

theta

TOGETHER FOR A SUSTAINABLE FUTURE



**FOCUSED
RESILIENT
FUTURE READY**

Integrated Annual Report 2024

FOCUSED RESILIENT FUTURE READY

Integrated
Annual Report
2024

This year's theme reflects Theta Edge's continued journey of transformation and growth, driven by resilience and a forward-looking mindset. The origami bird remains a central element, symbolising progress, adaptability and technological advancement, capturing the essence of a company evolving with purpose while staying rooted in its core strengths. As we embrace future opportunities, our focus remains on innovation, connectivity and sustainable value creation.

About This Report

Theta Edge Berhad's (Theta Edge) Integrated Annual Report for the year ended 31 December 2024 is designed to communicate with stakeholders about the Company's dedication to fostering sustainable, long-term value. It offers a thorough assessment of Theta Edge's business performance, progress in strategic objectives, and the of integration sustainability practices into its operational framework.

> Scope and Boundaries

This report provides an in-depth overview of Theta Edge's financial and non-financial performance for the fiscal year 2024, spanning from 1 January 2024 to 31 December 2024. It encompasses the activities of the Group, including all subsidiaries, and addresses key elements such as strategic directions, financial outcomes, operational efforts, sustainability initiatives, governance structures, and details of the challenges, risks, and opportunities faced by the organisation.

> Reporting Framework

The Report is structured in accordance with the principles and requirements of the following frameworks and guidelines:

- Bursa Malaysia Securities Berhad (Bursa Securities) Main Market Listing Requirements (MMLR)
- The Malaysian Code on Corporate Governance (MCCG) 2021
- All financial statements are prepared in line with the Companies Act [CA] 2016 and the Malaysian Financial Reporting Standards (MFRS)

> Materiality

Material issues are critically important for both Theta Edge and our stakeholders as they significantly influence our decision-making processes. These decisions impact our ability to generate value in the short, medium, and long term. Recognising the significance of both qualitative and quantitative factors in our operations, this Report emphasises our commitment to actively engage with and incorporate stakeholder feedback. This engagement is crucial for developing a comprehensive reporting approach and promoting continuous improvement in our practices.

> Forward-Looking Statements

The Report may include forward-looking statements regarding the Company's future plans and strategies. These statements are predictions and forecasts subject to change due to uncertainties beyond our control. Forward-looking statements should not be considered as guarantees of future performance, either implicit or explicit.

> Responsibility Statement

In preparing this Integrated Annual Report for the financial year ended 31 December 2024, the Board of Directors of Theta Edge Berhad acknowledges its responsibility to ensure the integrity, accuracy, and completeness of the disclosed information. The Board has exercised due diligence to provide a balanced and transparent representation of the company's strategic direction, performance outcomes, risks, and sustainability practices. This report, structured in accordance with established regulatory frameworks and reporting standards, reflects Theta Edge's commitment to creating sustainable, long-term value for all stakeholders, ensuring accountability and good corporate governance practices across all its operations.

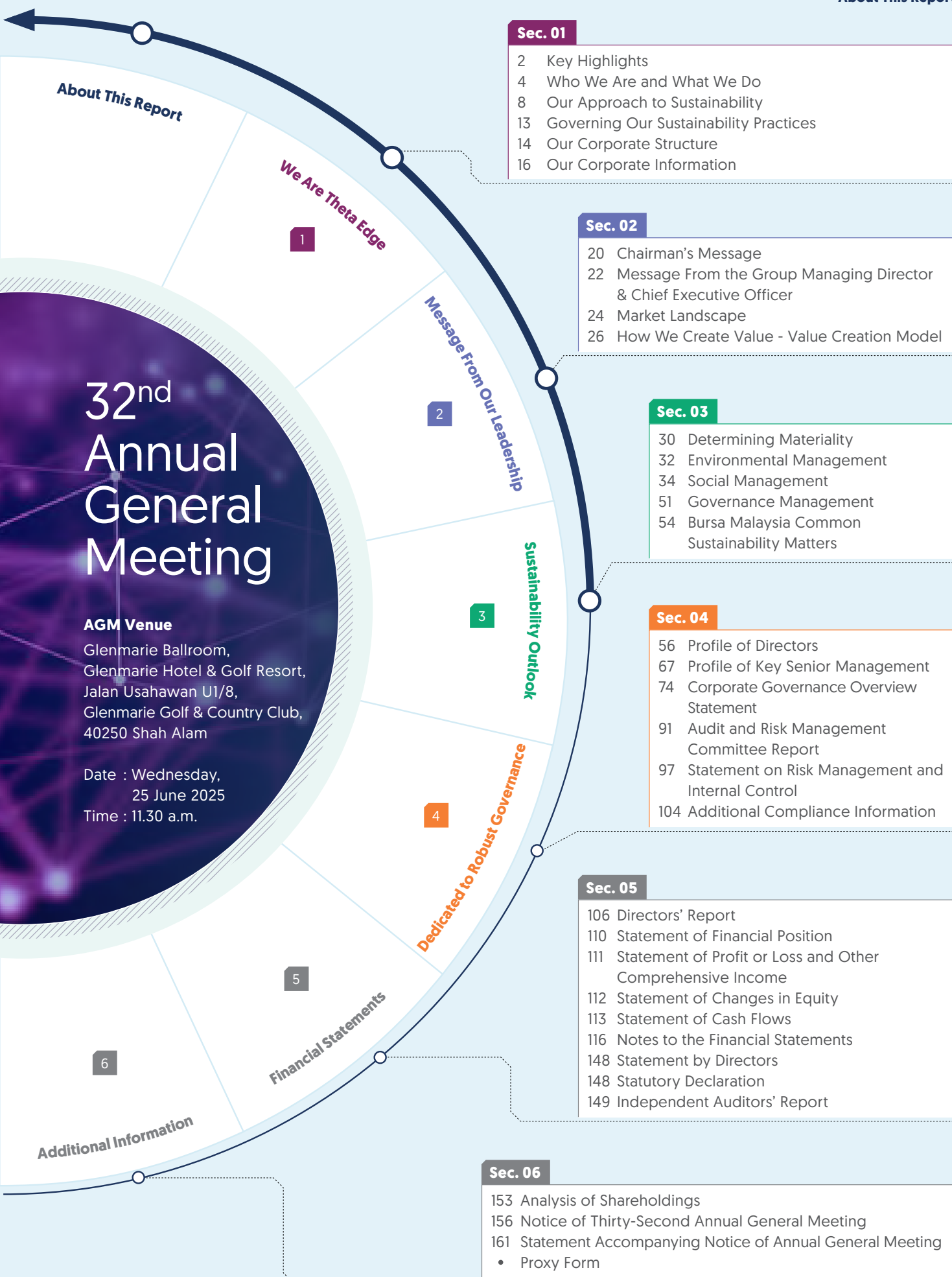
> Statement of Assurance

The Board of Directors of Theta Edge Berhad is pleased to confirm that the Integrated Annual Report 2024 has been subject to the following independent reviews:

- Financial, Governance, and Risk Disclosures: Audited by KPMG in accordance with statutory requirements.
- Additionally, the Group Internal Audit function independently assessed the Report's overall reliability, alignment with internal controls, and adherence to regulatory guidelines.

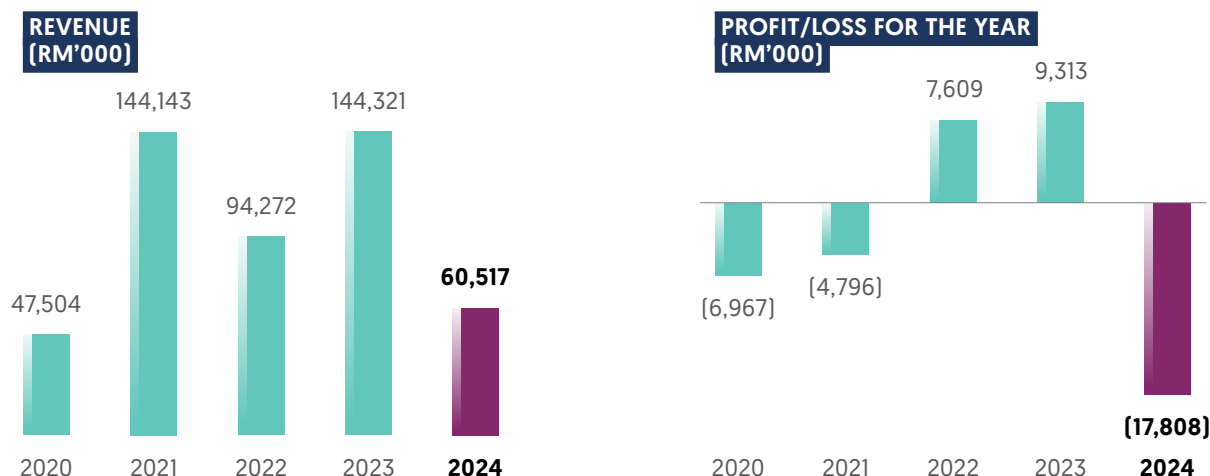
The Board affirms that the Report presents a fair and balanced representation of the Group's performance, strategy, and sustainability efforts, supported by internal and external scrutiny.





Key Highlights

Financial Highlights



For the financial year ended 31 December 2024, Theta Edge Berhad recorded revenue of RM60.5 million, representing a 58% decline from RM144.3 million in the previous year. The decrease was primarily attributable to the Telco segment, which transitioned into the warranty phase of the Jalinan Digital Negara (JENDELA) project, and unrealised revenue from anticipated Information Communication and Technology (ICT) contracts.

The Group posted a loss after taxation of RM17.8 million, compared to a profit after taxation of RM9.3 million in 2023. The downturn in performance was largely due to the significant drop in top-line contributions and lower gross margins, particularly in the ICT segment, which did not secure expected new business during the year.

In line with the operational performance, the Group's net assets per share declined to RM0.51 from RM0.68, reflecting the full-year loss. Despite the challenges, the Company continues to take proactive steps in recalibrating its business through cost optimisation, operational streamlining, and a renewed focus on long-term, sustainable revenue streams such as its Smart City concession.

Non-Financial Highlights

Competency Building

- **Mobility as a Service (MaaS):** Collaboration for Light Rail Transit (LRT) and Autonomous Rapid Transit (ART) System
- **Smart City projects:** Memorandum of Understanding (MOU) with ZICT Technology Co. Ltd.

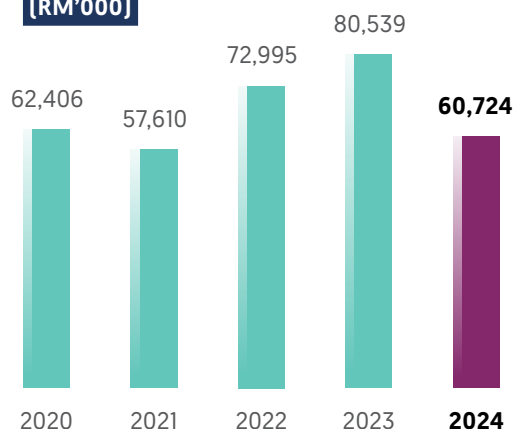
Product Development

- Emergency & Rescue Assistance Solution (eCall)
- Super-App for MPAJ Smart City

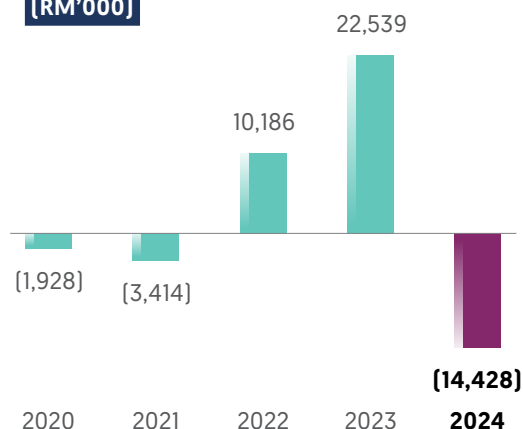
Project Achievements

- Secured a project on **Pembangunan, Penyediaan Dan Penyelenggaraan Teknologi Berserta Internet of Things (IoT) Bagi Inisiatif Perniagaan Pintar Di Dalam Kawasan Pentadbiran Ampang Jaya** (Project) from Majlis Perbandaran Ampang Jaya (MPAJ) to collaborate with each other on exclusive basis for 20 years for the execution of the project

NET ASSETS (RM'000)



EBITDA (RM'000)



INFORMATION TECHNOLOGY



The revenue for this segment declined from **RM62.1 million** to **RM27.2 million**, representing a decrease of **RM34.9 million** or **56%**. The drop was mainly due to unrealised revenue from expected ICT projects that did not materialise during the year.

TELECOMMUNICATION SERVICES (TELCO SERVICES)



The revenue contribution from this segment stood at **RM33.3 million**, a decline of **RM48.9 million** or **59%** from the previous year's reporting period. This reduction is primarily attributed to the JENDELA project nearing completion.

Awards and Recognitions

- Completed the deployment and handover of 221 cutting-edge telecommunications infrastructures for the JENDELA Phase 1 across seven states: Kedah, Penang, Selangor, Pahang, Terengganu, Kelantan, and Johor

- Malaysia Technology Excellence Awards 2024 for category Infrastructure Technology - Telecommunications
- Sustainability & CSR Malaysia Awards 2024 for Community Care & Digitalisation Initiatives Award - Company of the Year (ICT)
- 24th MIHRM International & National HR Awards 2024 - Silver Award for Employer of Choice (Private Sector) and Transformation & Innovation Award

Who We Are and What We Do



About Us

Theta Edge Berhad [Theta], a member of TH Group was initially listed on the Second Board of the Kuala Lumpur Stock Exchange in 1994, before moving to the Main Board of Bursa Malaysia Securities Berhad in 1999. Since then, it has been classified in the technology category of Bursa Malaysia Securities Berhad's Main Market.

Theta is one of Malaysia's pioneering ICT service providers with a market presence of more than three (3) decades, focusing on Information Technology Solutions & System Integration, Telecommunication Engineering Services & Civil Works, and Green Energy & Environmental Infrastructure Consultancy Services. We are more than just a part of the technology industry — we are committed to driving innovation and shaping a better future.

theta
TOGETHER FOR A SUSTAINABLE FUTURE

VISION

Strive to drive adoption of sustainable innovative technology resulting in betterment of people's future well-being.

MISSION

Enabling organisations and communities to reimagine their way of life through adoption of innovative technology.

'CARES' IS OUR CREDO

Upholding our Core Values of CARES, we prioritise and nurture holistic relationships with various stakeholders and ensure that we enrich lives.





Who We Are and What We Do

Business Pillars



Who We Are and What We Do



Our Approach to Sustainability

Theta is committed to prioritising sustainability and creating value for stakeholders as we aim to become a leader in ICT solutions. We focus on enhancing our Economic, Environmental, Social and Governance (EESG) practices, while ensuring long-term economic sustainability across the organisation.

> Sustainability Framework

Introduced in 2022, Theta's Sustainability Framework serves as a robust foundation for our EESG reporting, underscoring our commitment to corporate sustainability, which remains a core priority in our Annual Operating Plan.

We continue to align our practices with the standards and guidelines established by the Sustainability Accounting Standards Board (SASB) and the United Nations Sustainable Development Group (UNSDG) for measuring material impact. By embedding EESG requirements into our business processes and strategies, we aim to mitigate risks and deliver sustainable returns. Our focus on effective stewardship and governance reinforces our commitment to creating long-term value.

As we navigate technological advancements, Theta is proactively identifying and addressing potential EESG challenges that could arise. By leveraging our framework for EESG reporting and analysis, we are equipped to assess the risks and impacts arising from these challenges. We are also striving towards inclusion in the FTSE4Good Index, an acknowledgment of our commitment to responsible investment and sustainability.

Theta's Sustainability Survey 2024

In 2024, we conducted our inaugural survey FY2024, as part of our efforts in recognising EESG.

Impacts from our business activities. The survey received responses from a total of 167 participants, to come out with a solution or mitigation plan on each matters in reducing such impact to the company in the future. Based on these outcomes, the next steps we plan to take include developing targeted action plans, engaging stakeholders for collaborative solutions, and implementing initiatives to enhance our EESG performance.





Our Approach to Sustainability



Our Impact and Alignment to the United Nations Sustainability Development Goals (UNSDGs)

At Theta, we are dedicated to advancing the UNSDGs by creating tangible and lasting impact. Guided by our sustainability framework, we focus on leveraging our expertise and resources to drive positive, long-term change. Through our emphasis on sustainable technological innovation, we actively contribute to six key SDGs across the organisation. We also encourage collaboration with our stakeholders, especially those in our value chain, to work together in achieving these global goals.

Our involvement as the designated universal service provider for the JENDELA Phase 1 project reflects our commitment to reducing the digital divide. This initiative enhances digital access in underserved areas, empowering communities and driving social inclusion and sustainable development across Malaysia, in line with both our values and the broader SDGs.





We actively pursue energy efficiency and renewable energy across our business to reduce energy consumption and transition to cleaner energy sources.	
We contribute to decent work opportunities and economic growth by investing in employee development and creating a sustainable workplace.	
Our R&D and innovative technology solutions foster resilient infrastructure, sustainable industrialisation, and economic growth.	
We are committed to sustainable communities by supporting local economies, promoting social inclusion, and providing essential services.	
We are committed to responsible resource management throughout our value chain, continually improving our processes and promoting sustainability among our suppliers.	
We mitigate climate change by implementing sustainable solutions, including energy efficiency, green house gas emissions reduction, and solar energy in our operations.	

Our Approach to Sustainability











> Sustainability Goals

During the reporting period, we have marked significant progress in our sustainability journey by establishing short and long-term sustainability targets for our material matters, as detailed in the table below:

Sustainability Pillars: Economic

E2 Business Model & Innovation				
Baseline FY2023	Short Term Target By FY2025	Long Term Target By FY2030	Related UN SDGs	
<ul style="list-style-type: none">Achieved 71% of the Value Creation plan (VCP) initiatives.	<ul style="list-style-type: none">Achieved a minimum of 80% of the VCP initiatives.	<ul style="list-style-type: none">Achieved a minimum of 90% of the VCP initiatives.	 	
E1 Supporting Local Business				
Baseline FY2023	Short Term Target By FY2025	Long Term Target By FY2030	Related UN SDGs	
<ul style="list-style-type: none">Achieved 99.6% of total procurement spending on local suppliers.	<ul style="list-style-type: none">Achieved above 90% of total procurement spending on local suppliers.	<ul style="list-style-type: none">Overall growth in scale by 30% for vendors involved in Theta's Vendors Upscaling Programme.	 	

Sustainability Pillars: Environmental

E3	GHG Emission			
	Baseline FY2023 <ul style="list-style-type: none">Total GHG emission (Scope 2 only) is 241.05 tCO₂e.Data of GHG emission for Scope 1,2 and 3^[1] in 2024 will be the baseline. <p>Note:</p> <p>^[1] Scope 1 - Direct GHG emissions from owned or controlled sources (e.g. company vehicles). Scope 2 - Indirect emissions from purchased electricity. Scope 3 - Indirect emissions across the value chain (e.g. employee commuting, business travel etc).</p>	Short Term Target By FY2025 <ul style="list-style-type: none">Reduce 2% of total GHG emission intensity per employee (Scope 1,2 and 3).	Long Term Target By FY2030 <ul style="list-style-type: none">Reduce 10% of total GHG emission intensity per employee (Scope 1,2 and 3). <p>Reference: To align with Malaysia's goal of Net Zero Carbon by 2025.</p>	Related UN SDGs <div></div>
E6	Waste Management			
	Baseline FY2023 <ul style="list-style-type: none">32,472kg total waste generated sent to landfill.	Short Term Target By FY2025 <ul style="list-style-type: none">Reduce 2% of total waste generated sent to landfill.	Long Term Target By FY2030 <ul style="list-style-type: none">Reduce 10% of total waste generated sent to landfill.	Related UN SDGs <div></div>
E4	Energy Efficiency			
	Baseline FY2023 <ul style="list-style-type: none">Total energy consumption is 309.043MWh.Total energy consumption intensity per employee is 1.49MWh/employee.	Short Term Target By FY2025 <ul style="list-style-type: none">Reduce 2% of total energy consumption intensity per employee to 1.46MWh/employee.	Long Term Target By FY2030 <ul style="list-style-type: none">Reduce 10% of total energy consumption intensity per employee to 1.34MWh/employee.	Related UN SDGs <div></div>
E5	Water Management			
	Baseline FY2023 <ul style="list-style-type: none">Total water consumption is 1.93ML.Total water consumption intensity per employee is 9,260L/employee.	Short Term Target By FY2025 <ul style="list-style-type: none">Reduce 2% of total water consumption intensity per employee to 9,075L/employee.	Long Term Target By FY2030 <ul style="list-style-type: none">Reduce 5% of total water consumption intensity per employee to 8,334L/employee.	Related UN SDGs <div></div>

Sustainability Pillars: Social

S7 Diversity & Inclusion

Baseline FY2023

- 29% of leadership roles at the management level (middle & senior) and 21% at the Board level are held by women.

Short Term Target By FY2025

- A minimum of **20% women participation** in leadership roles at the management and Board level.

Long Term Target By FY2030

- Increase participation of **women to 30%** in leadership roles at the management and Board level.

Reference:
Malaysian Code of Corporate Governance 2021 recommends at least 30% female representation in management and boards.

Related UN SDGs



S8 Recruitment & Retention

Baseline FY2023

- Turnover rate^[2] of employee is 41.4% and new hire rate^[3] of employee is 48.1%.

Short Term Target By FY2025

- Reduce employee turnover rate to **below 35%**.

Long Term Target By FY2030

- Reduce employee turnover rate to **below 20%**.

Related UN SDGs



Note:

^[2] Turnover rate refers to percentage of employees who leave voluntarily or due to dismissal, retirement, or death in service during the reporting period.

^[3] New hire rate refers to percentage of new employees hired during the reporting period.

S9 Engagement & Development

Baseline FY2023

- Achieved 71.8% of the Employee Engagement Index [EEI]^[4] and 18.1 of average training^[5] hours per employee.

Short Term Target By FY2025

- A minimum of **80% of the EEI** and achieve a minimum **24 hours** of average training hours per employee.

Long Term Target By FY2030

- A minimum of **85% of the EEI** and achieve a minimum **48 hours** of average training hours per employee.

Related UN SDGs



Notes:

^[4] Employee Engagement Index [EEI] is a measure of how committed, motivated, and satisfied employees are with their work and the company, which derived from Employee Engagement Survey.

^[5] Training or education pursued externally and paid for in whole or in part by a company and training on specific topics. Training does not include on-site coaching supervisors.

S11 Customer Satisfaction

Baseline FY2023

- Achieved 87% average score for the Customer Satisfaction Index [CSI].

Short Term Target By FY2025

- Achieve a **minimum average score of 85%** for the CSI.

Long Term Target By FY2030

- Achieve a **minimum average score of 90%** for the CSI.

Related UN SDGs



S12 Community Engagement

Baseline FY2023

- Reached 468 number of beneficiaries^[6].

Short Term Target By FY2025

- Increase 20%** total number of beneficiaries impact in the community.

Long Term Target By FY2030

- Increase 50%** total number of beneficiaries impact in the community.

Related UN SDGs



Note:

^[6] Employee Engagement Index [EEI] is a measure of how committed, motivated, and satisfied employees are with their work and the company, which derived from Employee Engagement Survey.

Our Approach to Sustainability

Sustainability Pillars: Governance

G13 Corporate Governance & Business Ethics

Baseline FY2023

- Achieved zero corruption incidents but no employee had received anti-corruption training.

Short Term Target By FY2025

- Achieve **zero corruption incidents** and ensure **100% of employees receive anti-corruption training** annually.

Long Term Target By FY2030

- Achieve **zero corruption incidents** and ensure **obtain ISO 37001** Anti-Bribery Management System.

Related UN SDGs



G16 Data Privacy

Baseline FY2023

- Achieved zero data breach reports from customers.

Short Term Target By FY2025

- Achieve zero data breach report from customer.

Long Term Target By FY2030

- Achieve zero data breach report from customer.

Related UN SDGs



G14 Procurement Practices & Efficiency

Baseline FY2023

- Achieved 3.78% cost savings from the initial quote.

Short Term Target By FY2025

- Achieve **4% cost savings** from the initial quote.

Long Term Target By FY2030

- Achieve **6% cost savings** from the initial quote.

Related UN SDGs



G15 Risk Management

Baseline FY2023

- Risk assessment covered 14 business areas.

