thereunder, and rights and obligations of the parties shall lapse, without prejudice to any party’s right to claim against other parties’ antecedent breach of any obligations under the 2026 Share Purchase Agreement.

All the conditions precedent set out in the 2026 Share Purchase Agreement have been fulfilled and Completion took place on 24 March 2026. Upon Completion, the Group ceases to hold any share in Lordan and Lordan ceases to be an associate of the Group.

The Consideration shall be offset against the entire amount of the remaining balance of the consideration payable to the 2026 Purchaser (who is also the 2023 Vendor) as set out in Note 22.

The Consideration was arrived at after arm’s length negotiations between the Group and the 2026 Purchaser taking into account, among other things: (i) the valuation of 40% equity interest in Lordan Group assessed by Peak Vision, an independent valuer, adopting the market approach at 31 December 2025; (ii) the consideration payable as set out in Note 22 and (iii) the reasons for and the benefits of the disposal as described in the section headed “Reasons for and Benefits of the Disposal” in the Company’s disclosable transaction announcement dated 16 February 2026 in relation to disposal of shares in an associate.

## Five-Year Financial Summary

The following is a summary of the published results and assets and liabilities of the Group for the last five financial years. The financial information for the years ended at 31 December 2025, 2024, 2023, 2022 and 2021 is extracted from the consolidated financial statements in this annual report and the corresponding annual reports.

	Results of the Group for the years ended 31 December				
	2025 RM'000	2024 RM'000	2023 RM'000	2022 RM'000	2021 RM'000
Revenue	193,081	200,929	211,017	198,927	120,771
Gross profit	61,850	62,602	62,823	53,184	32,354
Profit for the year attributable to owners of our Company	(707)	22,407	20,623	15,104	9,326
Non-IFRS Accounting standards measures:					
Profit for the year attributable to owners of our Company	(707)	22,407	20,263	15,104	9,326
Add: Listing expenses	–	–	–	–	–
Adjusted profit for the year attributable to owners of our Company (Note)	(707)	22,407	20,263	15,104	9,326

Note: Adjusted profit for the year attributable to owners of our Company was calculated based on our profit for the year attributable to owners of our Company excluding non-recurring listing expenses. This is a Non-IFRS Accounting standard measure. In addition to the IFRS Accounting Standards measures in our consolidated financial statements, we also use the Non-IFRS Accounting standards financial measures of adjusted profit for the year attributable to owners of our Company to evaluate our operating performance. Our directors believe that this Non-IFRS Accounting standards measure provides useful information to investor in understanding and evaluating our consolidated/combined results of operations in the same manner as our management and in comparing financial results across accounting periods and to those of our peer companies.

	Assets and liabilities of the Group at 31 December				
	2025 RM'000	2024 RM'000	2023 RM'000	2022 RM'000	2021 RM'000
Non-current assets	74,590	91,924	89,932	43,007	39,162
Current assets	187,673	169,774	151,915	143,439	130,079
Current liabilities	35,408	37,591	40,464	7,309	6,504
Net current assets	152,265	132,183	111,451	136,130	123,575
Net assets/Total equity	222,707	219,560	196,546	173,398	156,017