Short Term Target By FY2025

- Expand 10% of business area coverage on risk assessment and establish a baseline for risk incident rate.

Long Term Target By FY2030

- Expand 20% of business area coverage on risk assessment and reduce 10% of risk incidents.

Related UN SDGs



Governing Our Sustainability Practices

We view sustainability governance as an essential part of our business, embedding ethical, environmental, social and economic principles into every facet of our operations. This integrated approach drives compliance with regulations, supports our stakeholder needs and securing our long-term viability.

The Board of Directors has oversight of sustainability, including climate change, ensuring that all sustainability-related matters are addressed at the highest level, reflecting our commitment to proactive leadership.

> Board Level Oversight

At Theta, the Board of Directors plays a pivotal role in steering the company's transformation towards a low-carbon economy by providing oversight and guidance on Group-wide strategy and business operations. This includes ensuring robust management of sustainability initiatives and climate practices.

To support these efforts, the Board Audit Risk Management Committee convenes quarterly meetings to review the effectiveness of internal controls and risk management systems. Reporting to the Board at least four times during a financial year, these sessions encompass evaluations of mitigation plans for both identified and emerging risks.

In addition, the Board Audit Risk Management Committee actively monitors and promotes EESG practices across our operations. By cultivating a strong culture of sustainability, the Board Audit Risk Management Committee ensures our business activities are guided by global sustainability standards.

As part of our commitment to ethical practices, transparency and accountability, the Board Audit Risk Management Committee also oversees internal audits and risk management frameworks, fostering integrity in all aspects of our operations.

> Management Level






The Management Committee [MC] is tasked with implementing the Group's policies and frameworks to effectively mitigate risks, particularly those linked to sustainability and climate change. Within their respective roles, MC members focus on keeping risks manageable through the use of targeted metrics and material goals.

> Sustainability Governance Structure

OVERSIGHT	
	Board of Directors <ul style="list-style-type: none"> Provides strategic direction and oversight for the Company's sustainability practices Ensures the alignment of sustainability strategies with the Company's business objectives Approves sustainability policies, strategies, targets and the Company's sustainability statement
	Board Audit Risk Management Committee <ul style="list-style-type: none"> Supports the Board's oversight on the Company's sustainability practices Reviews sustainability policies, strategies and other matters prior to recommending decisions to the Board Monitors the progress of sustainability strategies and targets
STRATEGIC MANAGEMENT	
	Management Committee [MC] <ul style="list-style-type: none"> Comprises the Group Managing Director & Chief Executive Officer and Senior Management Accountable for the implementation of sustainability strategies and targets approved by the Board Assigns responsibilities, key performance indicators (KPIs) and resources to facilitate the implementation of approved targets
DAY-TO-DAY IMPLEMENTATION	
	Sustainability Unit <ul style="list-style-type: none"> Supports the Management Committee in executing sustainability initiatives across the Company Updates and reports sustainability performance and progress to the Management Committee and the Board Consolidates data from cross-functional departments

Our Corporate Structure



-
-  Investment Holdings and Listed Entity
 -  Active Business Entity
 -  Dormant company is which under business review
 -  Special vehicle for strategic project Mobility as a service and public transportation, Hajj Mobility and Pilgrim Pro for international market
 -  Healthcare Services and Information Management System

Our Corporate Structure



Our Corporate Information

Board of Directors

TAN SRI ABDUL RAHMAN BIN MAMAT

Chairman, Non-Independent
Non-Executive Director

ZAINAL 'ABIDIN BIN ABD JALIL

Non-Independent
Non-Executive Director
[Resigned w.e.f. 25 April 2025]

LATIFAH BINTI M. DAUD

Senior Independent
Non-Executive Director

AZIH BIN YUSOF

Independent
Non-Executive Director

ADAM MALIK BIN AZLAN

Independent
Non-Executive Director

SHAHNIN BINTI OLI MOHAMED

Independent
Non-Executive Director

NIK JOHAAN BIN NIK HASHIM

Non-Independent
Non-Executive Director

DATUK DYG SADIAH BINTI ABG BOHAN

Non-Independent
Non-Executive Director

DATUK NURASLINA ZAINAL ABIDIN

Group Managing Director &
Chief Executive Officer

Nomination and Remuneration Committee (NRC)

LATIFAH BINTI M. DAUD

Chairperson, Senior Independent Non-Executive Director

DATUK DYG SADIAH BINTI ABG BOHAN

Member, Non-Independent Non-Executive Director

AZIH BIN YUSOF

Member, Independent Non-Executive Director

SHAHNIN BINTI OLI MOHAMED

Member, Independent Non-Executive Director

Audit and Risk Management Committee (ARMC)

ADAM MALIK BIN AZLAN

Chairman, Independent Non-Executive Director

DATUK DYG SADIAH BINTI ABG BOHAN

Member, Non-Independent Non-Executive Director

SHAHNIN BINTI OLI MOHAMED

Member, Independent Non-Executive Director

AZIH BIN YUSOF

Member, Independent Non-Executive Director

Board Investment Committee (BIC)

AZIH BIN YUSOF

Chairman, Independent Non-Executive Director

ZAINAL 'ABIDIN BIN ABD JALIL

Member, Non-Independent Non-Executive Director
[Resigned w.e.f. 25 April 2025]

ADAM MALIK BIN AZLAN

Member, Independent Non-Executive Director

NIK JOHAAN NIK HASHIM

Member, Non-Independent Non-Executive Director

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Fax : +603 7721 3399

SHARE LISTING

**Main Market of Bursa Malaysia
Securities Berhad**

Stock Name : THETA
Stock Code : 9075

PRINCIPAL BANKER

Bank Muamalat Malaysia Berhad
Bank Islam Malaysia Berhad

WEBSITE

www.theta-edge.com



On our journey
toward excellence,

FORGING AHEAD

embodies our unwavering
commitment to growth—
driven by focus, resilience, and
a future-ready mindset.



Chairman's Message



Technology is not just an enabler; it is the catalyst for new possibilities, driving progress and shaping the world ahead.



DEAR SHAREHOLDERS,

The year 2025 marks a new chapter in Theta Edge Berhad's transformation journey. Over the past year, we have strengthened our business fundamentals, enhanced operational efficiencies and navigated evolving market dynamics with agility.

While 2024 was a year of resilience in the face of reduced government tenders, 2025 will be about capitalising on new opportunities in digital infrastructure, Artificial Intelligence (AI) and emerging technologies to drive sustainable growth.

Since assuming the role of Chairman in the second quarter of 2024, I have worked closely with the Board and management team to refine our strategic direction. Our focus remains steadfast on building a scalable, future-ready enterprise that delivers long-term value to our shareholders and stakeholders.

> Key Milestones and Achievements

In 2024, Theta Edge laid the groundwork for long-term expansion with major achievements in telecommunications, smart city development and urban mobility. This year, we advanced our strategic objectives further, leveraging innovation and partnerships to solidify our position as a leader in Malaysia's digital transformation.

Theta has demonstrated exceptional execution by successfully completing pivotal projects that significantly enhanced stakeholder engagement and operational excellence. The launch of the e-Warga Emas system notably improved digital accessibility and efficiency for senior citizens and stakeholders, reinforcing our role in societal digital transformation. In overcoming challenges within the e-Tanah project, Theta showcased resilience and technical ingenuity by seamlessly migrating legacy applications onto advanced hardware, successfully conducting disaster recovery simulations, and launching the Disaster Recovery Center (DRC) as scheduled, with committed long-term support. Furthermore, our timely and high-quality delivery of the computer leasing initiative for the Ministry of Education (MOE), marked by early completion, zero Liquidated Ascertained Damages (LAD),

Chairman's Message

and exceptional customer satisfaction ratings exceeding 95%, reaffirmed Theta's dedication to operational excellence and client satisfaction. These accomplishments have fortified Theta's market standing, highlighting our capability, reliability, and readiness for sustained future growth.

Telecommunications and Digital Infrastructure

- We successfully completed the deployment of 221 telecommunications infrastructures under Phase 1 of the JENDELA initiative, expanding digital connectivity across Malaysia. In 2025, we are actively pursuing new projects under JENDELA 2 and exploring opportunities beyond traditional infrastructure, including AI-driven network optimisation and 5G-enabled smart services.

Smart Cities and Sustainability

- Our 20-year exclusive concession for the Ampang Jaya Smart City initiative continues to gain momentum. In collaboration with ZICT Technology Co., Ltd., we are integrating Internet of Things (IoT), big data analytics and AI to develop intelligent urban solutions.
- We have expanded our efforts into sustainable energy management, aligning with Malaysia's National Energy Transition Roadmap (NETR) to develop green and efficient digital ecosystems.

Urban Mobility and Intelligent Transport Systems

- Together with our partner, we have propelled the Mobility as a Service (MaaS) project, integrating Light Rail Transit (LRT) and Autonomous Rapid Transit (ART) solutions. This initiative positions Theta Edge as a key enabler in the modernisation of Malaysia's public transport network.

> Governance and Operational Excellence

Governance remains at the heart of Theta Edge's operations. In 2024, we initiated a comprehensive governance audit to enhance compliance with the Malaysian Code on Corporate Governance (MCCG) 2021 and Bursa Malaysia's regulatory requirements.

Building on this, in 2025 we have:

- Optimised decision-making structures by refining financial oversight mechanisms and revising our Discretionary Approving Limits.
- Standardised operational procedures across business units to enhance efficiency and accountability.
- Strengthened our Enterprise Risk Management (ERM) framework, ensuring resilience against industry uncertainties and market fluctuations.

> Sustainability and Corporate Responsibility

Sustainability is no longer an option—it is a necessity. In line with our Environmental, Social and Governance (ESG) commitments, we have made significant progress in integrating sustainable practices into our business.

- We have expanded our digital inclusion initiatives, including the donation of AI-enabled computers to underserved schools, fostering STEM education among youth.
- Theta Edge continues to align with Bursa Malaysia's Sustainability Reporting Guide, ensuring transparency in ESG disclosures.
- Our #thetaCares initiative has been extended to promote social well-being and digital literacy across Malaysia's rural communities.

Outlook for 2025 & Beyond

Looking ahead, Malaysia's economic growth forecast of 4.5% to 5.5% presents a promising landscape for Theta Edge to seize opportunities in Smart Cities, AI-driven solutions and Intelligent Mobility.

Our strategy for 2025 is centred around four key pillars:

1. **Diversification Beyond Government Tenders** – Expanding into AI-driven businesses, digital health and smart city technologies.
2. **Scalability & Market Expansion** – Strengthening regional partnerships to expand Theta Edge's footprint beyond Malaysia.
3. **Technology & Innovation Leadership** – Investing in AI, IoT and automation to future-proof our offerings.
4. **Sustainability-Driven Growth** – Aligning with global sustainability trends and responsible business practices.

With these initiatives, we are poised to unlock long-term value creation and drive sustainable shareholder returns.

> Acknowledgement

I extend my sincere gratitude to our shareholders, customers, business partners and stakeholders for their trust and unwavering support. I would also like to thank my fellow Board members for their guidance and our employees for their dedication and commitment. A special note of appreciation goes to our former Chairman, Tengku Dato' Seri Hasmuiddin Tengku Othman, for his leadership and contributions. Since assuming this role, I have been privileged to continue building upon the company's strong foundations and I am confident that together, we will navigate the evolving digital landscape and achieve sustainable success. As we embark on this next phase, Theta Edge is ready to embrace new frontiers in digital transformation and intelligent solutions—ensuring that we remain at the forefront of Malaysia's technology evolution.

Message From the Group Managing Director & Chief Executive Officer



Resilience is the foundation of enduring success — navigating change with agility, strength, and purpose.

DEAR SHAREHOLDERS,

2024 was a year of transformation and resilience for Theta Edge Berhad. We continued our journey of repositioning the company for long-term sustainability amid a challenging business landscape. While our financial performance reflects the impact of major project completions, we have laid the groundwork for sustainable, technology-driven growth through strategic partnerships, operational enhancements and capacity building.

> 2024 Performance: A Year of Transition

Despite the completion of key projects, including Jendela Phase 1, digital device supply and maintenance, and software development work, revenue declined from RM144.3 million to RM60.5 million, resulting a loss after tax of RM17.8 million. A further decline in successful government tenders amplified the need to diversify income and move away from project-dependent revenue models.

Despite these challenges, we remained committed to fulfilling our national infrastructure obligations while realigning the business towards a recurring revenue model. Our 20-year Smart City concession with Majlis Perbandaran Ampang Jaya (MPAJ) represents a significant shift in this direction. Currently in the planning and implementation phase, this project will provide stable, long-term revenue within 12 months of deployment.

> Strategic Growth: Technology, Innovation and Partnerships

As we move forward, our focus is on three key areas that will drive Theta Edge’s transformation and strengthen our position in the digital economy.



Message From the Group Managing Director & Chief Executive Officer



Smart Cities and Green Mobility

- We are advancing Mobility-as-a-Service (MaaS) solutions through our collaboration, integrating Light Rail Transit (LRT) and Autonomous Rapid Transit (ART) systems to enhance urban mobility.
- Our smart city initiatives, including IoT (Internet of Things) infrastructure, digital marketplaces and payment solutions, will drive sustainable urban transformation.

Jendela Phase 2 and Digital Infrastructure

- Having successfully delivered Jendela Phase 1, where we deployed 221 towers across seven states, we are well-positioned to contribute to Jendela Phase 2.
- We continue to strengthen our presence in the ICT (Information and Communications Technology), telecommunications and smart infrastructure sectors through strategic partnerships and advanced digital solutions.



Capacity Building and Industry Recognition

- Our efforts in digitalisation, operational efficiency and people development have been recognised through prestigious industry accolades:
 - Malaysia Technology Excellence Awards 2024**
 - Infrastructure Technology (Telecommunications)
 - Sustainability & CSR Malaysia Awards 2024**
 - Community Care & Digitalisation Initiatives (ICT Company of the Year)
 - 24th MIHRM International & National HR Awards 2024**
 - Silver Award for Employer of Choice (Private Sector) & Transformation & Innovation Award
- We have also implemented Sage 300 CRM, a digital solution that enhances customer engagement, automation and data-driven decision-making, improving operational efficiency and scalability.

> A Stronger and More Agile Theta Edge

As we enter 2025, we are executing a fundamental shift towards a sustainable, platform-driven business model.

2025 Group Strategic Growth Plan Is Centred On:

Expanding Market Reach and Revenue Streams

- Transitioning from project-based income to recurring revenue models through Smart Cities, Digital Health and Intelligent Mobility.
- Strengthening our strategic partnerships with industry leaders, government agencies and technology firms to enhance market competitiveness.
- Delivering AI, IoT and block chain-driven solutions that integrate into key sectors, including healthcare, urban mobility and telecommunications.

Operational Excellence and Innovation

- Implementing Agile methodologies to accelerate project execution and improve responsiveness.
- Leveraging automation and AI to streamline internal processes, enhance efficiency and optimise decision-making.
- Strengthening infrastructure and talent development to position Theta Edge at the forefront of digital transformation.

Outlook

Looking ahead, Theta Edge is at a pivotal point in its transformation journey.

The shift towards platform-based solutions and recurring revenue models will reduce our dependence on government tenders and unlock new opportunities in Smart Cities, Digital Health and Intelligent Mobility.

With Jendela Phase 2 on the horizon and the rising demand for digital and mobility solutions, we are confident that our strategic focus on technology, partnerships and operational excellence will create lasting value for shareholders. While challenges remain, we are now better equipped, more agile and ready to lead in the digital economy.

I extend my deepest appreciation to our shareholders, Board of Directors, employees, customers and partners for your continued trust and support. Together, we will drive Theta Edge towards a future of sustainable innovation and digital leadership.

Market Landscape



TELECOMMUNICATIONS [TELCO] SECTOR

> MACROECONOMIC AND REGULATORY LANDSCAPE

The Malaysian telecommunications industry in 2024 was influenced by global macroeconomic challenges, including inflationary pressures and supply chain disruptions, leading to increased operational costs. Domestically, the government's National Digital Infrastructure Plan (JENDELA) Phase 2 accelerated the rollout of 5G networks and fibre broadband, especially in underserved areas. Additionally, the Malaysian Communications and Multimedia Commission (MCMC) implemented stricter data privacy regulations and mandated greater transparency in service offerings. These regulatory changes required significant investments in infrastructure upgrades and compliance measures but aligned with our long-term strategy to enhance connectivity and digital inclusion.

> Competitive Challenges

The 2024 telco market was highly competitive, with new entrants and over-the-top (OTT) players disrupting traditional revenue models. Price competition and evolving customer expectations pressured margins, while ongoing infrastructure investments strained profitability. To navigate these challenges, we optimised operational efficiency through automation and AI-driven analytics. We also diversified our offerings, incorporating value-added services such as cybersecurity solutions, cloud applications and bundled connectivity packages to differentiate itself from competitors.

2025 Outlook

In 2025, Theta Edge plans to expand its 5G footprint and explore new revenue streams through innovative services, including augmented reality (AR), virtual reality (VR) and enhanced enterprise connectivity solutions.

Investments in network resilience and cybersecurity will remain a priority to ensure the reliability and security of services. Additionally, strengthening partnerships with industry players will be key to delivering integrated solutions that address the growing demand for seamless connectivity.

We aim to be better equipped, more agile and confident in our ability to create a stronger, more competitive Theta Edge. Our journey of transformation is far from over and we are making the necessary strides to not just adapt but to lead in the digital era.

TECHNOLOGY (IT) SECTOR



> MACROECONOMIC AND REGULATORY LANDSCAPE

Regulatory initiatives promoting digital transformation and cybersecurity created a favourable environment for IT solutions in Malaysia. The government's emphasis on building a digital economy increased demand for cloud services, data management and enterprise software. However, compliance with new cybersecurity regulations necessitated additional investments in secure infrastructure and talent development. These developments positioned Theta Edge to capitalise on the rising demand for comprehensive IT solutions, particularly in finance, healthcare and manufacturing sectors.

> INDUSTRY DEVELOPMENTS AND BUSINESS IMPACT

The rise of IoT and smart city initiatives provided new opportunities for Theta Edge's IT division. The company partnered with enterprises to deliver tailored connectivity solutions, particularly in industrial automation and smart infrastructure. Additionally, the widespread adoption of cloud computing and hybrid work models drove demand for cloud-based applications and managed services.

> Competitive Challenges

In the IT sector, declining margins in traditional hardware and software sales were offset by a strategic shift towards high-growth areas such as AI-driven analytics, enterprise software and managed services. The rapid pace of technological evolution required continuous innovation and adaptation to meet evolving customer needs.

2025 Outlook

The outlook for Theta Edge's IT business remains positive, fuelled by the growing adoption of digital transformation across industries.

The company will focus on delivering scalable and customisable IT solutions, with an emphasis on emerging technologies such as artificial intelligence (AI), machine learning (ML) and blockchain. The goal is to position Theta Edge as a trusted partner for enterprises leveraging technology to drive growth and innovation.

How We Create Value - Value Creation Model

Value Creation Plan 1 (VCP 1)

- Develop customer centric and solutioning capability
- Bid for more profitable projects
- Complement manpower rationalisation and safeguard financials

Value Creation Plan 2 (VCP 2)

- Increase "stickiness" and widen revenue base

Value Creation Plan 3 (VCP 3)

- Monetise IP/core products
- Invest in Digital Payment/ Distribution Channel

Value Creation Plan 4 (VCP 4)

- Monetise IP/core products
- Invest in Digital Payment/ Distribution Channel

Value Creation Plan 5 (VCP 5)

- Acquire competencies in Cyber Security

> Key Capitals

Intellectual Capital

Organisational, knowledge-based intangibles, including intellectual property, such as patents, copyrights, software, rights and licences, and "Organisational capital" such as tacit knowledge, systems, procedures and protocols.

Financial Capital

The pool of funds that is available to an organisation for use in the production of goods or the provision of services and obtained through financing, such as debt, equity or grants, or generated through operations or investments.

Manufactured Capital

Manufactured physical objects (as distinct from natural physical objects) that are available to an organisation for use in the production of goods or the provision of services, including buildings, equipment and infrastructure.

Human Capital

People's competencies, capabilities and experience, and their motivations to innovate, including their alignment with and support for an organisation's governance framework, risk management approach, and ethical values, their ability to understand, develop and implement an organisation's strategy as well as loyalties and motivations for improving processes, goods and services, including their ability to lead, manage and collaborate.

Natural Capital

All renewable and non-renewable environmental resources and processes that provide goods or services that support the past, current or future prosperity of an organisation. It includes air, water, land, minerals and forests, biodiversity and eco-system health.

Social & Relationship Capital

The institutions and the relationships within and between communities, groups of stakeholders and other networks, and the ability to share information to enhance individual and collective well-being. Social and relationship capital includes shared norms, and common values and behaviours, key stakeholder relationships, and the trust and willingness to engage that an organisation has developed and strives to build and protect with external stakeholders, and intangibles associated with the brand and reputation that an organisation has developed.

> Inputs

- Group Strategy 2022-2026, R&D investments, patents, technology capabilities, digital solutions (e.g. SakuPay, BuyHub, iSPEKS Tech Refresh, Smart City Solutions)

- Pool of funds from operations, financing (debt/equity), government grants, strategic partnerships

- Infrastructure, technology assets, IoT, cloud-based systems, cybersecurity tools

- Workforce competencies, expertise, and innovation capability
- Talent acquisition, succession planning, and strategic skill-building
- Workforce digitalisation and automation readiness

- Energy consumption (electricity, water, fuel)
- Waste management & recycling initiatives
- Investment in renewable energy & energy-efficient technology

- Stakeholder engagement (employees, communities, regulators)
- Corporate social responsibility (CSR) programmes
- Ethical governance & transparency initiatives
- Digital inclusion & community-based projects

> Value Adding Activities

Group Strategy
2022-2026 &
Strategic Focus Area

Sustainability
Pillars

Material Matters

Key Risks

Market Trends

Corporate Governance
Framework

How We Create Value - Value Creation Model

Value Creation Plan 6 (VCP 6)

- Incorporate Financial Technology in core products
- Acquire distribution ecosystem

Value Creation Plan 7 (VCP 7)

- Acquire competencies in IP & eGovernment
- Acquire competencies in healthcare data management

Value Creation Plan 8 (VCP 8)

- Acquire competencies in energy efficiency technology

Value Creation Plan 9 (VCP 9)

- Export products and capabilities

Value Creation Plan 10 (VCP 10)

- Recurring revenue from asset ownership

Strategic Objectives

• Group Business

Driving Sustainable Growth Through Value Growth

• Group Operation

Driving Operational Innovation Through Agility Collaboration & Excellence

Strategic Initiatives

• Group Business

- Customer Centric Solution
- Selective Market Penetration
- Performance Driven Culture

• Group Operation

- Agile Delivery System
- Performance and Capability
- Continuous Improvement Culture

Enabler

Sustainable Financial Strength

Foundation

Group Finance, Group People and Culture, Strategic Procurement, Strategic Communication and Marketing

> Output (Strategies and Focus Areas)

- Launch of SakuPay, Digital Well-being Platform, COBRA [Cybersecurity], Neuro-Robotic Rehab
- Strengthened smart city, intelligent transport, and eGov solutions
- Enhanced corporate governance and risk management frameworks

- Investments in high-margin, recurring revenue businesses
- Financial discipline and strategic funding for business expansion

- Jendela 2 Fiberisation, Smart Emergency Call [eCall], CloudPlay for Unifi TV
- Investment in energy-efficient technology and sustainable IT solutions

- Performance-Driven Culture: Agile workforces with clear KPIs linked to revenue realisation
- Strategic Workforce Planning: Aligning employee capabilities with business objectives
- Operational Efficiency & Cost Management: Keeping manpower costs below 30% of revenue
- Partnerships & Collaborations: Leveraging external expertise to address capability gaps while building internal capacity

- Implementation of energy efficiency projects
- Carbon footprint reduction initiatives
- Adoption of sustainable infrastructure in digital transformation
- Enhanced waste management policies

Strengthened stakeholder trust through transparent governance

- Ongoing CSR initiatives benefiting local communities
- Ethical business practices reinforced across operations
- Implementation of inclusivity and diversity programmes

> Outcome

- Established Theta as a digital-first organisation
- Strengthened market presence in high-tech sectors
- Recurring revenue from digital platform business models


- Enhanced financial sustainability
- Increased profitability and shareholder value
- Lower operational costs through automation

- Improved operational efficiency and faster service delivery
- Cost savings from digitalisation
- Sustainable & future-ready business model

- High-Performing, Tech-Savvy Workforce: Strengthened capabilities in cybersecurity, fintech, smart solutions, and cloud infrastructure
- Increased Employee Engagement & Retention: Enhanced motivation and alignment with strategic business objectives
- Revenue & Market Competitiveness: Workforce-driven value generation leading to business growth
- Resilience & Business Agility: Adaptability to market changes and sustainable revenue generation

- Reduced environmental impact through sustainable practices
- Compliance with environmental regulations
- Cost savings from energy efficiency
- Improved brand reputation as a sustainable company

- Stronger brand loyalty and market presence
- Enhanced corporate reputation
- Increased employee engagement and retention
- Regulatory compliance and risk mitigation



Through strategic planning
and coordination, we transcend
challenges, transforming them
into opportunities for

SUSTAINABLE SUCCESS



Determining Materiality

Material matters are integral to Theta's mission of driving enduring value and achieving sustainable growth. They provide a clear understanding of the sustainability issues that are significant to stakeholders and business. By aligning these insights with our strategy, we not only mitigate risks and capitalise on opportunities but also ensure our operations remain sustainable and future ready.

We aim to conduct a materiality assessment every year, complemented by annual reviews to reassess the relevance of our prioritised EESG impacts within the context of our day-to-day activities.



2022

- Identified sustainability matters based on the Sustainability Accounting Standards Board Standards (SASB) to address industry-specific sustainability issues and practices
- This process resulted in the identification and prioritisation of 10 relevant material matters



2023

- Incorporated GRI Standards to strengthen reporting transparency and inclusivity
- Conducted a desktop validation exercise
- Maintained the 2022 material matters, which continued to be prioritised in 2023



2024

- Conducted a comprehensive materiality assessment with internal stakeholders and selected external stakeholders (e.g. customers and vendors)
- This resulted in the identification of new material matters and the addition of the economic pillar

We established a structured approach to our materiality assessment by applying the key steps such as identification, assessment and stakeholder engagement in 2023. In FY2024, we continued applying these principles in our large-scale materiality assessment, engaging key internal and selected external stakeholders.

We engaged our stakeholders through online surveys, interviews and awareness talk. This process ensured that their priorities and concerns were considered, strengthening the alignment of our sustainability focus with stakeholder expectations and enhancing the impact of our strategic initiatives.

> Our Materiality Assessment Process

STEP 1

Identification and Assessment

The process began with an in-depth analysis of key economic, environmental and social issues, supported by insights from industry reports and sustainability frameworks. This effort enabled us to better understand the broader landscape and prioritise areas where we could make a tangible difference.

STEP 2

Stakeholder Engagement and Prioritisation

We actively engaged both internal and external stakeholders through surveys, interviews and workshops, gathering diverse insights that shaped our understanding of key priorities. This inclusive approach allowed us to identify and prioritise issues that are both significant to our stakeholders and critical to our business, ensuring our sustainability efforts align with stakeholder expectations and strategic objectives.

STEP 3

Review and Validation

Validated findings with leadership by reviewing results with executives, the Board, and sustainability committee to ensure accuracy and alignment with company goals. Integrate material issues into corporate strategy, risk management, and sustainability reporting for transparency and effective action. Regularly monitor and update the assessment to adapt to changing stakeholder expectations, regulations, and business conditions.

The materiality assessment resulted with 16 material matters, which included 10 new material matters, namely Supporting Local Business, GHG Emissions, Energy Efficiency, Customer Satisfaction, Diversity and Inclusion, Recruitment and Retention, Engagement and Development, Corporate Governance and Business Ethics, Risk Management and Data Privacy.

Determining Materiality

Additionally, one material matter has been renamed, with Community Contributions and Development now referred to as Community Engagement.

To ensure alignment with EESG considerations, we included the Economic pillar, which encompasses Supporting Local Business and the previously identified material matter, Business Model & Innovation.

The findings of the materiality assessment also showed that energy efficiency emerged as Theta's most significant material issue due to rising operational costs and regulatory pressures on sustainability, followed by occupational safety and health, driven by increasing regulatory scrutiny and workforce well-being priorities, and customer satisfaction, which was influenced by competitive market dynamics and brand reputation concerns. The materiality assessment process undertaken, including the materiality matrix, has been reviewed by our Board Audit Risk Management Committee and endorsed by the Board of Directors.

> FY2024 Theta Edge Materiality Matrix



Economic	Environmental	Social	Governance
<p>E1 Supporting Local Business</p> <p>E2 Business Model & Innovation</p>	<p>E3 GHG Emission</p> <p>E4 Energy Efficiency</p> <p>E5 Water Management</p> <p>E6 Waste Management</p>	<p>S7 Diversity & Inclusion</p> <p>S8 Recruitment & Retention</p> <p>S9 Engagement & Development</p> <p>S10 Occupational Safety & Health</p> <p>S11 Customer Satisfaction</p> <p>S12 Community Engagement</p>	<p>G13 Corporate Governance & Business Ethics</p> <p>G14 Procurement Practices & Efficiency</p> <p>G15 Risk Management</p> <p>G16 Data Privacy</p>

Environmental Management

ENERGY EFFICIENCY

Why It Matters

Energy efficiency is critical to ensuring that we operate in a cost effective and environmentally responsible manner, while optimising resource use. We are steadfast in reducing energy consumption and utility expenses, enhancing operational efficiency and capitalising on opportunities that come with utilising sustainable energy solutions, reflecting our environmentally responsible stance. This commitment to energy efficiency reinforces business resilience and sustainable growth, in line with the transition towards more sustainable energy consumption.

> Our Approach

Our energy efficiency approach seeks to minimise environmental impact and optimise resource use, guided by the Environmental Management System (EMS) ISO 14011:2015 standard. Furthermore, it is benchmarked against the National Energy Transition Roadmap (NETR), Bursa Malaysia's Sustainability Reporting Guide and Toolkit (3rd Edition) and other relevant industry best practices.

We monitor energy consumption and strive to lower operational costs and carbon emissions through sustainable practices and use of renewable energy, with our initiatives overseen by the Administration & Facilities Management Department.

> Our Initiatives

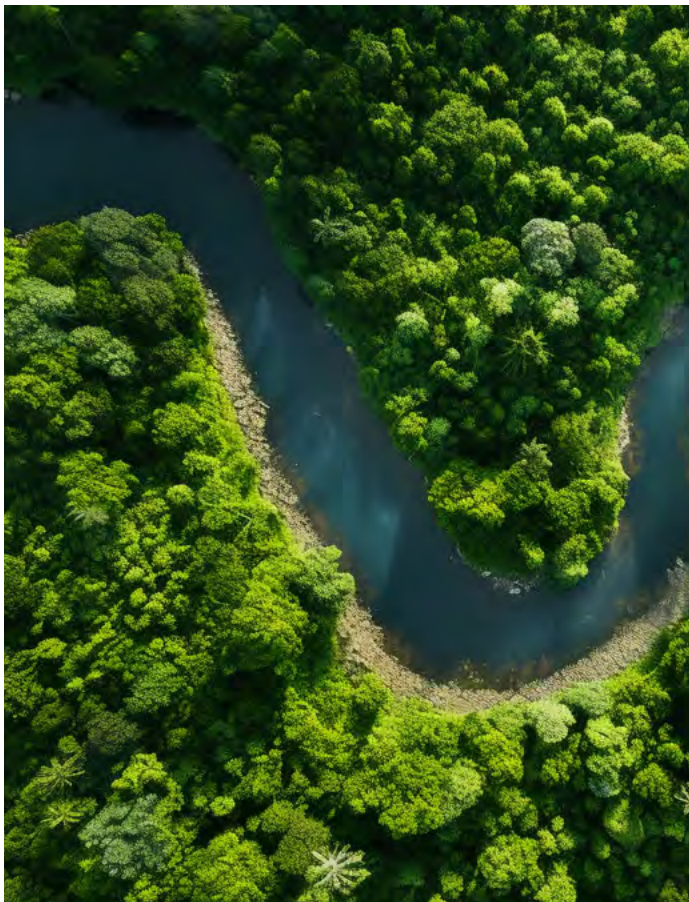
Theta remains steadfast in improving energy efficiency through continuous tracking of energy consumption, optimising operational practices and leveraging renewable energy solutions. For instance, we maximise clean energy usage and reduce dependency on regular power sources by actively monitoring the amount of solar energy generated from photovoltaic panels installed since FY2023.

Our energy reduction measures encompass the following:

- Electricity consumption of power purchased from the national grid
- Renewable energy consumption from self-generated solar energy
- Reduction metrics, namely total energy consumption [MJ], energy intensity [MJ per employee] and percentage reduction from the baseline year

We track the performance of our energy reduction measures through the following methods:

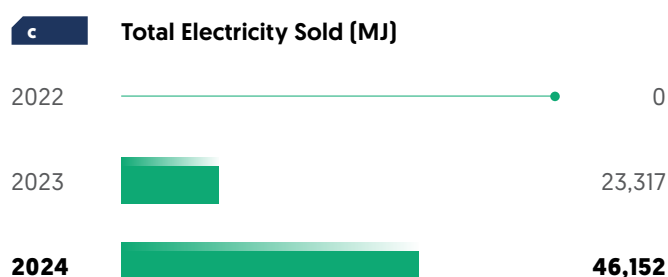
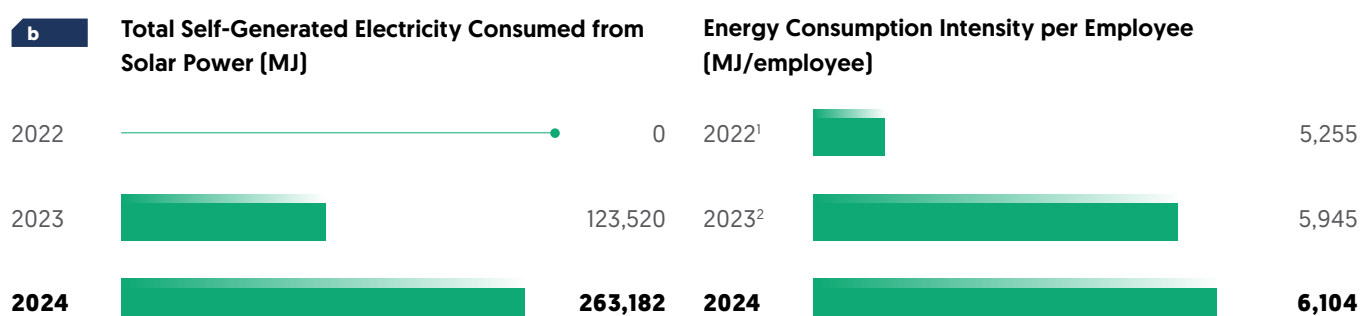
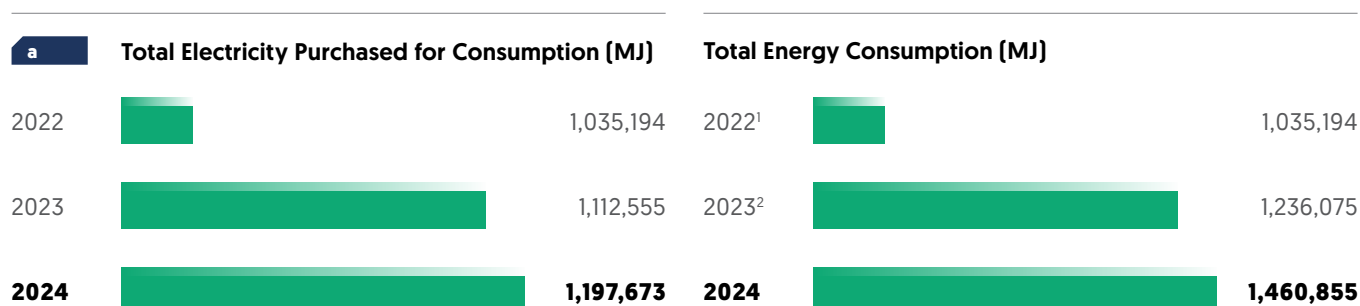
- Energy consumption is measured using utility bills that list the amount of purchased electricity and solar energy exported as well as energy monitoring tools to track solar energy generation
- Energy reduction calculations are based on: Total energy consumed = electricity purchased + solar energy consumed
- Conversion factors such as International Energy Agency (IEA) factors are applied when converting kWh to MJ for standardised reporting



Environmental Management

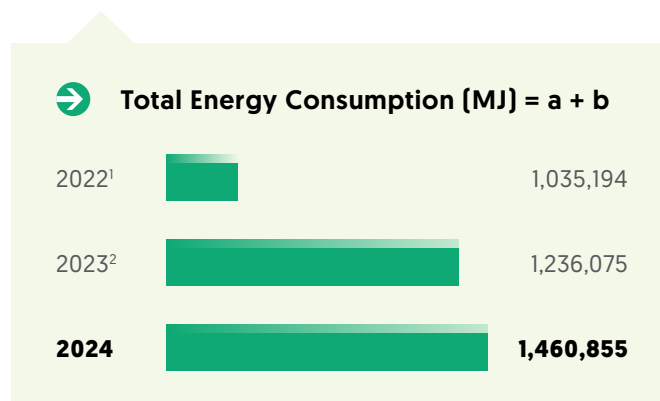
Following the introduction of our energy-saving guide that was developed in FY2023, we continue to drive energy conservation practices across our offices, such as enabling power-saving modes on computers and consuming electricity mindfully.

In 2024, we established a target of a 2% reduction in energy consumption intensity per employee by 2025 from our 2023 baseline. Total energy consumption for the year stood at 1,460,855 MJ while the energy consumption intensity per employee was 6,104, representing a 2.7% increase from the 2023 baseline that was driven by our workforce expansion – from 208 employees in 2023 to 239 in 2024.



We continue to prioritise offering comprehensive solar installation services that include bespoke solar panel designs and integrated solutions for both commercial and residential buildings. At the same time, we remain committed to exploring new opportunities to boost our capabilities and effectively address changing consumer demand, enhancing our existing lineup of solutions.

Looking ahead, we will keep pursuing our energy consumption reduction target by developing a formal Energy-Saving Guideline to strengthen our energy efficiency measures, as well as perform an energy audit to identify opportunities to enhance our energy conservation efforts.



Notes:

¹ Data collection only commenced in 2022.

² Total energy consumption for 2023 has been restated from 1,122,555 MJ, which excluded solar energy consumption, to 1,236,075 MJ to include 123,520 MJ of solar energy, following the implementation of an enhanced energy monitoring system in 2024.

Social Management

DIVERSITY & INCLUSION



Why It Matters

At Theta, we recognise that having a diverse team brings new ideas, improves decision-making and enhances overall effectiveness. Prioritising diversity and inclusion also create a more equitable and dynamic workplace while ensuring equal opportunities for all regardless of gender, race or age.

Building on this understanding, we promote an inclusive environment by embracing different perspectives, encouraging participation and removing barriers to equal advancement while strengthening policies that support a fair and supportive workplace.

> Our Approach

Our approach is centred around creating a fair and inclusive workplace where everyone has equal opportunities to thrive. While we do not have a formal internal policy that governs diversity and inclusion, we are committed to building a culture that values diversity, respects difference and ensures fairness for all regardless of gender, race or age. For this, we have in place the Group People & Culture, which leads our diversity and inclusion efforts, ensuring a respectful and supportive environment for all employees.

We also look to global benchmarks to strengthen our approach, aligning with the United Nations Sustainable Development Goals (UNSDGs), particularly Goal 5: Gender Equality and Goal 10: Reduced Inequality. These principles guide our efforts to promote fairness, empower individuals and address workplace inequalities.

> Our Initiatives

Increasing Women's Representation in Theta

At Theta, we recognise that a diverse workforce brings fresh perspectives, strengthens decision-making and improves overall effectiveness. In line with the revised Malaysian Code of Corporate Governance (MCCG) 2021, which recommends at least 30% women representation at the Board and management levels, we have set a long-term target to achieve this by 2025.

As of 2024,
we have surpassed this target,

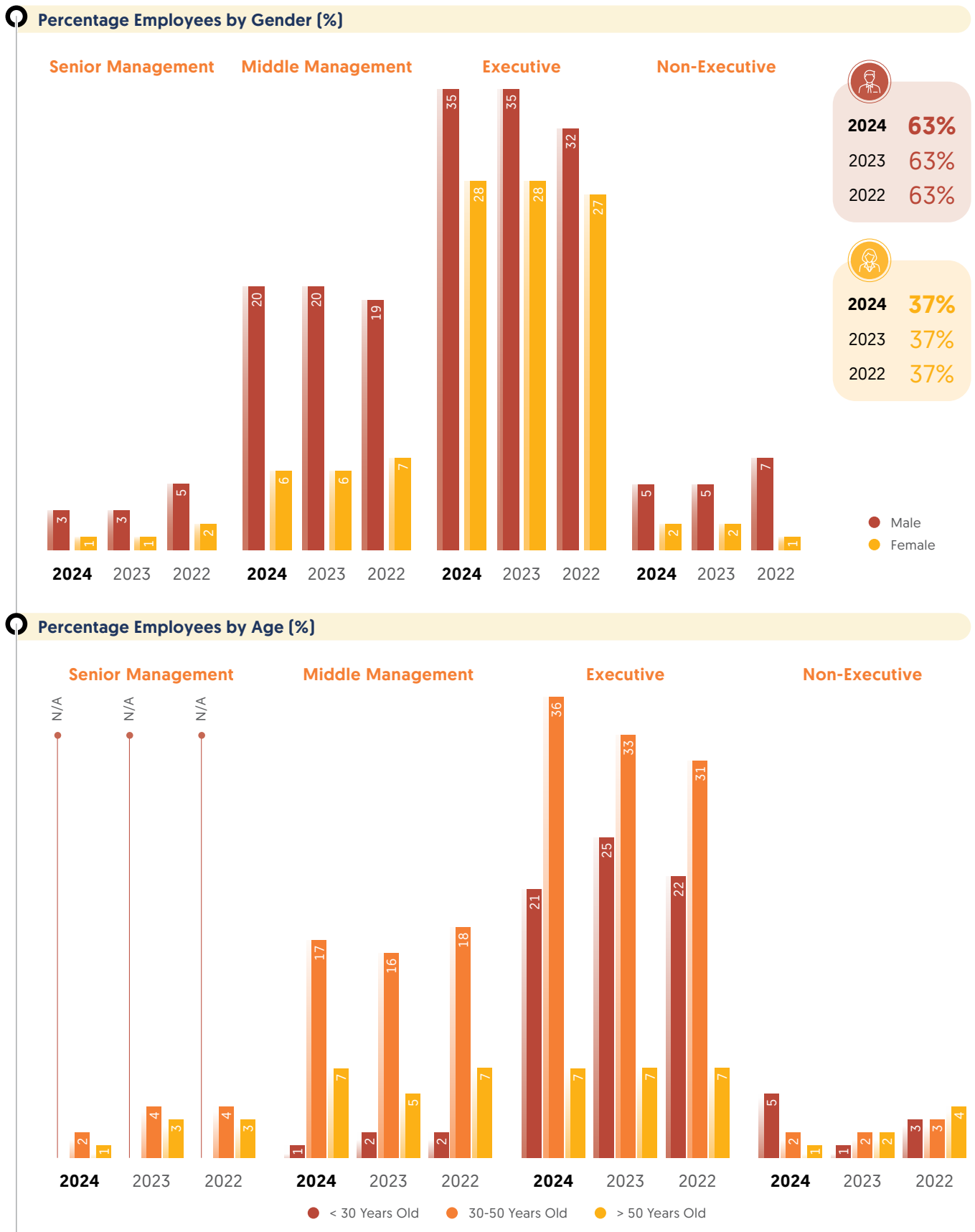
**with women holding
22% of management
roles and 44% of Board
positions**

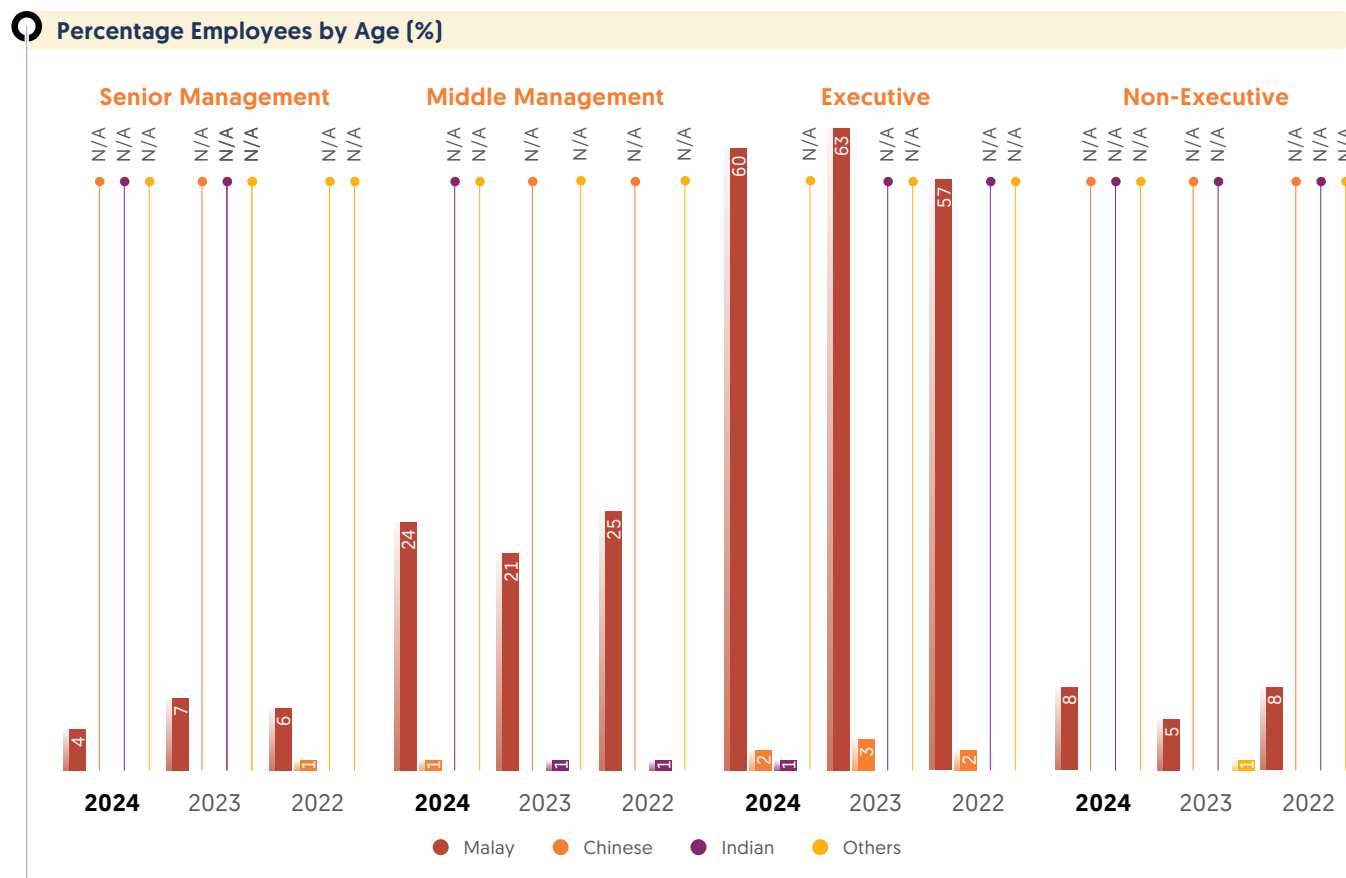
We are committed to create equal opportunities for women in leadership and provide a workplace that supports their professional growth.



Bursa Common Indicator C3 [a]

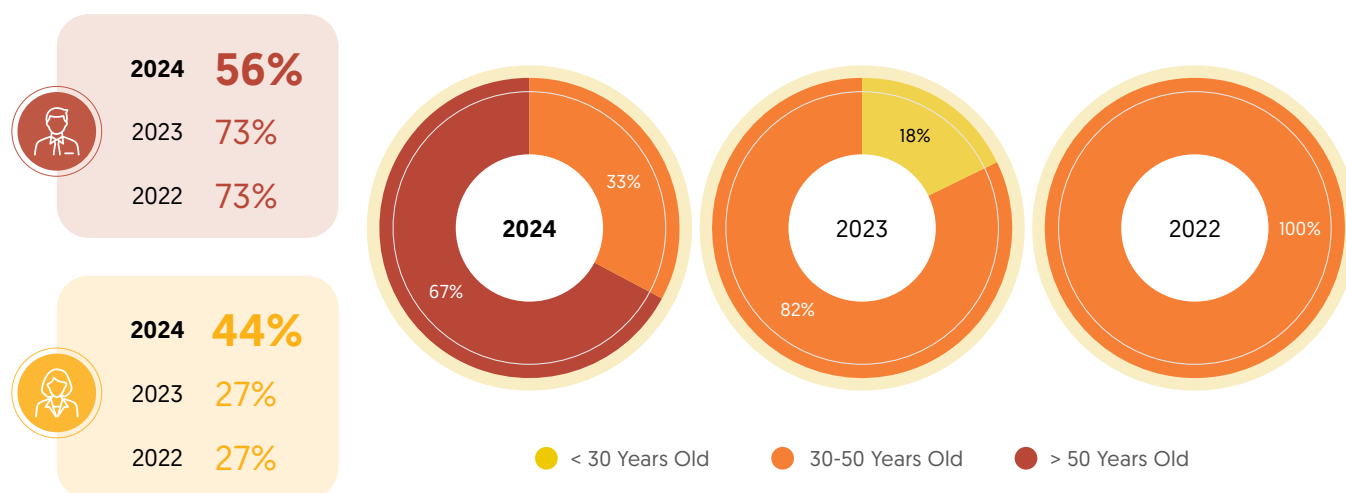
Percentage of Employees by Gender and Age Group, for Each Employee Category





Bursa Common Indicator C3 [a]

Percentage of Directors by Gender and Age Group



RECRUITMENT & RETENTION

Why It Matters

At Theta, we recognise that employees are key drivers of success and growth. Attracting and retaining skilled talent enables us to drive innovation, enhance productivity and maintain a competitive edge in the industry. Poor recruitment and high turnover can result in higher costs, operational challenges and lower employee morale, which may impact stakeholder confidence.

To ensure workforce stability, we focus on initiatives that support long-term retention and professional development. Creating opportunities for career growth and strengthening employee engagement allows us to address challenges related to turnover while ensuring a capable and committed workforce.

> Our Approach

Our approach is centred around creating a fair and supportive workplace by ensuring transparent hiring, competitive compensation and opportunities for professional growth. We follow industry best practices and comply with Malaysia's labour laws, including the Employment Act 1955 and our Employee Handbook, which outline how we manage employee rights, working conditions and fair treatment. To ensure consistency in our approach, the Group People & Culture department oversees Theta's recruitment and retention efforts, ensuring employees are treated fairly, have access to growth opportunities and work in an environment that supports their long-term development.

> Our Initiatives

Talent Acquisition

In 2024, we set up booths at Taylor's Career & Employment Day 2024 and UTeM Career & Internship Fair 2024. These events provided job seekers with opportunities to explore career prospects at Theta, engage with our recruitment team and learn more about our work culture.

These initiatives expanded our talent pipeline, strengthened our employer brand and built relationships with universities, creating more opportunities for collaboration and engagement with future talent. They also aligned with UNSDG 8: Decent Work and Economic Growth by promoting fair employment opportunities and workforce development for young talents.



> Taylor's Career & Employment Day 2024

Social Management



> UTeM Career & Internship Fair 2024

Performance Management

Theta recognises that effective performance management is key to employee retention and overall business success. By setting clear KPIs, employees have well-defined goals that align with the company's strategic direction. Regular performance evaluations provide constructive feedback, enabling employees to recognise their strengths, improve their skills and explore career growth opportunities.

A structured performance management system supports open communication, allowing concerns to be addressed early while improving job satisfaction. When employees have access to fair recognition and career progression, they remain engaged and committed. This approach enhances productivity, strengthens employee loyalty and helps to reduce turnover rates.

We support employee well-being and retention by offering attractive and competitive benefits to attract and retain top talent.

The following are among the benefits provided to our employees:

Leave

Annual leave, medical or hospitalisation leave, compassionate leave, marriage leave, maternity leave, paternity leave

Medical

Insurance coverage, medical expenses, dental care

Others

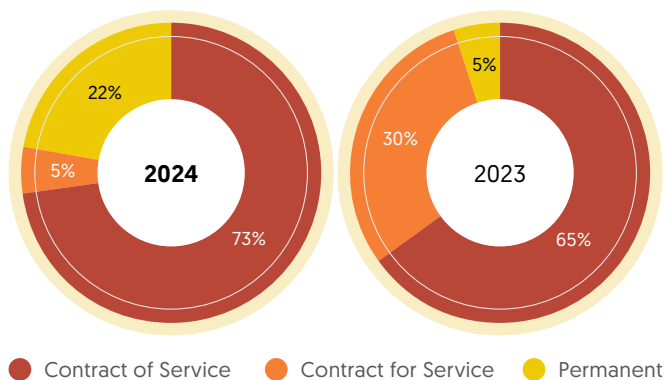
Meal vouchers, shuttle transport
(those travel to work via public transport)

At Theta, we manage our workforce by balancing permanent and contract employment while ensuring a steady flow of new hires across all levels:



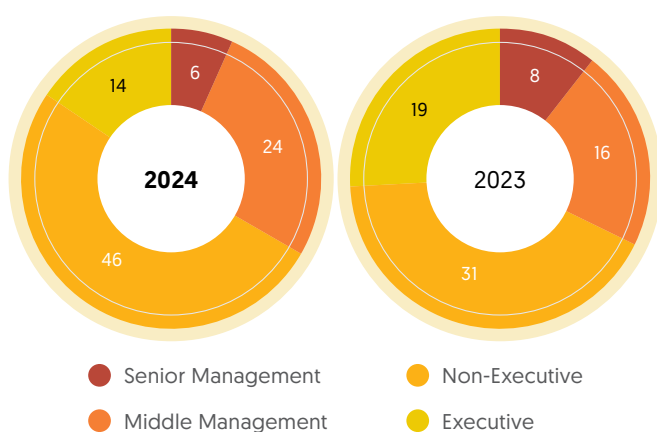
Bursa Common Indicator C6 [b]

Percentage of Employees That Are Contractors or Temporary Staff



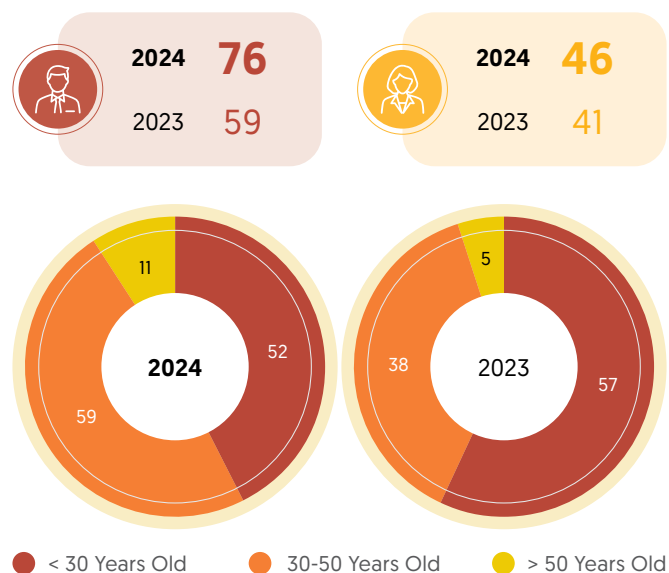
Bursa Common Indicator C6 [c]

Total Number of Employee Turnover by Employee Category



GRI 401-1

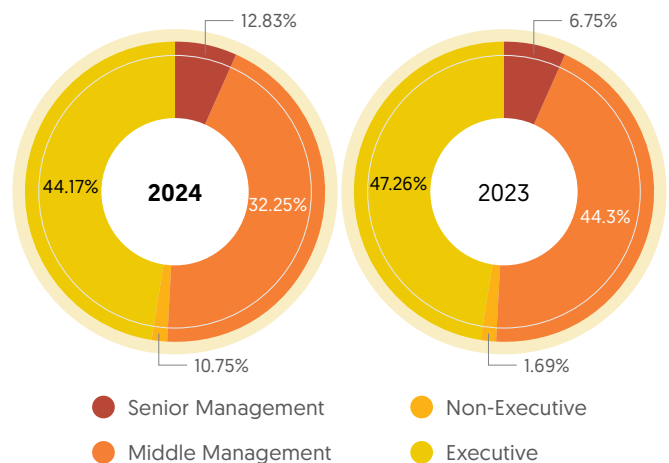
New Employee Hires During The Reporting Period by Age Group, Gender and Region



We also provide training for our employees to enhance their skills:

Bursa Common Indicator C6 [a]

Total Hours of Training by Employee Category



Social Management

ENGAGEMENT & DEVELOPMENT

Why It Matters

Employee engagement and development are crucial for building a motivated and skilled workforce. We believe that investment in employee growth and well-being tend to have higher productivity, innovation and job satisfaction. For Theta, fostering engagement and providing development opportunities help retain talent, improve performance and strengthen our employer brand. We invest in training to enhance employees' professional skills, strengthening our business and driving success.

> Our Approach

At Theta Edge, our approach towards employee engagement and development blends compliance with national labour regulations and the adoption of global best practices to enhance employee growth and well-being.

While we follow the guidelines in our Employee Handbook and comply with Malaysia's Employment Act 1955, we also implement various initiatives, such as training programmes, to foster a positive and engaging work environment.

Our Group People and Culture department oversees employee engagement and development. By integrating global best practices, we aim to support employee growth while ensuring adherence to the national labour regulations.

> Our Initiatives

Throughout 2024, we organised various employee engagement initiatives to foster teamwork and a positive work culture in the organisation.

Supporting Employee Well-being

Featuring competitions such as Pool 9 Ball, Bowling, *Menganyam Ketupat*, Chess, *Congkak* and Mileage Run, Thetalympics 2024 engaged over 145 employees from various departments. The event aimed to encourage our employees to stay active, foster camaraderie and strengthen relationships across departments.

By participating in Thetalympics 2024, our people had the opportunity to take a break from their daily work routines, reduce stress and improve their overall well-being. The initiative also reinforced our commitment to creating a positive and engaging work environment where employees feel valued beyond their professional contributions.



> Thetalympics 2024

Strengthening Workplace Harmony

Our other key engagement initiatives include International Women's Day, which celebrated gender inclusivity, as well as our annual Majlis Berbuka Puasa and Theta Raya Open House, which brought our employees together to celebrate festive occasions and strengthen workplace bonds.

Additionally, the Group Human Capital Open Day provided a platform for employees to interact with the HR team and address workplace concerns. Our annual townhall meetings were also held to update employees on business progress and recognise achievements. Within 2024, we held 1 townhall meeting on 19th July, ensuring regular communication across Theta Edge.



> Majlis Berbuka Puasa 2024



> Theta Raya Open House 2024

Social Management

Fostering Unity and Pride

We also held Deco Merdeka and Malaysia Day Potluck as part of Theta's 2024 employee engagement initiatives aimed at fostering national pride and strengthening workplace camaraderie. For Deco Merdeka, a total of 8 departments participated in a friendly competition to decorate their workspaces with creative and patriotic themes in celebration of Malaysia's Independence Day. This initiative encouraged teamwork, creativity and a sense of unity among employees while celebrating the country's rich heritage and diversity.

The Malaysia Day Potluck event brought our employees together to share and enjoy a variety of traditional Malaysian dishes, representing the diverse cultural backgrounds within the company. This initiative not only celebrated Malaysia's independence but also promoted inclusivity, appreciation for different cultures, and stronger workplace relationships.

The FY2024 concluded with Thetarific Year-End Tea Tales, a gathering to reflect on accomplishments and appreciate employees' contributions. Activities conducted during the Thetarific event included interactive games, team-building sessions and a tea appreciation segment, with 150 employees in attendance.



> Deco Merdeka & Malaysia Day Potluck 2024



> Thetarific Year-End Tea Tales 2024

Social Management

We continuously strive to enhance workplace satisfaction and productivity here at Theta Edge. The following table presents the FY2024 Employee Experience Index (EEI) recorded across three dimensions: Employee Engagement, Organisational Health and Business Transformation.

EEI Index by Three Dimensions

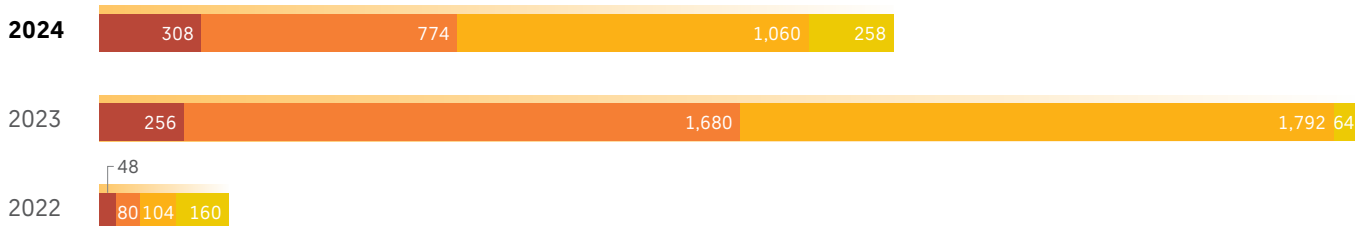
Employee Engagement		3.32 66.4%
Organisational Health		2.64 52.8%
Business Transformation		2.71 54.2%

Employee Training Hours

In 2024, we dedicated 2,400 hours to training, with an investment of RM88,900 in external learning and development programmes. The reduction in total training hours compared to 2023 was due to in-house training conducted last year, which featured an external trainer-led Lean Six Sigma session for our employees.

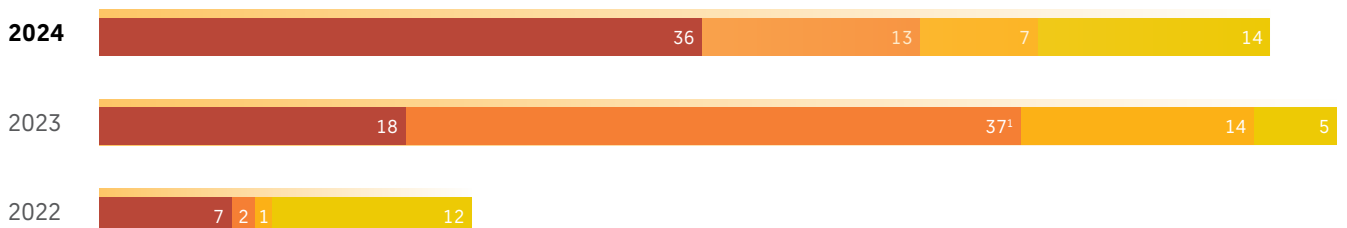
Total Hours of Training by Employee Category

● Senior Management ● Middle Management ● Executive ● Non-Executive



Total Average Hours of Training by Employee Category

● Senior Management ● Middle Management ● Executive ● Non-Executive



Note:

¹ The previously reported figure of 46 resulted from a calculation oversight. The corrected average training hours per employee (middle management) is 37.

Overall Average Training Hours per Employee (Hours)



Social Management

OCCUPATIONAL SAFETY & HEALTH



Why It Matters

We prioritise the well-being and safety of our employees and contractors across all business operations and workplaces.

Strong safety practices are key to protecting our workforce, which enhances their productivity and our operational efficiency. In addition, we view compliance with safety regulations is essential, as non-compliance can lead to legal consequences and fines.

Through our commitment to fostering a safe and healthy work environment, we strive to prevent workplace hazards, reduce risks and promote overall well-being.

> Our Approach

We place the health and safety of our people and the environment at the core of our operations and remain guided by our Health, Safety and Environment (HSE) Policy and Management System.

Our commitment to workplace safety is further reinforced by our adherence to relevant national regulations, including the Occupational Safety and Health Act (OSHA) 1994 and Environmental Quality Act 1974. Additionally, we hold certifications in ISO 14001:2015 (Environmental Management System) and ISO 45001:2018 (Occupational Health and Safety Management System), ensuring compliance with international best practices.

The HSE Unit is responsible for overseeing and implementing health and safety measures across our operations, including risk assessments, training and continuous monitoring to create a safe and compliant work environment. We established HSE Committees at the working level, with quarterly meetings held to review performance, address any concerns and align our safety strategies.

To further enhance workplace safety, we have an Emergency Response Team (ERT) in place, ensuring swift and effective action in critical situations, alongside our broader efforts to safeguard employees and stakeholders.

> Our Initiatives

In FY2024, we implemented several initiatives to strengthen our OSH practices, ensuring a safer and more resilient work environment for our employees and stakeholders.

Internal Digital Monitors (IDM) Installation

As part of Theta Edge's HSE Digitalisation Programme to reduce paper use, we installed 3 units of Internal Digital Monitors (IDM) on every office level in April 2024 to enhance awareness of HSE policies and procedures.



> Internal Digital Monitors

HSE Inspection and Audit

We conducted HSE inspections and audits for both site and office environments to ensure compliance with HSE rules and regulations. A total of 10 site inspections were carried out annually. Additionally, we carried out monthly inspections of fire extinguishers and first aid kits, checking pressure gauges, pressure meters, first aid boxes and expiry dates of first aid items.

Fire Prevention and Emergency Preparedness

As we aimed to foster a strong safety culture, minimise workplace risks and ensure compliance with HSE regulations, we ensured the functionality and good condition of our office building's fire protection system through a service inspection in March 2024.

We also collaborated with Pertubuhan Pencegah Kebakaran Kuala Lumpur and Jabatan Bomba dan Penyelamat Malaysia (JBPM) to organise a Fire Prevention Talk in September 2024, equipping employees with essential knowledge on fire safety.



> Fire Prevention Talk

To further enhance emergency preparedness, we conducted a fire drill and emergency evacuation training in December 2024, allowing participants to practice evacuating in a calm, orderly and timely manner during a simulated emergency.

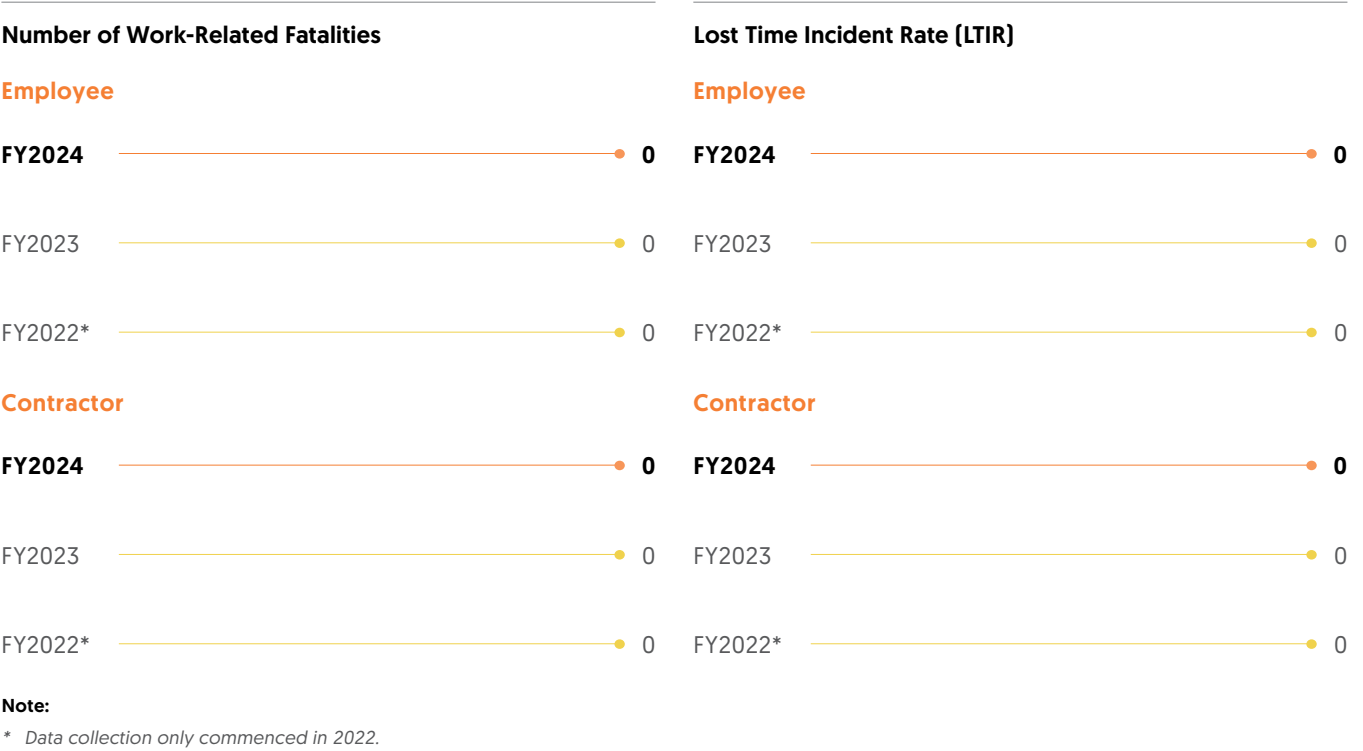
Other initiatives which we undertook in the reporting period include as below:

No.	Programme	Description
1.	Monthly HSE Awareness	Raised awareness on HSE through email communications to all employees on a monthly basis.
2.	HSE Internal Audit	Performed ISO 45001:2018 and ISO 14001:2015 audits within Theta Edge Berhad and its Group of Companies on 27 June 2024.
3.	ISO 45001:2018 & ISO 14001:2015 Recertification and Surveillance Audit	Evaluated compliance with the organisation's occupational health and safety management system to ensure continued adherence to ISO standards, conducted by NIOSH on 12 July 2024.
4.	HSE, Risk and Sustainability Awareness	Shared knowledge on HSE standards, laws, regulations and best practices with new and existing staff on 3 September 2024.

Social Management

FY2024 HSE Performance Highlights

In FY2024, we maintained a safe and secure work environment, with a continued zero work fatality record. Through stringent safety protocols, we remain dedicated to upholding zero work fatality and strive to safeguard the well-being of our employees and contractors.



CUSTOMER SATISFACTION

Why It Matters

At Theta, we recognise that customer satisfaction is crucial for sustaining long-term success and driving business growth. We believe that delivering high-quality solutions and continuously improving our products and services through active customer feedback allows us to better address their needs while upholding the highest quality standards.

For this, we are committed to enhancing customer experience by refining our offerings, responding to concerns in a timely manner and maintaining strong service standards while building lasting relationships that strengthen our market position.

> Our Approach

Our approach is centred around maintaining high levels of customer satisfaction through continuous engagement, feedback collection and service improvements. We have established dedicated channels to gather customer insights, address concerns and enhance overall experience. While there are no specific policies governing customer satisfaction, we have a Strategic Communication Department that collaborates with Project Coordinators of Business Units to strengthen customer relationships and improve service quality.

Currently, we do not benchmark our approach against specific national policies or international standards for customer satisfaction. However, we remain focused on refining our strategies to align with industry best practices and evolving customer expectations.

> Our Initiatives

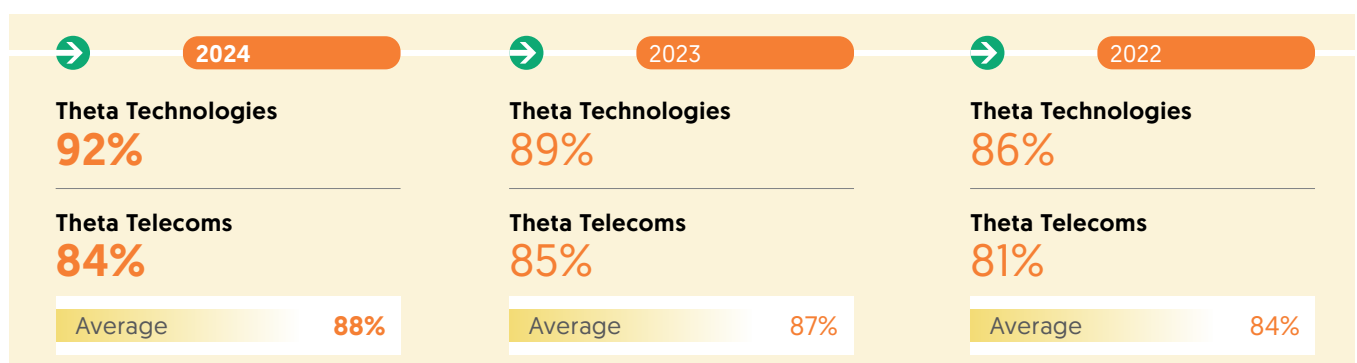
Theta remained committed to maintaining customer satisfaction across its core business units, Theta Technologies and Theta Telecoms. In this regard:

We conducted regular customer satisfaction surveys to assess key aspects such as product and service quality, timeliness of delivery and completion, responsiveness and overall performance. The insights gathered played a crucial role in identifying areas for improvement and refining service delivery.

We maintained active engagement with customers through Project Coordinators from both business units, who carried out regular follow-ups and provided personalised support. This approach ensured that concerns were addressed efficiently and expectations were met.

We also provided a dedicated customer support platform to streamline issue resolution for our products and services. This platform improved accessibility, allowing customers to lodge complaints and inquiries seamlessly.

Furthermore, we aim to achieve a minimum average score of 85% for the Customer Satisfaction Index (CSI) in 2025 as part of our short-term target to enhance customer experience and service quality.



Social Management

COMMUNITY ENGAGEMENT

Why It Matters

At Theta, we remain committed to building positive relationships with local communities through meaningful engagement and support. We focus on addressing social needs, advancing education and promoting sustainable development to enhance community well-being.

In addition, our initiatives support local economic growth and social welfare while reinforcing our brand reputation. Through our Corporate Social Responsibility (CSR) efforts, we aim to empower communities by improving their quality of life and fostering trust and positive relationships.

> Our Approach

We manage our community engagement programmes through structured initiatives guided by our CSR Framework and Policy, ensuring alignment with best practices in social responsibility. These efforts, overseen by our Strategic Communication Department in collaboration with relevant stakeholders, are designed to foster sustainable community development.

Through #thetaCares, we turn our values into action by supporting communities with initiatives focused on volunteering, empowerment, and transformation. By partnering with like-minded organisations, we strive to create meaningful and lasting change.

A key aspect of our commitment is empowering communities through access to digital content and infrastructure for academic learning and e-commerce. Through academic learning platforms and e-commerce infrastructure, we equip individuals with entrepreneurial skills, enabling sustainable economic growth and resilience.

> Our Initiatives

Throughout 2024, we continued our commitment to community development through our flagship CSR initiative, the #thetaCares programme. This ongoing initiative reflects our dedication to making a positive impact on society by addressing key social needs and supporting underprivileged communities. Through structured and meaningful engagements, we aim to uplift communities and create lasting value in the areas where we operate.

One of our ongoing initiatives under #thetaCares programme is the Desktop Distribution Programme, which was first introduced in 2022. This initiative aims to bridge the digital divide by providing refurbished desktops to the B40 community, enabling better access to education and digital learning opportunities.



> #thetaCares: Desktop Distribution

Social Management

Another key initiative was the #BTS [Back to School] Programme, which supported school-going children from low-income families by providing them with essential school supplies, helping to ease financial burdens and ensuring a smoother start to their academic year.



> #thetaCares: BTS [Back to School]

The detailed breakdown of our FY2024 community engagement programmes, including the number of beneficiaries reached, are shown in the table below. Through these initiatives, we remain committed to driving positive change and fostering social development.

No.	Programme	Number of Beneficiaries
1.	#thetaCares: Theta x UTM, KL In collaboration with Universiti Teknologi Malaysia [UTM], KL, 10 sets of desktops were distributed to SK Pos Lemoi, Cameron Highlands.	1 School
2.	#thetaCares: Theta x JAPERUN, Dun Duyong In collaboration with Jawatankuasa Pembangunan dan Penyelarasan Dewan Undangan Negeri [JAPERUN], Dun Duyong, 15 sets computer were distributed to 14 different locations of Balai Raya.	14 Balai Raya
3.	#thetaCares: Iftar Food Pack Food packs were distributed to media and students.	700 Pax



> #thetaCares: Iftar Food Pack

Social Management

No.	Programme	Number of Beneficiaries
4.	#thetaCares: BTS In collaboration with JAPERUN, Dun Duyong, school bags were distributed to B40, orphaned and asnaf students.	200 Students
5.	#thetaCares: BTS School bags were distributed to students, and three refurbished TVs were installed at SK Taman Medan, Petaling Jaya.	130 Students and 1 School

In FY2024, we invested RM112,218 in various community engagement initiatives, supporting NGOs and educational institutions through financial contributions. Our commitment extended beyond monetary aid, with non-monetary donations such as food packs and essential supplies, further enriching the well-being of the communities we serve.

Total Amount Invested in the Community (RM)



Note:

¹ For Total Amount Invested in the Community, data collection only commenced in 2022.

Total Number of Beneficiaries Impacted in the Communities



Note:

¹ For Total Number of Beneficiaries Impacted in the Communities, data collection only commenced in 2023.

Governance Management

CORPORATE GOVERNANCE & BUSINESS ETHICS

Why It Matters

Corporate governance and ethical business are paramount at Theta, ensuring that transparency, accountability and integrity are embedded into operations across the Group. Our strong governance framework mitigates risks linked to corruption, fraud and regulatory non-compliance, safeguarding our reputation and securing stakeholder trust. By adhering to policies and ethical standards that clearly outline acceptable conduct, we nurture a culture of integrity that strengthens our business resilience and relationships with employees, customers, regulators and the wider community. Failing to uphold good corporate governance and ethical business conduct could incur legal penalties and losses in investor confidence and monetary terms, impacting business sustainability.

> Our Approach

We employ a structured framework to manage our corporate governance and business ethics. This framework is supported by clear policies which are aligned with industry best practices, reaffirming our commitment to integrity and transparency.

The policies, which are designed to ensure ethical conduct and regulatory compliance, include:

- Anti-Bribery and Adequacy Policy
- Conflict of Interest and Disclosure Policy
- Document Control Policy
- Whistleblower Policy
- No Gift Policy

The Integrity & Compliance Unit oversees and implements these policies across all levels of the organisation. To foster accountability and ethical business conduct across our operations, we benchmark our approach against the Malaysian Code on Corporate Governance 2021 (MCCG) to ensure our governance practices meet national standards.

> Our Initiatives

We adopt a proactive approach to nurture a culture of compliance and responsible decision-making and maintain a solid foundation of ethical behaviour. Our continuous efforts to improve our corporate governance and ethical business practices ensure transparency, accountability and compliance with regulatory frameworks. We regularly review and update our policies and governance frameworks to ensure we remain aligned with industry standards and regulatory requirements.

In 2024, we revised our Corporate Governance Framework and Discretionary Approving Limits (DAL) to improve oversight and decision-making processes. Furthermore, we carried out awareness sessions among managers on the legal implications of Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018, to provide them with crucial knowledge on corporate liability and anti-corruption measures.



> Managers' awareness session on legal implications of Malaysian Anti-Corruption Commission (Amendment) Act 2018 Section 17A on 26 July 2024

The execution of structured anti-corruption training and corruption-related risk assessments was temporarily affected by our organisational transformation in 2024. We remain dedicated to enhancing our ethical business practices and will redouble our efforts to boost awareness and compliance throughout the Group.

In 2025, we aim to continue anti-corruption training, with one such session successfully carried out in February 2025 and more similar initiatives scheduled throughout the year.

Governance Management

Bursa CI (a)

Percentage of Employees Who Have Received Training on Anti-corruption by Employee Category

	2024	2023
Senior Management	0	0
Middle Management	0	0
Executive	0	0
Non-Executive	0	0

Bursa CI (b)

Percentage of Operations Assessed for Corruption-Related Risks

	2024	2023
Percentage of Operations Assessed for Corruption-Related Risks	0	0

Bursa CI (c)

Confirmed Incidents of Corruption and Action Taken

	2024	2023
Confirmed Incidents of Corruption and Action Taken	0	0

PROCUREMENT PRACTICES & EFFICIENCY

Why It Matters

Procurement practices and efficiency are vital to optimising costs, building a resilient supply chain and ensuring our business remains sustainable.

By practising ethical, transparent and efficient procurement processes, we further strengthen our relationships with suppliers and enhance our operational effectiveness. Besides reducing costs, effective procurement also ensures we deliver quality goods and services promptly, minimising risks arising from supply chain disruptions.

Our ongoing commitment to strengthening procurement governance and sustainability in our supply chain ensures we continue to improve our procurement processes, which is essential to mitigating risks such as operational delays, higher costs and challenges in maintaining quality standards.

> Our Approach

To ensure transparency, fairness and efficiency, our procurement practices are benchmarked against national and international laws and standards such as relevant provisions under the Malaysian Anti-Corruption Commission (MACC) Act 2009, including Section 17A, ISO 37001:2025 (Anti-Bribery Management System) and the Malaysian Code on Corporate Governance. Additionally, internal policies that govern our dealings with our suppliers include the Code of Business Ethics (COBE), Anti-Bribery and Adequacy Policy, No Gift Policy and Whistleblower Policy.

Furthermore, to ensure our procurement activities are aligned with best practices and promote fairness and accountability in all our transaction, we employ a structured governance framework that comprise a robust Procurement Policy and a comprehensive set of standard operating procedures (SOPs).

The policy reaffirms our commitment to acquiring high-quality products while maximising value by setting up firm guidelines to govern the procurement of goods and services. This is supported by the SOPs, which clearly illustrate steps for employees engaging in all procurement-related tasks and vendor engagements.

To reinforce ethical and responsible business practices across our supply chain, we implemented the Vendor Integrity Pack (VIP). The VIP outlines our expectations of our vendors regarding integrity, anti-corruption and compliance with the relevant laws, regulations and internal policies, especially the key policies outlined above.

Our Group Strategic Procurement Committee (GSPC), which comprises management-level employees, plays a critical role in overseeing procurement activities, ensuring we maintain

procurement integrity and efficiency and enhance our supply chain management. The GSPC guides the company on employing procurement strategies that improve cost savings. Additionally, it ensures that all procurement processes are carried out fairly, comprehensively and in accordance with relevant procedures to maximise competition, while acting in good faith and performs due diligence to ensure that all procurement approvals are made with reasonable care.

> Our Initiatives

We continue to make progress in enhancing the sustainability and effectiveness of our procurement processes, building on our success from 2023. Our ongoing cost reduction efforts, based on cost reduction and cost avoidance strategies, have led to further savings of RM212,320 in 2024.

We continue to increase the number of registered vendors to 209 in 2024, 68 more than 141 vendors in 2023. This not only boosts competitiveness but also leads to cost savings and improved quality of products and services.

Additionally, we maintained our efforts to enhance the efficiency and transparency of our requests for quotations (RFQs) process, which expedites integration into our supply chain, strengthens bonds with our vendors and potentially leads to long-term partnerships and collaborations.

> Statement of Assurance

The Group is pleased to report that, as of the current reporting period, a comprehensive internal review of our Sustainability Statement has been conducted. This review aligns with recognised assurance standards, although independent external assurance has not yet been obtained.

Bursa Malaysia Common Sustainability Matters

Indicator	Measurement Unit	2024
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Senior Management	Percentage	0.00
Middle Management	Percentage	0.00
Executive	Percentage	0.00
Non-Executive	Percentage	0.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	52,598.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	1,046
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Senior Management Under 30	Percentage	0.00
Senior Management Between 30-50	Percentage	64.00
Senior Management Above 50	Percentage	36.00
Middle Management Under 30	Percentage	5.00
Middle Management Between 30-50	Percentage	69.00
Middle Management Above 50	Percentage	26.00
Executive Under 30	Percentage	33.00
Executive Between 30-50	Percentage	57.00
Executive Above 50	Percentage	10.00
Non-Executive Under 30	Percentage	62.00
Non-Executive Between 30-50	Percentage	26.00
Non-Executive Above 50	Percentage	12.00
Gender Group by Employee Category		
Senior Management Male	Percentage	79.00
Senior Management Female	Percentage	21.00
Middle Management Male	Percentage	78.00
Middle Management Female	Percentage	22.00
Executive Male	Percentage	56.00
Executive Female	Percentage	44.00
Non-Executive Male	Percentage	73.00
Non-Executive Female	Percentage	27.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	56.00
Female	Percentage	44.00
Under 30	Percentage	0.00
Between 30-50	Percentage	33.00 *
Above 50	Percentage	67.00 *
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	405.79
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	56

Internal assurance

External assurance

No assurance

(*)Restated

Bursa Malaysia Common Sustainability Matters

Indicator	Measurement Unit	2024
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Senior Management	Hours	308
Middle Management	Hours	774
Executive	Hours	1,060
Non-Executive	Hours	258
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	5.00
Bursa C6(c) Total number of employee turnover by employee category		
Senior Management	Number	6
Middle Management	Number	24
Executive	Number	46
Non-Executive	Number	14
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	99.10
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	3.990000
Bursa (Waste management)		
Bursa C10(a) Total waste generated	Metric tonnes	36.60
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	6.40
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	30.20
Bursa (Emissions management)		
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	2.30
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	255.56
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric tonnes	0.00

Profile of Directors

EXPERIENCE, EFFECTIVE AND ENERGETIC LEADERSHIP

Our Board exemplifies a hands-on, mindful approach to operations, blending industry expertise with strategic insight. Actively engaged in steering Theta Edge towards success, their collective experience ensures informed decision-making aligned with sustainability concerns and continuous improvement.

**TAN SRI ABD
RAHMAN BIN MAMAT**

Chairman,

*Non-Independent
Non-Executive Director*

**ADAM MALIK
BIN AZLAN**

*Independent
Non-Executive Director*

**SHAHBIN BINTI
OLI MOHAMED**

*Independent
Non-Executive Director*

Board Gender



Male

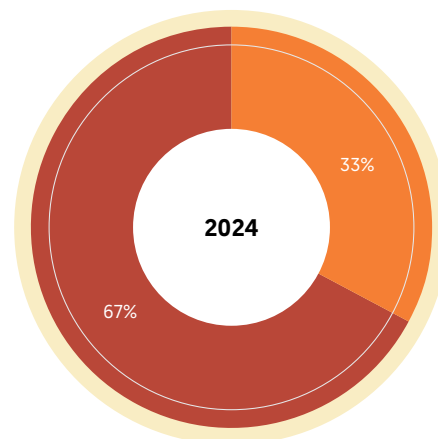
56%



Female

44%

Board Age

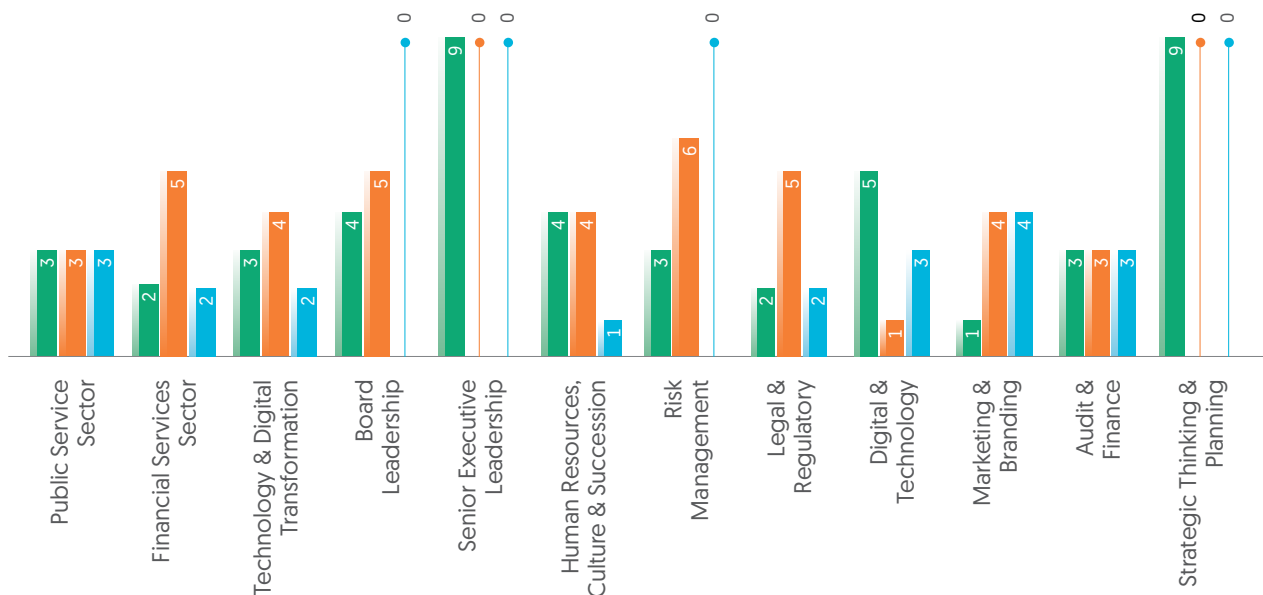


- 30-50 Years Old
- > 50 Years Old

Profile of Directors



Board Skills



For more information on the Board Skills, please refer to the Board Matrix at page 81 of this Report.

Profile of Directors



TAN SRI ABD RAHMAN BIN MAMAT

Chairman,
Non-Independent Non-Executive Director

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Date of Appointment

9 July 2024

Qualifications

- Bachelor of Economics (Honours), Universiti Malaya, Malaysia
- Advanced Management Programme, Harvard Business School, United States of America

Other Directorships

- Malaysian Industrial Development Finance Berhad
- MCE Holdings Bhd
- Lotte Chemical Titan Holding Bhd
- ECA Integrated Solutions Berhad
- Malaysian Technology Development Corporation Sdn Bhd (subsidiary of Khazanah Nasional Berhad)

> Working Experience

Tan Sri Abdul Rahman joined the Ministry of International Trade and Industry (MITI) in April 1975 as an Assistant Director. During his 35-year career at MITI, he held various senior positions before retiring in December 2010. Among them include Deputy Trade Commissioner, Malaysian Trade Office, New York, the United States (US); Director of Trade, Malaysian Trade Centre, Taipei, Taiwan; Economic Counsellor/Trade Commissioner and Deputy Permanent Representative to the United Nations Economic and Social Commission, Malaysian Trade Office, Bangkok, Thailand; Special Assistant to the then Minister of MITI; Member of the Board of Directors, Malaysian Industry-Government Group for High Technology (MIGHT); Director of Industries; Senior Director of Policy and Industry, Services Division; Deputy Secretary General (Industry) of MITI; and Secretary General of MITI. He was an honorary member of the ASEAN Federation of Engineering Organisations, a Malaysian Leader for the High-Level Task Force on ASEAN Economic Integration and a member of PEMUDAH (Public-Private Sector Task Force To Facilitate Business). Tan Sri Abdul Rahman represented Malaysia at many international meetings, negotiations, conferences and symposiums and was involved in formulating, implementing and monitoring policies and strategies on international trade and industries and entrepreneurship development.

Tan Sri Abdul Rahman is a representative of Lembaga Tabung Haji, a major shareholder of the Company.



ZAINAL 'ABIDIN BIN ABD JALIL

Non-Independent
Non-Executive Director

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Date of Appointment

10 May 2021

Board Committee

- Member of Board Investment Committee

Directorship of Listed Issuers and Public Companies

- Nil

Qualification

- Bachelor of Civil Engineering, University of Queensland, Australia

> Working Experience

Zainal 'Abidin has a distinguished experience in the upstream energy, power industry as well as IT and technology sector. During his six-year tenure as the Group Managing Director, Zainal 'Abidin led the remarkable transformation of Dagang NeXchange Berhad (DNEX) [formerly Time Engineering Berhad] from a RM180 million company to a global player with a RM2 billion market capital, diversifying into IT/e-Services, Technology and Energy.

With a distinguished 28-year career at ExxonMobil and a successful stint as CEO of Malakoff Corporation Berhad, he demonstrated expertise in business turnaround, M&A and international market expansion, particularly in power generation, renewable energy and water desalination. He was instrumental in building a balanced diversified portfolio of upstream oil and gas assets in the UK and Malaysia as the Managing Director of Ping Petroleum.

Zainal 'Abidin is a representative of Threadstone Capital Sdn Bhd (Threadstone), a substantial shareholder of the Company. He also serves as a Director of Threadstone and holds an indirect interest in the Company through his stake in Threadstone. The details of his shareholdings are disclosed on page 155 of the Annual Report.

* Resigned w.e.f. 25 April 2025

Profile of Directors



LATIFAH BINTI M. DAUD

*Independent
Non-Executive Director*

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Date of Appointment

10 September 2021

Board Committee

- Chairman of the Nomination and Remuneration Committee

Directorship of Listed Issuers and Public Companies

- Nil

Qualifications

- Master of Business Administration, Eastern Illinois University, United States of America
- Bachelor of Science in Computer Management, Eastern Illinois University, United States of America
- Attended Corporate Strategy Course, Harvard Business School 2017; World Economic Forum, Davos 2018; Women Leaders Global Forum, Reykjavik 2019

> Working Experience

Latifah has over 30 years of experience working with multinational corporations and government-linked organisations across Malaysia and Asia, including several years based in Shanghai, China. Her background includes roles in industries such as semiconductors, aerospace electronics and software technology.

She previously held the role of Executive Director at Khazanah Nasional and began her career at Renong Group, contributing to various national initiatives in areas like education, infrastructure and hospitality. She currently serves as the Senior Independent Non-Executive Director at Theta Edge Berhad and she chairs the Nomination and Remuneration Committee (NRC).

Over the years, she has been involved in several advisory and board positions, including with Yayasan Khazanah, a Khazanah-linked Special Purpose Vehicle (SPV), TalentCorp, and two local universities. Her involvement has supported efforts related to organisational development, planning and talent initiatives. She has also undertaken training in Environmental, Social and Governance (ESG) and responsible investing, aligning with her interest in sustainable business practices.



AZIH BIN YUSOF

*Independent
Non-Executive Director*



Date of Appointment

1 March 2022

Board Committee

- Member of the Audit and Risk Management Committee
- Member of the Nomination and Remuneration Committee
- Chairman of the Board Investment Committee

Directorship of Listed Issuers and Public Companies

- Nil

Qualifications

- Master of Science in Computer Science, Universiti Malaysia Terengganu
- Bachelor of Science in Computer Science, Universiti Kebangsaan Malaysia
- Foundation Certificate in IT-Service Management, Examination Institute for Information Science

> Working Experience

Azih, with over three decades of public service experience, currently serves as the Executive Director of TAJDID Corporation Sdn Bhd under the Terengganu State Government. His extensive career includes roles at Malaysian Administrative Modernisation and Management Planning Unit (MAMPU), where he served as the Deputy Director General (Information and Communications Technology). Azih, a certified expert in Database Management for the Public Sector since 2011, has held key positions such as Government Chief Information Officer (GCIO) and Head of ICT Consultant at MAMPU, where he contributed to the development of integrated digital services and information technology capacity building.

Profile of Directors



ADAM MALIK BIN AZLAN

*Independent
Non-Executive Director*

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Date of Appointment

6 October 2023

Board Committee

- Member of the Board Investment Committee
- Chairman of the Audit and Risk Management Committee

Directorship of Listed Issuers and Public Companies

- Nil

Qualifications

- Bachelor of Electrical and Electronics Engineering, University of Bristol
- ACA Chartered Accountant, The Institute of Chartered Accountants in England and Wales

> Working Experience

Adam Malik is an experienced banker with 20 years of working experience spanning across Malaysia, Singapore, London and New York. Being an Electrical and Electronics Engineering graduate from the University of Bristol also equips him with the necessary knowledge to excel in the field of financial technology. He is also a Chartered Accountant and a member of The Institute of Chartered Accountants in England and Wales. He founded and incorporated EpicQuant Pte Ltd in Singapore.

Prior to that, he joined Maybank Investment Bank in January 2010 as Director of Investment Banking, responsible for originating the Investment Banking deal pipeline. In 2011, he was given the additional role of heading the Bank's global Islamic Investment Banking business as Head of Islamic Investment Banking.

He became the Head of Maybank North American and European, serving as Regional Director for the US and UK in 2013. After three years, he returned to Maybank's headquarters as Managing Director of Maybank Investment Bank Berhad in 2016 and remained in that position until he left in 2018 to pursue his passion in Shariah Compliant Machine Learning and Artificial Intelligence in the Algorithm Trading in Singapore. Adam Malik is also serving as a Non-Independent Non-Executive Director of Central Spectrum Sdn Bhd.



SHAHRIN BINTI OLI MOHAMED

*Independent
Non-Executive Director*



Date of Appointment

6 October 2023

Board Committee

- Member of the Nomination and Remuneration Committee
- Member of the Audit and Risk Management Committee

Directorship of Listed Issuers and Public Companies

- Nil

Qualifications

- Bachelor of Computer Science (Hons), University Sains Malaysia
- Master of Business Administration (MBA), University of Manchester
- Business Sustainability Management, University of Cambridge
- Oxford Blockchain Strategy Programme, Financial Technology & Digital Innovation, Saïd Business School, University of Oxford
- Innovation & Entrepreneurship, Stanford University Graduate School of Business

> Working Experience

Shahrin is an award winning Global Chief Information and Digital Officer (CIDO) with international experience across Commercial, Strategy, Digital and IT. She is currently an Executive Partner with Gartner Middle East, the world's largest technology research and advisory company, where she acts as a strategic advisor to Board of Directors and C-Suites Executives on Digital and Technology matters to clients across a variety of industries and governments.

Prior to joining Gartner in 2022, she was attached to Shell where she served the Group for more than 19 years. She started her career under the Shell Graduate Leadership Programme in 2003 and rose the ranks, taking up a variety of international roles spanning global commercial strategy, business development, operations, innovation, digital and IT.

She founded one of the first digital ventures in Shell Fleet Solutions globally and was promoted to Chief Information & Digital Officer in 2020 for the world's largest LNG Marketing & Trading business. In this role, she led and was responsible for all aspects of technology leadership, from strategy to operations across Australia, Asia, Middle East, Europe and Americas, before leaving the Shell Group in November 2022.

She was awarded with the CIO200 in 2022 (honouring the world's top 200 CIOs) and the CIO50 (honouring the Top 50 CIOs in MENA and Category Award winner for Leadership in Culture & Diversity). She is also an international speaker and has been invited to speak at events such as London Tech Week (2019) and the Gartner Symposium at Barcelona and Kochi (2023-2024), among others.

Profile of Directors



NIK JOHAAN BIN NIK HASHIM

Non-Independent
Non-Executive Director

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Date of Appointment

24 October 2024

Board Committee

- Member of the Board Investment Committee

Directorship of Listed Issuers and Public Companies

- Nil

Qualifications

- Bachelor of Arts in Economics, University of Leicester, United Kingdom
- Masters, International Banking & Financial Services, University of Reading, United Kingdom

> Working Experience

Nik Johaan holds a Bachelor of Arts degree in Economics from the University of Leicester, United Kingdom. His academic journey also includes a Master's in International Banking & Financial Services from the University of Reading, United Kingdom, underlining his commitment to lifelong learning and professional excellence.

Nik Johaan started his career in CIMB Investment Bank Berhad and has over 18 years of experience, primarily in Investment Banking, where he led and managed debt capital market transactions, loan syndications, IPOs, project advisory and debt restructuring exercises. During his tenure, he also served for three years at CIMB Bank as Regional Director for consumer and business banking sales. His last position at CIMB Investment Bank was Director and Head, Multinational Corporations and Government Relations.

He later served as a Senior Director, with Ekuiti Nasional Berhad [Ekuinas], a private equity company for nine years where he played a key role in investment origination, investee company portfolio management performance and divestments. His investment coverage/exposure sectors include F&B, consumer food products, healthcare, retail franchise business, electronics manufacturing, logistics and oil and gas. He also held a dual portfolio role at Ekuinas with oversight on stakeholders interests, which includes Stakeholder Management and Corporate Social Responsibility.

Nik Johaan currently serves as the Head of Strategic Investment at Lembaga Tabung Haji. He is also a representative of Lembaga Tabung Haji, a major shareholder of the Company.



DATUK DYG SADIAH BINTI ABG BOHAN

Non-Independent
Non-Executive Director

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Date of Appointment

9 July 2024

Board Committee

- Member of the Audit and Risk Management Committee
- Member of Nomination and Remuneration Committee

Directorship of Listed Issuers and Public Companies

- Nil

Qualification

- Master, Business Administration, Universiti Kebangsaan, Malaysia

> Working Experience

Datuk Dyg Sadiah's career in the public service began on 1 August 1989, with her first post at the Ministry of Agriculture. In 1998, she furthered her studies at the National University of Malaysia where she earned her Master of Business Administration. Thereafter, in the same year, she was assigned as a Project Coordinator of the Financial Management Programme at the National Institute of Public Administration (INTAN). After a short stint at INTAN, she joined the Ministry of Finance (MOF) from 1999 to 2013 and held various positions in the Ministry, during which, from 2011 to 2013, she was seconded to The World Bank in Washington D.C., U.S.A. and held the position of Alternate Executive Director of the South-East Asia Voting Group.

Upon her return from the World Bank in 2013, she joined the Public Private Partnership Unit (UKAS), Prime Minister's Department as a Deputy Director-General where she showcased her strength in the field of economics and development planning. In the nine years as an integral member of the UKAS team, she introduced many new initiatives to further advance UKAS as a central agency in facilitating and promoting Public Private Partnership (PPP) initiatives, namely privatisation projects, private finance initiatives and corridor developments. She has over 32 years of working experience and ended her tenure as the Director-General of UKAS on 18 July 2022.

Datuk Dyg Sadiah is currently a representative of Lembaga Tabung Haji, a major shareholder of the Company.

Profile of Directors



DATUK NURASLINA BINTI ZAINAL ABIDIN

Group Managing Director &
Chief Executive Officer

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Date of Appointment

- 1 July 2021
[Chief Transformation Officer]
- 8 September 2021
[Group Chief Executive Officer]
- 24 October 2024
[Group Managing Director
& Chief Executive Officer]

Directorship of Listed Issuers and Public Companies

- Nil

Qualifications

- BSc. (Hons) in Food and
Science Technology,
University of Science
Malaysia
- Six Sigma Master Black Belt

> Working Experience

Datuk Nuraslina is a distinguished corporate leader with over 18 years of experience in driving business transformation and optimising performance for major corporations and conglomerates. Recognised for her strategic foresight and analytical acumen, she has successfully navigated complex challenges, driving sustainable growth and positioning companies as industry leaders.

She joined Theta Edge Berhad as Chief Transformation Officer in 2021 and was subsequently appointed as Group CEO in September 2021, before being recently appointed as Group Managing Director & Chief Executive Officer in October 2024. Her leadership has been instrumental in spearheading fundamental transformational change, focusing on five key pillars: financial performance enhancement, process optimisation, customer-centric engagement, human capital development and fostering a dynamic organisational culture.

Her recent appointment to the Board of Theta Edge Berhad is a testament to her strategic insights and value-driven leadership, reinforcing her pivotal role in shaping the company's direction. Under her guidance, Theta Edge Berhad has expanded its footprint in FinTech, investing in payment and platform-based solutions to monetise its digital assets in government accounting, land management and hajj management. These strategic initiatives have solidified the Group's position as a preferred digital solutions provider.

As an entrepreneur and technopreneur, Datuk Nuraslina was honoured with the prestigious Woman Corporate Leader of the Year [Malaysia] 2024 award, recognising her exceptional contributions to the corporate sector. Her influence extends globally and regionally, making her a formidable industry leader.

Beyond the corporate realm, she is an advocate for digital inclusivity. She initiated the 'Digitalising B40 Community Programme', aimed at bridging the digital divide in education for Asnaf and B40 communities and championed the 'Digital Masjid Programme', which enhances financial transparency and management efficiency for mosques.

Her appointment to the Board reflects not only her proven leadership in corporate transformation but also her commitment to innovation, financial resilience and social impact—hallmarks of her mission to propel Theta Edge Berhad towards a sustainable and technology-driven future.

Declaration by All Directors:

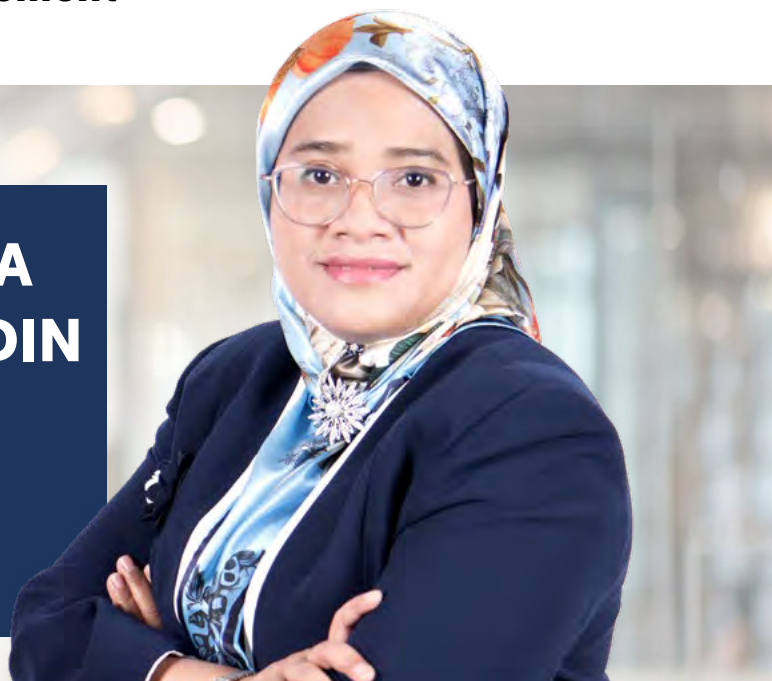
- No family relationship with any director and/or major shareholder of the Company. Apart from Zainal 'Abidin bin Abd Jalil, who resigned on 25 April 2025, none of the other directors hold any equity interest in the Company and its subsidiaries.
- No convictions of offences (other than traffic offences, if any) within the past five years
- No public sanctions or penalties imposed by any regulatory bodies during the financial year
- Tan Sri Abd Rahman Bin Mamat, Datuk Dyg Sadiyah Binti Abg Bohan and Nik Johaan Bin Nik Hashim, have no conflict of interest or potential conflict of interest, other than disclosed in the Additional Compliance Information Disclosure [Recurrent Related Party Transactions] in the Annual Report. The other directors have no conflict of interest or potential conflict of interest with the Company

Profile of Key Senior Management



DATUK NURASLINA BINTI ZAINAL ABIDIN

Group Managing Director &
Chief Executive Officer



Date of Appointment

- 1 July 2021
[Chief Transformation Officer]
- 8 September 2021
[Group Chief Executive Officer]
- 24 October 2024
[Group Managing Director
& Chief Executive Officer]

Directorship of Listed Issuers and Public Companies

- Nil

Qualifications

- BSc. (Hons) in Food and
Science Technology,
University of Science
Malaysia
- Six Sigma Master Black Belt

> Working Experience



Please refer to page 66 in the "Profile of Director" section for more information.

Profile of Key Senior Management



Date of Appointment

18 November 2024

Directorship of Listed Issuers and Public Companies

- Nil

Qualifications

- Member of the Malaysian Institute of Accountants
- Member of the Association of Chartered Certified Accountants
- Member of the Chartered Tax Institute of Malaysia

> Working Experience

Cheok Weng joined Theta Edge as the Group Chief Financial Officer in November 2024. He had more than 22 years of financial and management experience as a strategic business partner, responsible for managing all financial operations, corporate exercise, taxation, mergers and acquisitions for several publicly listed conglomerates involved in aviation and maintenance, repair and overhaul, hospitality and tourism, manufacturing, trading, property development and investment.

He started his professional career in tax compliance and tax planning. Before joining Theta Edge he was the Chief Financial Officer of Sapura Resources Group, which was principally involved in investment holdings, property investment and aviation services, with significant operations encompassing ground handling, aircraft management and other ancillary and engineering services.

Before joining Sapura Resources Group, he was the General Manager of Finance of a large publicly listed company, which was principally involved in financial services, tile manufacturing and the hospitality business.

Profile of Key Senior Management



SHAM SOL BIN ALI

Head,
Group Operations



Date of Appointment

12 November 2021

Directorship of Listed Issuers and Public Companies

- Nil

Qualifications

- B.A (Hons) Accounting
- Association of Chartered Certified Accountants [Part 2]

> Working Experience

A certified Chief Integrity Officer and Sustainability Leader, Business Continuity Manager Sham Sol brings more than 24 years of expertise spanning diverse industries, including advisory, motor trading, engineering, construction, manufacturing, asset and facilities management, banking and aviation. His skills include Governance, Ethics, Compliance, Regulatory Enterprise Risk Management, Business Continuity Management, Financial Reporting, Corporate Strategy, Performance Monitoring, Project Management and Business Process Improvement. Being notable for his involvement in corporate restructuring at organisations like Kurnia Setia, MASB, UEM Group, Telekom Malaysia, and Malaysia Airlines, he was selected by Khazanah Nasional for knowledge-sharing programmes within their portfolio. Before joining Theta Edge, he served in regional and international roles as Director of Enterprise Risk Management for Oman Aviation Group SOAC, overseeing governance, risk management, compliance and regulatory activities for the Group.

* Last date of employment:
31 March 2025

Profile of Key Senior Management



NURUL FADLI BIN ISMAIL

Head,
Group People & Culture

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Date of Appointment

10 September 2021

Directorship of Listed Issuers and Public Companies

- Nil

Qualifications

- Master of Human Resource Management, Universiti Utara Malaysia (UUM)
- Executive Bachelor of Business Management (Hons), International Islamic University Malaysia (IIUM)
- Certified Advanced Human Resource Manager (CAHRM), MIHRM
- Certified Balanced Scorecard Professional (BSP), Balanced Scorecard Institute (USA) & GWU

> Working Experience

Nurul Fadli is a distinguished HR leader with over two decades of extensive experience across global and regional roles in diverse industries such as automotive, chemicals, media, financial services and government-linked companies. As the Head of Group People & Culture at Theta Edge, an affiliate company of Tabung Haji Group, he currently spearheads strategic human capital transformation, HR digitalisation, operating model reforms and manpower planning initiatives across the Group.

Nurul Fadli is renowned for his capability in aligning business strategies with people strategies. His expertise spans organisational design, performance management, talent development, employee engagement, succession planning, industrial relations and total rewards frameworks. He is especially recognised for his mastery in applying the Balanced Scorecard methodology to drive corporate strategy and HR performance outcomes.

His leadership, coupled with in-depth technical HR knowledge, has consistently contributed to transforming HR functions into strategic enablers of business growth. He is a passionate advocate of building high-performing, future-ready workforces with strong cultural foundations and business alignment.

Profile of Key Senior Management



ZAHARI BIN ABDUL JALIL

Head,
Group Business



Date of Appointment

1 March 2022

Directorship of Listed Issuers and Public Companies

- Nil

Qualifications

- Master of Business Administration, University Putra Malaysia (twinning with University of Aix-Marseille France)
- Bachelor of Science (Honours) Electrical & Electronic Engineering, University of Nottingham, England
- GCE Advanced Levels, St Mary's College, Southampton, England
- Certified Associate Coach, Corporate Coach Academy Kuala Lumpur

* Last date of employment:
1 March 2025

> Working Experience

With over three decades of experience in telecommunications, Zahari excels in management, operations, network planning, and projects, specialising in mobile communications, telco infrastructure and engineering services. Holding several senior roles, he is adept in telco business and project management. He stays updated on emerging technologies like 5G and innovative digital solutions. Recognised for outstanding performance at a Celcom Axiata and Edotco services subsidiary, he is a Certified Associate Coach with a Bachelor's degree in Electrical & Electronic Engineering from the University of Nottingham and an MBA from University Putra Malaysia (in collaboration with the University of Aix-Marseille in France).

Profile of Key Senior Management



AZZATULLINA BINTI PAWANCHIK, APR

IPRM®, ASEAN®

Head of
Group Strategic Communications & Marketing

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Date of Appointment

20 May 2024

Directorship of Listed Issuers and Public Companies

- Nil

Qualifications

- Bachelor's Degree Social Science (Media Study) & Political Science, UNSW Sydney.

> Working Experience

Azzatullina joined Theta Edge as the Head of Group Strategic Corporate Communications & Marketing in May 2024. Prior to this, she served as the Executive Director at PADU Corporation. With over 20 years of experience in Corporate Communications, Azzatullina has played a pivotal role across diverse industries, including telecommunications, banking, publishing, property development and utilities.

Throughout her career, she has held various leadership positions, specialising in international marketing, branding, media relations, government affairs, and strategic communications. She has also worked closely with several Malaysian Education Ministers, accompanying them to UNESCO Paris and assisting in crafting messaging for international engagements.

Azzatullina is a Council Member of the Institute of Public Relations Malaysia (since 2024) and an Accredited PR Practitioner, recognised by both the Institute of Public Relations Malaysia and the ASEAN PR Network. Additionally, she holds a certification in Change Management from APMG International.

Profile of Key Senior Management



AZRUL HAIRI BIN ZULKIFLI

Head,
Group Strategic Procurement, Admin & Facilities Management



Date of Appointment

1 December 2021

Directorship of Listed Issuers and Public Companies

- Nil

Qualifications

- Bachelor in International Business (Majoring in Finance & Banking), Management Science & University, Malaysia

> Working Experience

Azrul Hairi is an experienced procurement and supply chain professional with a strong background in strategic sourcing, logistics and inventory management. He holds a Bachelor's degree in International Business (Finance & Banking) from Management & Science University, Malaysia.

With over 14 years of experience in the automotive industry, Azrul Hairi has previously held key leadership positions at GFB Automotive Sdn Bhd, where he was responsible for managing procurement, warehouse and sales operations. His expertise includes ensuring a steady supply of raw materials to meet production demands, controlling supplier costs to maintain and improve overall profitability, optimising supplier pricing to maximise profit margins, overseeing daily logistics and inventory operations and optimising stock levels through strategic collaboration with production and production planning teams.

Azrul Hairi has also worked closely with the Engineering team on product development for several notable car models, including the Proton X70 and X50, Mazda CX-5 and CX-7, Toyota Vios and Yaris and Honda BR-V and City. His strategic insight and operational expertise have played a significant role in improving supply chain efficiency and driving business performance.

In his current role as Head of Group Strategic Procurement, Admin & Facilities Management, Azrul Hairi continues to drive procurement excellence, operational efficiency and strategic cost management to support organisational growth and sustainability.

Declaration by All Key Senior Management:

- No conflict of interest with the Group or potential conflict of interest
- No convictions of offences (other than traffic offences, if any) within the past five years
- No public sanction or penalties by any regulatory bodies during the financial year
- Apart from the following mentions, the other key senior management do not have any family relationship with any director and/or major shareholder of the Company
 - Zahari Bin Abdul Jalil (last date of employment - 1 March 2025) is a family member of Zainal 'Abidin Bin Abd Jalil, a substantial shareholder of the Company
 - Sham Sol Bin Ali (last date of employment - 31 March 2025) is a family member of Haslinah Binti Hassan, a substantial shareholder of the Company
- Do not have any family relationship with any director and/or major shareholder of the Company
- Do not have any equity interest in the Company and its subsidiaries

Corporate Governance Overview Statement

The Board of Directors [the Board] of Theta Edge Berhad [Company] is committed to a corporate culture that is based on the principles of corporate governance and is practised by the Company and its subsidiaries [the Group]. The Board is fully accountable to the shareholders and stakeholders and will be bound to continuously enhance the level of corporate governance in the management of the Group's business, its financial performance for the achievement of business profitability, preservation of long-term shareholders' value and the protection of shareholders' interests, without failing to take into account the interests of other stakeholders.

The Group has applied the following three [3] main Principles in the Malaysian Code on Corporate Governance [MCCG] [the Code]:



Principle A



Board Leadership and Effectiveness



Principle B



Effective Audit and Risk Management; and



Principle C



Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

The Group's Corporate Governance Framework is built principally on the following requirements and guidelines:

- The principles and recommendations of MCCG
- The corporate governance requirements of the Main Market Listing Requirements [Listing Requirements] of Bursa Malaysia Securities Berhad [BMSB]
- All relevant laws and regulations

The Group has applied all the recommended practices encapsulated in the MCCG for the financial year under review and up to date of this Statement except the followings:

1

Practice 5.10

The board discloses in its annual report the Company's policy on gender diversity for the board and senior management.

2

Practice 8.2

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

The applications of each Practice set out in the MCCG are furnished in further detail in the Corporate Governance [CG] Report as mandated by the Listing Requirements of Bursa Securities. The CG Report provides the details on how the Company has applied each of the Practices set out in the MCCG for the financial year under review and up to the date of this Annual Report as well as explanation for the departures from the above-mentioned Practices.

Corporate Governance Overview Statement

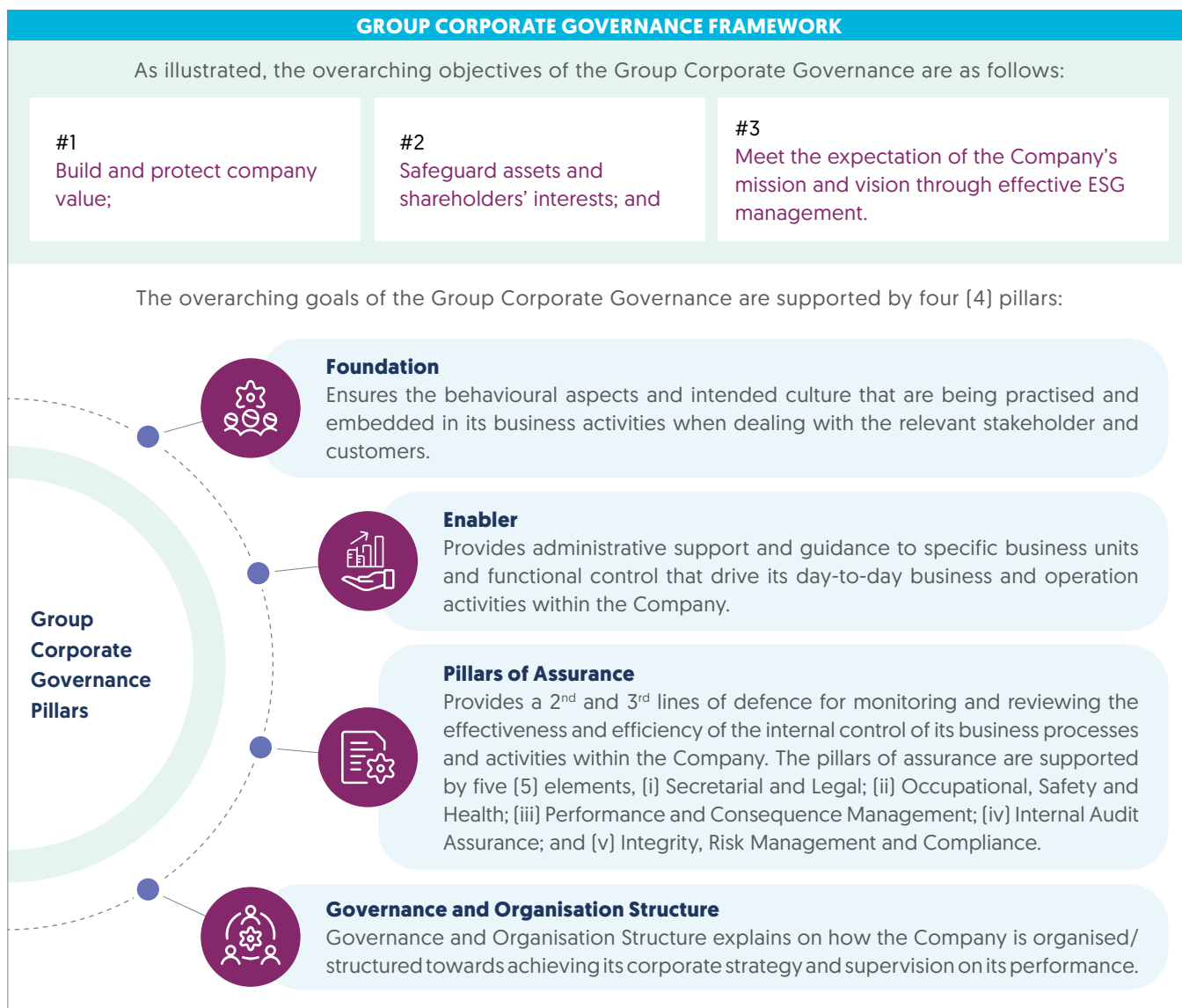
The manner and extent of compliance are stated as follows:

Principle A Board Leadership and Effectiveness

I. BOARD RESPONSIBILITIES

The Board provides the overall governance, stewardship and oversight for the direction and management of the Company and the Group. In discharging its duties and functions effectively, the Board delegates certain responsibilities to its Board Committees. All Committees have written Terms of Reference. These Committees are formed to enhance business and operating efficiency. The Chairman of the respective Committees will report to the Board the outcome of the Committees Meetings for the Board's consideration and final decision. Minutes of the respective meetings will be presented to the Board for its information. The Board retains full responsibility for the direction and control of the Company and the Group.

The Group Corporate Governance Framework would help in achieving the overall Theta's Grand Strategy set by the Company. It shall be applied to Theta Edge Berhad and its subsidiaries (herein referred to as "the Group") in managing its day-to-day business and operational activities. The Group Corporate Governance Framework depicts the various components that are put in place to ensure that all areas of good governance are developed and incorporated towards achieving the corporate objectives and goals.

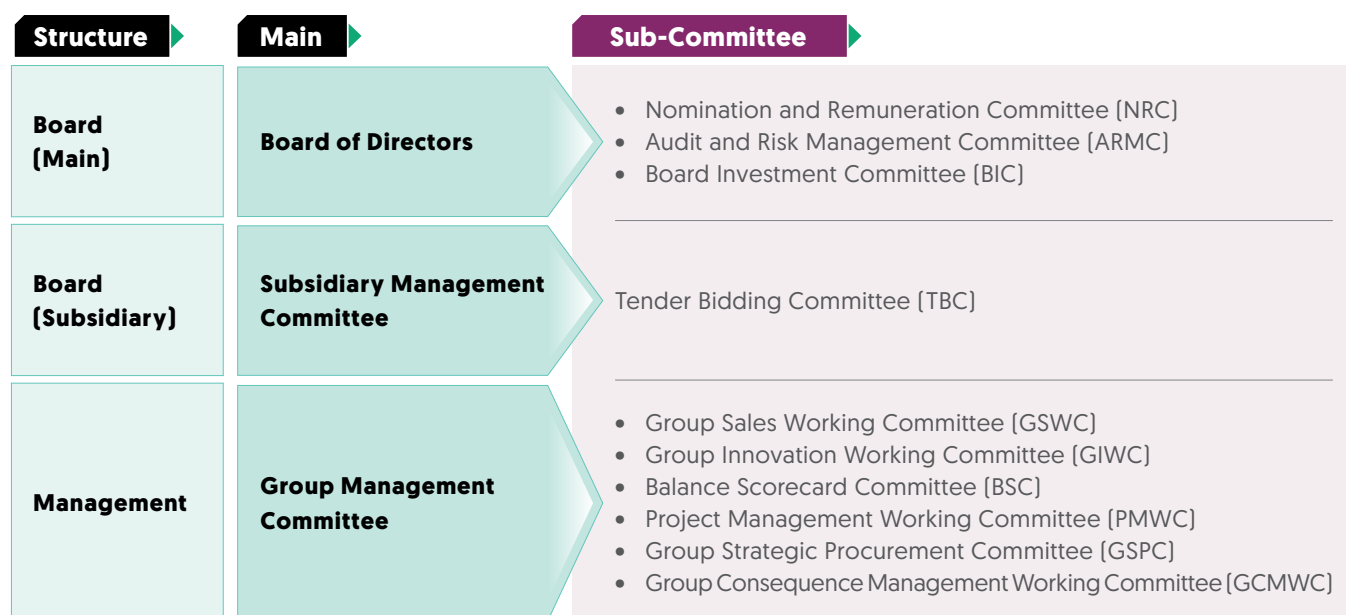


Corporate Governance Overview Statement

The Organisation Structure also refers to the segregation of duties between the Executive and its Management function of the Group.

The separation of authority is crucial for an effective and good governance framework that includes various components of the governance structure such as Board of Directors, Board Committees, Management Committees, Group Managing Director & Chief Executive Officer [GMD & CEO], Senior Management and the various business units and functions within the Group.

The Group Corporate Governance Structure is divided into 3 approval levels:



> Board of Directors

The Board establishes the vision and strategic objectives of the Group, directing policies, strategic action plans and stewardship of the Group's resources. The Board's roles and responsibilities amongst others include:

- (i) Reviewing, adopting and monitoring the Group's strategic direction, annual business and operating plans and financial budgets;
- (ii) Identifying and managing principal risks affecting the Group;
- (iii) Reviewing the adequacy and integrity of the Group's management information systems, risk management and internal controls;
- (iv) Reviewing and approving the quarterly and yearly financial results to ensure that they are fairly stated and conform with the relevant regulations including acceptable accounting policies that result in balanced and understandable financial statements;
- (v) Reviewing and approving material investment, acquisition or disposal of assets;
- (vi) Reviewing and approving the appointment, remuneration and succession planning for senior management;
- (vii) Overseeing the process of disclosure and communications, developing and implementing shareholders' communication policy;
- (viii) Together with senior management, promote good corporate governance culture within the Company which reinforce ethical, prudent and professional behaviour;
- (ix) Ensuring the integrity of the Company's financial and non-financial reporting;
- (x) Attending substantially all the meetings of the Board and substantially all the meetings of each Committee on which the Director serves;
- (xi) Reviewing, before attending meetings of the Board or Committees, all materials provided by the Company relating to matters to be considered at the meetings;
- (xii) Ensuring a formal and transparent Board nomination and election process; and
- (xiii) Monitoring and managing potential conflicts of interest of management, Board members and shareholders, including misuse of corporate assets and abuse in related party transactions.

Corporate Governance Overview Statement

The Board reserves full decision-making powers on the following matters:

- (i) Conflict of interest or potential conflict of interest issues relating to a substantial shareholder or a Director;
- (ii) Material acquisitions and disposition of assets not in the ordinary course of business within the provisions as specified in Discretionary Authority Limit (DAL);
- (iii) Strategic investments and investments in capital projects, mergers and acquisitions and corporate exercise;
- (iv) Authority levels in accordance with the DAL to determine the matters reserved for the Board, Board Committees or the Management;
- (v) Treasury policies;
- (vi) Risk management policies; and
- (vii) Key human resource issues.

> Roles of The Chairman and Group Managing Director & Chief Executive Officer (GMD & CEO)

The roles of the Non-Independent Non-Executive Chairman and the GMD & CEO are mentioned in the Board Charter which is published on the Company's website www.theta-edge.com.

The Chairman and the GMD & CEO are held by different individuals. The Chairman is primarily responsible for ensuring Board's effectiveness and conduct. The Chairman leads the Board in setting the Group's key policies and direction, ensures effective operation of the Board and is the spokesperson for the Board. The Chairman of the Board is not a member of the Audit and Risk Management Committee, the Nomination and Remuneration Committee as well as Board Investment Committee.

The GMD & CEO is responsible for the day-to-day running of the business and implementation of the policies, strategies and decisions adopted by the Board. The GMD & CEO is assisted by the Senior Management and heads of each division in implementing and running the Group's day-to-day business operations.

> Roles of the Independent Directors

The independent directors provide unbiased and independent views to safeguard the interests of shareholders. The independent directors are actively involved in the various Board Committees and contribute significantly to areas such as performance monitoring and enhancement of corporate governance and controls. They provide a broader view, independent assessment and opinions on management proposals presented by the GMD & CEO and Management.

> The Group's Company Secretary

The Company Secretaries, Chew Mei Ling and Cynthia Louis are Fellow Members of the Malaysian Institute of Chartered Secretaries & Administrators (MAICSA). The Company Secretaries whose appointment and removal are subject to the Board's approval, attend Board and Board Committees meetings. The Board has direct access to the advice and services of the Company Secretaries who are responsible to the Board for ensuring that the Board's procedures are followed and that applicable rules and regulations are complied with. In performing their duties, the Company Secretaries carry out, amongst others, the following tasks:

- Statutory duties as required under the Companies Act, 2016, Main Market Listing Requirements of BMSB and Capital Market and Services Act, 2007;
- Facilitating and attending Board Meetings and Board Committees Meetings;
- Maintaining records for the purpose of meeting statutory obligations;
- Assisting the Board with the preparation of announcements for release to BMSB; and
- Rendering advice and support to the Board and Management.

> Information and Support for Directors

Prior to any Board meeting, an agenda together with the relevant documents and information are distributed to all Directors at least five (5) business days in advance of board meetings unless in unavoidable circumstances. The Senior Management and/or other relevant Board members will provide comprehensive explanation of pertinent issues and recommendations. The issues would then be deliberated and discussed thoroughly by the Board prior to decision-making.

Corporate Governance Overview Statement

Apart from the above, the Board members are supplied with information and reports on financial, operational, corporate, regulatory, business development, investment and audit matters by way of board reports or upon specific request to enable them to discharge their duties and responsibilities. All Directors are notified of the corporate announcements released to BMSB, amendments to BMSB's Listing Requirements and any pertinent Regulatory changes. All Directors have access to the Management, Company Secretary and Auditors for independent views and advice.

In furtherance of their duties, the Directors may seek independent professional advice, if necessary, at the expense of the Company.

> Meetings and Time Commitment

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company during the financial year ended 31 December 2024. In compliance with the Listing Requirements, all the Directors do not hold directorships more than that prescribed under the Listing Requirements. There were sixteen (16) Board of Directors' Meetings held during the financial year ended 31 December 2024.

Details of the meeting attendance for the Board, Board Committee and Annual General Meeting during the financial year are set out as follows:

Directors	Board of Directors	ARMC	NRC	BIC	AGM
Tan Sri Abd Rahman Bin Mamat ⁽¹⁾	6/6				
Zainal 'Abidin Bin Abd Jalil	16/16			2/2	1/1
Latifah Binti M. Daud	16/16	8/8	9/9	2/2	1/1
Datuk Dyg Sadiyah Binti Abg Bohan ⁽²⁾	6/6	1/1			
Nik Johaan Bin Nik Hashim ⁽³⁾	3/3				
Datuk Nuraslina Binti Zainal Abidin ⁽⁴⁾	3/3				
Azih Bin Yusof	15/16	8/8			1/1
Adam Malik Bin Azlan	16/16	9/9	9/9	2/2	1/1
Shahrin Binti Oli Mohamed	15/16	9/9	9/9		
Tengku Dato' Seri Hasmuddin Bin Tengku Othman ⁽⁵⁾	8/9				1/1
Syed Osman Alhaddad Bin Syed Mohamed ⁽⁵⁾	9/9	4/4	5/6	1/1	1/1
Rozahan Bin Osman ⁽⁶⁾					

ARMC - Audit and Risk Management Committee
NRC - Nomination and Remuneration Committee

BIC - Board Investment Committee
AGM - Annual General Meeting

Note:

(1) Appointed as Non-Independent Non-Executive Chairman wef 9 July 2024.

(2) Appointed as Non-Independent Non-Executive Director [NINED] wef 9 July 2024.

(3) Appointed as NINED wef 24 October 2024.

(4) Appointed as Group Managing Director & Chief Executive Officer wef 24 October 2024. Prior to 24 October 2024, she attended all the Board and the Committee Meetings as well as AGM as the GCEO.

(5) Retired as Non-Independent Non-Executive Chairman [Tengku Dato' Seri Hasmuddin Bin Tengku Othman] and Non-Independent Non-Executive Director [Syed Osman Alhaddad Bin Syed Mohamed] at the AGM held on 26 June 2024.

(6) Resigned as NINED wef 4 January 2024.

Board Investment Steering Committee [ISC] was initially established to primarily look at a tender submission for a specific project. However, in line with the Company's Annual Operating Plan which has been approved by the Board, the Company would embark of various PFI and projects investment, including acquisition of companies which would contribute positively to the Group. As such, it was proposed that a permanent BIC be established in place of ISC to provide support to Management to among others, review the Company's investments and divestments in line with the approved Annual Operating Plan [AOP] effective 27 April 2023. Later in 31 May 2023, the Board has reviewed and approved revision of BIC TOR whereby the scope of BIC is to conduct review on potential projects as recommended by the Management's Group Investment Working Committee [GIWC] or as determined by the Board itself.

Corporate Governance Overview Statement

> Main Activities of the Board in Year 2024

The activities carried out by the Board in year 2024 include the followings:

- Reviewed and approved Group's Annual Operating Plan (AOP).
- Reviewed and approved the annual report, quarterly unaudited consolidated financial results, audited financial statements and the circular in relation to renewal of related party transactions.
- Reviewed and approved the submission of tenders/bids in accordance with DAL.
- Reviewed and approved the revised board remuneration and benchmarking.
- Reviewed and approved various human resource policies and frameworks.
- Reviewed and recommended the declaration of final dividend to the shareholders for approval at the AGM.
- Approved the changes in the composition of the Board and Board Committees.
- Reviewed the performance and effectiveness of the Board and Board Committees during the course of the annual assessments exercise.
- Reviewed the Sustainability strategies and policies of the Group.
- Reviewed the principal business risks and assessed the effectiveness of internal controls.
- Reviewed the internal audit findings and Management responses.
- Reviewed and approved the Statement on Risk Management and Internal Control for inclusion in the Annual Report.

> Board Charter

The Company has in place a Board Charter that sets out, among others, the responsibilities, authorities, procedures, evaluations and structures of the Board and Board Committees, as well as the relationship between the Board with its management and shareholders. More information on the Board Charter could be found on the Company's website at www.theta-edge.com. The Board will review the Board Charter as and when necessary to ensure it remains consistent with the Board's objectives and responsibilities, and all the relevant standards of corporate governance. The Board Charter was last reviewed on 18 April 2023.

> Code of Conduct and Ethics

The Board observes the Directors' Code of Ethics established by the Companies Commission of Malaysia (CCM) which can be viewed on CCM's website at www.ssm.com.my. The Group established the Code of Business Ethics approved by the Board on 29 August 2022 for adoption which is published on the Company's website at www.theta-edge.com. The Code of Conduct and Ethics was made effective on 5 September 2022.

> Whistle-blower Policies and Procedures

The Company had in 2020 adopted a Whistle-blower Policy which provides avenues for the whistle-blowers to disclose any wrongdoing(s), corrupt, unethical, and questionable practices or improper conduct committed or about to be committed by any staff of the Group. The Whistle-blower Policy is published on the Company's website at www.theta-edge.com and is reviewed by the Company periodically or as and when there is a change in the regulatory requirement. The Whistle-blower Policy was last reviewed and approved by the Board on 28 February 2022.

> Anti-Bribery and Adequacy Policy

In line with the introduction of the Corporate Liability under the Section 17A of the Malaysian Anti-Corruption Commission Act, the Company reviewed and published its Anti-Bribery and Adequacy Policy on the Company's website www.theta-edge.com in May 2020. The Group has always been committed in upholding the highest standards of integrity, transparency and good governance in its operations. The Company had on 13 April 2012 and 30 May 2017 signed the Malaysian Corporate Integrity Pledge. The Group pledges that it will abide by the Anti-Corruption Principles in the conduct of its business and operations with all stakeholders.

The Anti-Bribery and Adequacy Policy was last reviewed and approved by the Board on 18 April 2022.

Corporate Governance Overview Statement

> Sustainability

Theta acknowledges the importance of sustainability in its business activities. While every effort is made to achieve its corporate objectives, Theta made pragmatic steps in complying with the principles and supporting pillars of sustainability, namely environmental, social and governance, concerning the conduct of the business. The Board believes that no company can prevail by maximising the shareholders' value alone, and the needs and interests of other stakeholders must be taken into consideration.



More information on Sustainability is set out in the Sustainability Statement contained in this Annual Report at pages 30 to 55 and is available on the Company's website www.theta-edge.com.

> Board Composition

The Board currently consists of eight (8) members comprising the Non-Independent Non-Executive Chairman, two (2) Non-Independent Non-Executive Directors, four (4) Independent Non-Executive Directors, and one (1) GMD & CEO. Our Independent Directors constitute 50% of the Board members and the Board comprises of four (4) women Directors, thus our Board composition complies with Paragraph 15.02 of the Main Market Listing Requirements.

The Board believes that the current composition is appropriate given the collective skills and experience of the Directors and Theta Group's current size and nature of Theta's business. Further, the Board is of the view that with the current Board size, there is no disproportionate imbalance of power and authority on the Board between the Non-Independent and Independent Directors.

The Board will continue to monitor and review the Board size and composition as may be needed. The Non-Executive Directors of the Company are independent of management and free from any business relationship which could materially interfere with the exercise of their judgment. The Board members are actively involved in various Board Committees, particularly the Independent Non-Executive Directors. They provide guidance, unbiased, fully balanced and independent and objective views, advice and judgment to various areas such as performance

monitoring, enhancement of corporate governance and controls so as to safeguard the interest of shareholders and stakeholders and to ensure that the highest standards of conduct and integrity are maintained by the Group.

It is a mandatory practice to have the Directors concerned to declare their interests and abstain from the decision-making process when a conflict of interest or potential conflict of interest arises.

> Tenure of Independent Director

The Code recommends that the tenure of an Independent Director should not exceed a consecutive or cumulative term of nine (9) years. Upon completion of the nine (9) years, an independent director may continue to serve on the Board subject to his redesignation as a non-independent director. None of the Independent Directors has served more than nine (9) years on the Board for the financial year 2024.

Annual Assessment of Independence Criteria have been set to assess the independence of candidate for Directors and existing Directors based on the guidelines set out in the Listing Requirements. On an annual basis, the Directors are required to confirm their independence by completing the independence checklist. None of the Independent Directors disclosed any relationships and/or transactions that could materially interfere with their independent judgments and decisions. The Board was satisfied with the level of independence demonstrated by all the Independent Directors.

> Board Diversity

The Board diversity not only relates to gender but also to professional experiences, business experiences, skills, knowledge, age, ethnicity and educational background. The Company is led and managed by an experienced Board comprising members with a wide range of experience in the relevant fields such as management, information technology, telecommunication, finance and law. The Directors bring a broad range of skills, experiences and knowledge required to successfully direct and supervise the Group's business activities.

Corporate Governance Overview Statement

The Board Matrix during the Financial Year 2024 is as follows:

Board Member	Required Responsibilities, Track Record and Experiences											
	Strategic Thinking & Planning	Audit & Finance	Marketing & Branding	Digital & Technology	Legal & Regulatory	Risk Management	Human Resources, Culture & Succession	Senior Executive Leadership	Board Leadership	Technology & Digital Transformation	Financial Services Sector	Public Service Sector
Tan Sri Abd Rahman Bin Mamat	●	●	●	●	●	●	●	●	●	●	●	●
Latifah Binti M. Daud	●	●	●	●	●	●	●	●	●	●	●	●
Zainal 'Abidin Bin Abd Jalil	●	●	●	●	●	●	●	●	●	●	●	●
Azih Bin Yusof	●	●	●	●	●	●	●	●	●	●	●	●
Adam Malik Bin Azlan	●	●	●	●	●	●	●	●	●	●	●	●
Shahrin Binti Oli Mohamed	●	●	●	●	●	●	●	●	●	●	●	●
Datuk Dyg Sadiyah Binti Abg Bohan	●	●	●	●	●	●	●	●	●	●	●	●
Datuk Nuraslina Binti Zainal Abidin	●	●	●	●	●	●	●	●	●	●	●	●
Nik Johaan Bin Nik Hashim	●	●	●	●	●	●	●	●	●	●	●	●

- Technical qualification and/or proven career experience in this field
- Proven and successful career experience in relevant roles exercising this discipline with specific expertise and accountability over multiple years
- Exposure to multiple environments and situations in application of this capability

- Associated qualification and board experience
- Board experience and exposure to such domains
- Has operated in commercial decision environments that have been exposed to this capability and experienced in decision-making involving this capability over at least two years
- Some recognition as a representative of this field

- Limited exposure to and experience in this capability
- Limited or no qualification in this area
- Limited experience in environments when this capability is a success factor in their individual accountability and decision-making
- Little or no evidence or track record as a representative of this field

Corporate Governance Overview Statement

The Company does not have a policy on gender, ethnicity and age group for candidates to be appointed on the Board. The Group does not practice any form of objective or selection criteria in consideration of candidates to the Board. Any appointment and retention of Directors are based on merit and without prejudice, taking into consideration the requirements for the Board to be effective. The Board periodically assess the skills, expertise, experience, gender, age and independence of its Directors against the needs of the Board.

The Board is guided by the principle that the appointment of a new Board member shall not be based solely on gender. Whilst it is aware of potential benefits that might accrue from having members in the Board of different genders, age groups as well as ethnicity, the Board is of the view that the interests of the Company and the Group are better served if the selection of suitable candidates is made on the criteria of meritocracy, skill-set requirements and experience relevant for the position, rather than formalising policies and targets towards gender, age and ethnicity.

The Board currently comprises four (4) women Directors and this has complied with Paragraph 15.02 (1) (b) of the Main Market Listing Requirements which requires at least one (1) woman representative on the Board.

> Sourcing of Directors

The nomination and election process of Board Members are as follows:

> Appointment of New Directors

The Board does not set specific criteria for the selection and assessment of candidate for appointment as director. It is the Company's policy to assess all potential Board candidates without regard to race, gender, age, nationality, religious beliefs, or any other factor not relevant to their competence and performance as a potential Board member as well as to meet the regulatory requirements such as the Companies Act, 2016 and the Listing Requirements.

Importance is placed on consideration that would add value and effectiveness to the Board and the Company. The NRC is responsible to recommend candidates to the Board to fill vacancies arising from resignation, retirement or other reasons or if there is a need to appoint additional directors with the required skills or profession to the Board in order to provide the diversity and close the competency gap in the Board identified by the NRC.

The potential candidate(s) may be proposed by existing directors, senior management, shareholders or third-party referrals/independent sources. The NRC is responsible to conduct an assessment and evaluation on the proposed candidates, which may include review of the candidate's resume, curriculum-vitae and qualifications. The NRC would also assess the candidate's integrity, wisdom, commitment (including time commitment), fit and proper criteria, independence, ability to make independent and analytical inquiries, ability to work as a team to support the Board, understanding of the business environment and the willingness to devote adequate time and commitment to attend to the duties and functions of the Board.

Upon completion of the assessment and evaluation of the proposed candidates, the NRC would make its recommendation to the Board for Board Evaluation, approval and decision on the appointment of the proposed candidates. There were four (4) new Board members appointed in 2024. Tan Sri Abd Rahman Bin Mamat (Non-Independent Non-Executive Chairman), Datuk Dyg Sadiyah Binti Abg Bohan (NINED), Nik Johaan Bin Nik Hashim (NINED), are the Board representatives of TH, a major shareholder of Theta Edge Berhad. Tan Sri Abd Rahman and Datuk Dyg Sadiyah were appointed on 9 July 2024 while Nik Johaan was appointed on 24 October 2024. Datuk Nuraslina binti Zainal Abidin was redesignated from Group CEO to Group Managing Director & CEO on 24 October 2024.

> Chairmanship of the Nomination and Remuneration Committee (NRC)

The NRC is primary responsible for recommending appointments to the Board, Board Committees, Senior Management and other strategic positions as may be determined by the Board.

> Chairman and Membership

- (i) The NRC comprises a minimum of two (2) members, and shall be composed exclusively of Non-Executive Directors, a majority of whom are independent;
- (ii) The Board shall ensure that any vacancy in the NRC is filled within three (3) months of such vacancy;
- (iii) The appointment of a committee member automatically terminates when the member ceases to be a Director;
- (iv) The NRC is chaired by the Senior Independent Director or an Independent Director.

Corporate Governance Overview Statement

The Current Composition of the NRC is as Follows:



Chairman

Latifah Binti M. Daud

– Senior Independent Non-Executive Director



Members

Shahrin Binti Oli Mohamed

– Independent Non-Executive Director

Datuk Dyg Sadiyah Binti Abg Bohan

– Non-Independent Non-Executive Director

Azih Bin Yusof

– Independent Non-Executive Director

Evaluation of Board, Board Committees and Individual Directors in line with the MCCG, the Board's evaluation comprises Performance Evaluation of the Board and various Board Committees, Directors' Self-Assessment and Peer-Assessment and the independence of the Independent Directors. The assessment of the Board is based on five (5) main areas covering:

- (i) Board Collective Review encompassing culture of the Group, capability, diversity, board processes, and stakeholder relations;
- (ii) Performance Impact Review;
- (iii) Directors' Self Review;
- (iv) Directors' Peer Review; and
- (v) Review of the Board Committees.

For Individual Performance and Board Evaluation, the assessment criteria include among others, contribution and performance, calibre and personality, Board mix and composition, quality of information and decision-making as well as participation at Board and Board Committees Meetings.

The criteria for assessing the independence of an Independent Director include the relationship between the Independent Director and the Group and his or her involvement in any significant transaction with the Group. The results and recommendations from the evaluation were reported to the Board for further consideration and action, if required.

There were no major concerns arising from the results of the assessments of the Board and the Board Committees. The feedback confirmed that the Board and each of its committee continue to operate effectively and that each Director continues to make an effective contribution and demonstrates a strong commitment to their roles.

At the time of review, the Board practices of Theta Edge Berhad are compliant with the regulatory requirements stipulated by Bursa Malaysia. The results of these assessment form the basis for the NRC's recommendation to the Board for the re-election of Directors at the forthcoming AGM.

> Annual Assessment of Existing Directors & Board

Key activities carried out by the NRC during the financial year and up to the date of this annual report:

- Deliberated and recommended to the Board the various human resource policies and frameworks.
- Reviewed the year 2023 employee engagement survey score and its action items.
- Reviewed and recommended to the Board the proposed candidate(s) as the Board Members and the CFO.
- Reviewed and recommended to the Board the changes in the composition of the Board and Board Committees.
- Deliberated and recommended to the Board the proposed bonus and incentives for FY2023.
- Reviewed the training needs for the Board.
- Assessed the effectiveness and performance of the Board as a whole, the Board Committees, as well as the contribution/performance of directors.
- Assessed the independence of the Independent Directors.
- Reviewed and recommended the re-election of Directors who are subject to retirement at the AGM.

> Re-election of Directors

In accordance with the provisions of the Company's Constitution, an election of Directors shall take place each year. At every annual general meeting, one-third (1/3) of the Directors or if their number is not a multiple of three (3) then the number nearest to one-third (1/3) shall retire from office and be eligible for re-election provided that all Directors shall retire from office once at least in each three (3) years, but shall be eligible for re-election.

Corporate Governance Overview Statement

A retiring Director shall retain office until the close of the meeting at which he retires.

The Directors to retire in every year shall, subject nevertheless as hereinafter provided, be the Directors who have been longest in office since their last election, but as between persons who became Directors on the same day, the Director to retire shall, unless they otherwise agree among themselves, be determined by lot.

Tan Sri Abd Rahman Bin Mamat, Datuk Dyg Sadiah Binti Abg Bohan, Nik Johaan Bin Nik Hashim and Datuk Nuraslina Binti Zainal Abidin retires by rotation in accordance with Clause 97 whilst Azih Bin Yusof retired by rotation in accordance with Clause 119 of the Company's Constitution.

The retiring directors being eligible, offer themselves for re-election.

The NRC had at its meeting held on 10 April 2025 deliberated and assessed the individual Directors who are subject to re-election at the forthcoming AGM.

> Directors' Training

All the Directors have attended the Mandatory Accreditation Programme. Directors are encouraged to attend relevant seminars and conferences to enhance their skills and knowledge and to keep abreast with the latest developments on laws and regulations. Up until the day of the report, the training programmes attended by the Directors are as follows:

Directors	Seminar/Forum/Conference/Training	Date
Tan Sri Abd Rahman Bin Mamat	Corporate Spotlight: Johor Corporation, "Heralding A New Growth Era for Johor"	6 th February 2024
	Cybersecurity Masterclass	14 th February 2024
	What Amounts to a Conflict of Interest by Directors?	8 th May 2024
	Luncheon Talk: Awaiting Take-Off of Construction Sector with YB Datuk Seri Ahmad Maslan, Deputy Minister of Works	9 th May 2024
	Sustainability and Climate Responsibility by Messrs. Ernst & Young	10 th May 2024
	Breakfast Roundtable: The Role of Board in the Sustainability Era	23 rd May 2024
	Roundtable Discussion: Road to NIMP 2030	24 th June 2024
	National OGSE Sustainability Framework Guide	16 th July 2024
	MACC, Corporate Governance & Anti Money Laundering	17 th July 2024
	Directors' Training (i) Reputation and Crisis Management for Board (ii) Board's Strategic Oversight and Stewardship in Sustainability	5 th August 2024
	MIDF Roundtable Discussion: Road to NIMP 2030 - Digital Economy	3 rd September 2024
	Directors' Training (i) Key Insights of Hajah and Darurah Principles and Applications (ii) Cybersecurity	11 th September 2024
	World Halal Business Conference 2024 Kuala Lumpur	17 th September 2024
	Khazanah Megatrends Forum 2024	7 th - 8 th October 2024
	Demystifying The Dynamic Forces That Shape Board Relationships & Cultivating Strategic Mindsets in Leadership	22 nd - 23 rd October 2024
	Managing Corruption Risks - Corruption Risk Assessment Awareness	18 th November 2024
Zainal 'Abidin Bin Abd Jalil	Official Launch of National AI Office	12 th December 2024
Latifah Binti M.Daud	Official Launch of National AI Office	12 th December 2024
Azih Bin Yusof	Smart Melaka International Conference and Exhibition 2024	10 th - 11 th October 2024
	Terengganu Inc Group Corporate Directors' Programme	11 th September 2024
	Official Launch of National AI Office	12 th December 2024
Shahrin Binti Oli Mohamed	Bursa Malaysia's Mandatory Accreditation Programme (MAP)	30 th - 31 st January 2024
	2024 Gartner Symposium Barcelona, Gartner Conference	First week of November 2024, Second week of November 2024 & Third week of November 2024
	Official Launch of National AI Office	12 th December 2024

Corporate Governance Overview Statement

Directors	Seminar/Forum/Conference/Training	Date
Adam Malik Bin Azlan	Bursa Malaysia's Mandatory Accreditation Programme (MAP)	30 th - 31 st January 2024
	TH Group Summit 2024 'Business Transformation Towards Sustainability'	7 th - 8 th May 2024
	Menteri Besar Selangor Incorporated's Training for Board of Directors and Senior Management on - Strategic Directors Leadership for Corporate Growth	29 th May 2024
	Menteri Besar Selangor Incorporated's Training for Board of Directors and Senior Management on Sustainability Leadership	10 th December 2024
	Official Launch of National AI Office	12 th December 2024
Datuk Dyg Sadiyah Binti Abg Bohan	Bursa Malaysia Mandatory Accreditation Programme (MAP)	15 th - 16 th May 2024
	MAP Part II - Leading for Impact (LIP)	9 th - 10 th October 2024
	TH Nominee's Directors' Training Programme	21 st - 22 nd October 2024
Nik Johaan Bin Nik Hashim	Tabung Haji Group Summit Training 2024	7 th - 8 th May 2024
	Tabung Haji Directors' Training on Risk Management and Compliance Requirements	27 th May 2024
	COPE Investor Conference 2024	20 th June 2024
	Tabung Haji Mid-Year Management Retreat (Investment)	5 th July 2024
	Tabung Haji Retreat 2024 on "TH Mid-Year Review"	16 th August 2024
	Tabung Haji Director's Training: TH Zakat Guidelines & Institutionalizing Maqasid Shariah	2 nd October 2024
	Tabung Haji Strategic Plan 2025 - 2027 Retreat	3 rd - 5 th October 2024
	2024 Risk & Compliance Convention	8 th October 2024
	Nominee Directors' Training Program	21 st - 22 nd October 2024
	Muzakarah Sekretariat Syariah GLIC 2024	15 th November 2024
	Tabung Haji Next-Gen Leadership Program (Next 2.0)	12 th December 2024
	Event Invitation - Takaful Malaysia: An Evening of Honours	23 rd February 2024
	Leap Exhibition Riyadh, Saudi Arabia	5 th March 2024
Datuk Nuraslina Binti Zainal Abidin	TH Group Summit 2024	7 th - 8 th May 2024
	Coaching Training for Senior Management	20 th June 2024
	Invitation to The Juniper Networks APAC Partner Summit 2024	5 th - 8 th August 2024
	Site Visit ZTE Communications Exhibition Hall	6 th - 10 th August 2024
	Session 1: Women in The Global Context – Issues and Challenges	26 th September 2024
	Invitation To Opening Ceremony Internation Tourism	3 rd October 2024
	Khazanah Megatrends Forum (KMF 2024)	7 th - 8 th October 2024
	Smart Cities Asia: Melaka Series 2024	10 th - 11 th October 2024
	Invitation to The Opening Ceremony of Selangor Smarty City & Digital Economy Convention (SDEC)	16 th October 2024
	National Artificial Intelligence Office (NAIO): Industry Engagement	18 th October 2024
	TH Nominee Directors' Training Programme 2024	21 st - 22 nd October 2024
	Republic Day Reception - Ministry of Foreign Affairs Türkiye	29 th October 2024
	Global Leadership Conference & Top50 Awards 2024	7 th November 2024
	Government Linked Investment Companies (GLIC) Integrity Event (GIE 2024)	12 th November 2024
	Invitation To National Ai Office Launching by PMX	12 th December 2024
	Seminar Pembangunan Bakat Kecerdasan Buatan Negara	16 th - 17 th December 2024

Corporate Governance Overview Statement

> Remuneration Policy and Procedures for Directors and Senior Management

The objectives of the Directors' remuneration policies are to attract, retain and motivate the Directors serving the Board of the Company. The Board through the NRC shall ensure that the levels of remuneration are sufficient to attract and retain the right calibre of Directors to manage the strategic direction and oversight of the Group. When reviewing the structure and level of Directors' fees, which comprises base Director's fee and additional fees for service rendered on Board Committee, the NRC takes into consideration the respective Director's roles and responsibilities in the Board and Board Committees.

The level of remuneration of Non-Executive Directors reflects their experience and level of responsibility undertaken by them. Non-Executive Directors will receive a fixed fee, with additional fees if they are members of Board Committees, with the Chairman of the ARMC and NRC receiving a higher fee/allowance in respect of his service as chairman of the respective committee.

The fees for Directors are determined by the Board with the approval from shareholders at the AGM. No Director is involved in deciding his own remuneration. The details of the remuneration policy of the Company are available for reference at the Company's website at www.thetaedge.com. The Board is assisted by the NRC in determining, reviewing and developing a remuneration policy and reward system for the Board, Board Committees, Senior Management and other strategic positions as may be determined by the Board.

The remuneration package links rewards to corporate and individual performance. A remuneration policy is presently in place to ensure the levels of remuneration are sufficiently attractive to retain Directors and Key Senior Management.

The NRC held or nine [9] meetings during the financial year ended 31 December 2024. The details of the terms of reference of the NRC are available on the Company's website at www.theta-edge.com.

Details of Directors' remuneration paid and payable for the financial year ended 31 December 2024 are set out as follows:

Group	Fees (RM)	Salary & Bonus (RM)	Retirement Benefit (RM)	Other Emoluments (RM)	Total (RM)
Non-Executive Directors	242,705	-	-	410,500	653,205
Executive Director/GMD & CEO	-	305,073	-	-	305,073

Company	Fees (RM)	Salary & Bonus (RM)	Retirement Benefit (RM)	Other Emoluments (RM)	Total (RM)
Non-Executive Directors	242,705	-	-	410,500	653,205
Executive Director/GMD & CEO	-	305,073	-	-	305,073

Note:

[1] The fees paid to Nik Johaan Bin Nik Hashim is paid directly to TH.

The Directors who are shareholders of the Company will abstain from voting at the forthcoming AGM on resolutions pertaining to the Directors' fees and benefits.

The Company will be seeking the approval of the shareholders for the Proposed Directors' Fees for an amount up to RM290,000 for the financial year ending 31 December 2025 at the forthcoming 32nd AGM. The fees will not be paid until the approval of the shareholders has been obtained at the forthcoming AGM.

Corporate Governance Overview Statement

> Meeting Allowance

Board of Directors Meeting	Board per Meeting (RM)	ARMC per Meeting (RM)	NRC per Meeting (RM)	BIC per Meeting (RM)
Chairman	3,500	3,000	2,000	1,000
Non-Executive Directors	2,500	2,500	1,500	1,000

The Company will be seeking the approval of the shareholders for the payment of Directors' benefits for an amount up to RM446,000 from the 32nd AGM until the next AGM of the Company.

> Directors' fees of Subsidiary Companies

The Board of Theta had in October 2021 agreed to revoke the payment of Directors' fees made to the Directors of Theta who also sit on the Board of its subsidiary companies with effect from 29 October 2021.

> Non-Executive Directors

The Non-Executive Directors are not entitled to any other benefits or incentive plan with the exception of the Directors & Officers Insurance coverage.

> Group Managing Director & Chief Executive Officer (GMD & CEO)

Datuk Nuraslina binti Zainal Abidin was appointed as the Group Chief Executive Officer on 8 September 2021 and was re-designated as the GMD & CEO on 24 October 2024. She is not entitled to receive fees for her attendance at Board Committees meetings of the Company and its subsidiary companies. The GMD & CEO's remuneration packages reflected in her service contract is structured taking into account the fixed compensation which includes basic salary and allowances including gratuity, leave passage and hospitalisation and surgical insurance and a variable performance-linked bonus. The GMD & CEO's contract is reviewed every two (2) years, or such other timeframe as may be determined by the Board.

> Senior Management

Senior Management's remuneration in an aggregate basis is disclosed in the Annual Audited Financial Statements of this Annual Report.

> Directors and Officers (D&O)

Insurance The Directors together with the officers of the Group are covered under the D&O insurance in respect of any liabilities or claims arising from them discharging their duties as Directors and Officers of the Group, provided they have not acted negligently, fraudulently or in breach of their duties. During the financial year, the total amount of sum insured for the Directors and Officers is RM20 million. The total insurance premium including tax and duties incurred by the Company is RM58,310.

Corporate Governance Overview Statement

Principle B Effective Audit And Risk Management

> Oversight of the Internal Audit Activity

The ARMC has oversight on the internal audit activities and reviews the adequacy of resources and remuneration of the internal auditors.

The ARMC continuously oversee the effectiveness of the internal audit activities by reviewing and approving the risk-based internal audit plan, deliberate on the internal audit reports and ensure the Senior Management takes the necessary corrective actions in a timely manner.

The Chairman has separate meetings with the Head of Internal Audit Department regularly to discuss on matters that the internal auditors believe there is a reason for private discussion to be held in maintaining the independence of the internal auditor.

> External Auditors

The Board has established a formal and transparent arrangement for maintaining appropriate relationships with the External Auditors in seeking professional advice and ensuring the compliance with the relevant regulations and applicable accounting standards in Malaysia. The External Auditors shall attend ARMC meetings when necessary and have direct access to the ARMC and Internal Auditors for independent discussion.

There is a cooling-off period of at least three (3) years before a former partner of an external audit firm could be appointed as a member of the ARMC. The ARMC has oversight on the Group's financial statements and ensuring that there is a reliable and transparent financial reporting process within the Group.

On an annual basis, the ARMC shall evaluate the independence of the External Auditors on behalf of the Board by working closely with the Management team to evaluate the suitability of the External Auditors based on various factors, including but not limited to, their objectivity and independence, audit fees, size and competency of their audit team.

To maintain their independence, the External Auditors had provided an assurance that affirms their independence throughout the audit engagement, in compliance with the applicable professional and regulatory standards. This assurance was included in their annual audit plan, which was submitted to the ARMC of the Group during the financial year.

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK


> Risk Management

The Group's risk management is driven based on a principle where risks are managed and mitigated by calibrating risks to acceptable levels whilst achieving the organisation's business plan. A virtuous risk management practice must be adopted to safeguard the Group's business interest from risk events that may result in the failure of the Group's business goals, strategies and action plans. The Enterprise Risk Management (ERM) Framework practised by the Group is largely benchmarked against the ISO 31000:2018 Risk Management Guidelines.

This framework allows for a consistent approach to risk identification and establishes a common platform for managing and mitigating risks across all business units and support functions.

> Internal Control Function

The Board is ultimately responsible for the adequacy and integrity of the Group's internal control system. The effectiveness of the Group's internal control system is reviewed by the ARMC during its meeting.

 A detailed report on the adequacy and effectiveness of internal control and risk management is outlined on pages 97 to 103 of the Annual Report.

The Internal Audit Department (IAD) acts as the business partner and internal consultant to the Group designed to add value and improve the effectiveness and efficiency of the operation's risk management, internal control, and governance procedures.

The IAD is led by the Head of Internal Audit Department who reports directly to the ARMC with the following key responsibilities:

- i. Review and assess the adequacy and effectiveness of internal control on key aspects of business operations of core entities within the Group; and Provides objective, independent and reasonable assurance on the areas of review and reports any audit issues to the ARMC and Board of the respective entities for deliberation and appropriate action to be taken, where necessary.
- ii. The purpose, authority and responsibility, accountability, independence and objectivity of internal auditors is formally defined in the Internal Audit Charter, consistent with the Definition of Internal Auditing and Code of Ethics and the Institute of Internal Auditors (IIA) Standards as approved by the Board. The Internal Audit Charter is available for reference on the Group's website at www.theta-edge.com.

Corporate Governance Overview Statement



Principle C

Integrity In Corporate Reporting And Meaningful Relationship With Shareholders

COMMUNICATION WITH STAKEHOLDERS

Recognising the importance of timely dissemination of information to shareholders and other stakeholders, the Board is committed to ensuring that the shareholders and other stakeholders are well informed of major developments of the Company and the information is communicated to them through the following:

- The Annual Report.
- The various disclosures and announcements made to BMSB including the Quarterly Results and Annual Results.
- Briefings to the Company's key investors or other investment community in order to provide them a better understanding of the Group's operations and explanation to any concern highlighted.
- The website at www.theta-edge.com which shareholders as well as members of the public are invited to access for the latest information on the Group.

The Board also encourages shareholders to communicate through other channels and has identified Latifah Binti M. Daud as the Senior Independent Non-Executive Director to whom concerns from the public may be conveyed. Latifah Binti M. Daud could be contacted via the following channel:

c/o Theta Edge Berhad
Lot 11B Jalan 223, Seksyen 51A
46100 Petaling Jaya
Selangor Darul Ehsan

Email : SID@theta-edge.com
Fax : 03-6043 0077

> Integrated Reporting

The Group is embarking into the integrated reporting.

> Financial Reporting

The Directors are responsible to present a true and fair assessment of the Group's position and prospects in the annual reports and quarterly reports. The quarterly financial results were reviewed by the ARMC and approved by the Board of Directors prior to submission to BMSB.

> Statement of Directors' Responsibility

The financial statements of the Group and of the Company have been drawn up in accordance with Malaysian Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia. The Directors take responsibility in ensuring that the financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of the results and the cash flows of the Group and of the Company for the financial year then ended 31 December 2024. In preparing the financial statements, the Directors have:

- Applied the appropriate and relevant accounting policies on a consistent basis;
- Made judgements and estimates that are prudent and reasonable; and
- Prepared the financial statements on a going concern basis.

The Directors are responsible to ensure that the Company keeps proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Group and of the Company and which enable them to ensure that the financial statements comply with the requirements of the Companies Act, 2016. The Directors have overall responsibility for taking such steps that are reasonably open to them to safeguard the assets of the Group and of the Company to prevent and detect fraud and other irregularities.

Corporate Governance Overview Statement

CONDUCT OF GENERAL MEETINGS

> Notice of Annual General Meeting

The Company's AGM serves as a principal forum for dialogue with shareholders. Shareholders are encouraged to meet and communicate with the Board at the AGM and to vote on all resolutions. Meeting of Members are held as and when required. The Company sends out the Notice of AGM at least 28 days before the meeting in order to facilitate the full understanding and evaluation of the issues involved.

Directors to attend General Meetings All the Directors, including the Chairman of the ARMC, NRC and BIC would attend the General Meetings to allow the shareholders to raise questions and clarify any issues they may have relating to each resolution tabled for approval.

> Electronic Voting

The Company's Meeting of Members have been held in the Klang-Valley for the past several years and not at a remote location. The venue of the Meeting of Members is easily accessible by the shareholders. For the financial year 2024, the Company had leveraged on technology to facilitate remote shareholders' participation and electronic voting for the conduct of poll on all resolutions via remote participation and voting facilities for the virtual 31st AGM held on 26 June 2024.

All Directors, Chairman of ARMC and NRC attended and participated the 31st AGM virtually. At the 31st AGM of the Company, all resolutions were put to the vote and an Independent Scrutineer was appointed to verify the votes and the results of the voting were announced instantaneously at the Meeting.

The outcome of the AGM is promptly announced to Bursa Securities after the conclusion of the AGM. The Minutes of the 31st AGM were made available to the shareholders within 30 business days after the AGM on the Company's website.

STATEMENT ON COMPLIANCE WITH BEST PRACTICES OF THE CODE

This statement is prepared in compliance with Paragraph 15.25 of the Listing Requirements and it is to be read together with the CG Report 2024 of the Company which is available on the Company's website at www.theta-edge.com/agm32.

The Board is satisfied that the Company has complied with the Code during the financial year with regard to the recommendations supporting the principles except as otherwise stated. This statement was presented and approved on 14 April 2025.

Audit and Risk Management Committee Report

The Board of Directors [the Board] of Theta Edge Berhad [Theta or Group] is pleased to present the Audit and Risk Management Committee [ARMC] report for the financial year ended 31 December 2024 and up to the date of this Report.

> Composition

The Board through the NRC undertakes a review of the term of office and performance of the ARMC and that each of its member. The NRC has assessed and concluded that the ARMC has effectively discharged its duties and responsibilities in accordance with its TOR. The Board concurred with the NRC's recommendation to maintain the present composition of the ARMC.

The ARMC currently comprises four [4] members, all of whom are Non-Executive Directors, with the majority being Independent:

Chairperson:	Adam Malik Bin Azlan	[Independent Non-Executive Director]
Members:	Shahrin Binti Oli Mohamed	[Independent Non-Executive Director]
	Azih Bin Yusof	[Independent Non-Executive Director] [Appointed as Member on 27 November 2024]
	Datuk Dyg Sadiyah Binti Abg Bohan	[Independent Non-Executive Director] [Appointed as Member on 18 November 2024]

> Meetings

The ARMC met nine [9] times during the financial year 2024 as follows:

Audit and Risk Management Committee	Number of Meetings	
	Held	Attended
Adam Malik Bin Azlan	9	9
Shahrin Binti Oli Mohamed	9	9
Datuk Dyg Sadiyah Binti Abg Bohan⁽¹⁾ [Appointed wef 18 November 2024]	1	1
Azih Bin Yusof⁽²⁾ [Resigned on 18 November 2024 and re-appointed on 27 November 2024]	8	8
Latifah Binti M. Daud⁽³⁾ [Resigned wef 18 November 2024]	8	8
Syed Osman AlHaddad Bin Syed Mohamed⁽⁴⁾ [Ceased to be a member on 26 June 2024]	4	4

Notes:

- [1] Datuk Dyg Sadiyah Binti Abg Bohan was appointed as a member of ARMC on 18 November 2024.
 [2] Azih Bin Yusof resigned as a member of the ARMC on 18 November 2024 and was re-appointed on 27 November 2024.
 [3] Latifah Binti M. Daud resigned as a member of the ARMC on 18 November 2024.
 [4] Syed Osman AlHaddad Bin Syed Mohamed ceased to be a member of ARMC following his retirement at the AGM held on 26 June 2024.

The ARMC held meetings with a complete quorum present. The Group Managing Director & Chief Executive Officer, Chief Financial Officer, and Head of the Internal Audit Department were standing and permanent invitees to assist in deliberation on matters raised during the conference. When compelled, other senior management members were also invited to provide clarifications and assist in resolving issues highlighted in the audit reports presented.

The Group's Secretary is the secretary of the ARMC. The Secretary is responsible for coordinating administrative details, including calling meetings, voting, and keeping minutes. The ARMC Chairperson signs the minutes of each meeting, and extracts of matters requiring action are distributed to all attendees and members of the Committee.

The ARMC Chairperson provides the Board with a briefing on the topics discussed in the ARMC Meetings. At each Board Meeting, the ARMC Chairperson is responsible for updating the Board on the Committee's activities and making recommendations as needed to ensure that the Board is aware of any matters that could significantly impact the Group's financial condition or affairs.

Audit and Risk Management Committee Report

THE ARMC TERMS OF REFERENCE AND THE AUDIT COMMITTEE CHARTER

The ARMC operates in accordance with the Main Market Listing Requirements of Bursa Malaysia, the Malaysian Code on Corporate Governance 2021, and relevant best practices, as outlined in its Terms of Reference. The Terms of Reference set out the ARMC's scope, authority, duties, and responsibilities which were reviewed and updated on 27 April 2023 and are incorporated into the Audit Committee Charter.

The Audit Committee Charter serves as a framework to provide the ARMC guidelines to a structured and systematic independent oversight of Theta's financial, reporting, governance, risk management, and internal control system; ensure checks and balances; and comply with the relevant regulatory and statutory requirements. The Charter governs the duties of the ARMC which encompasses organisational principles, operational principles, operational procedures, and oversight of the internal audit activity and other assurance providers for the Group.

The Terms of Reference and the Audit Committee Charter are available for reference on the Group's website (www.theta-edge.com). Both governing documents undergo periodic reviews to enhance its processes and procedures and ensure alignment with any new requirements and regulations.

SUMMARY OF ACTIVITIES IN 2024

As of the date of this report, the ARMC has undertaken the following activities in discharging its function and duties:

> Financial Report

- i. The ARMC had reviewed the quarterly financial results of the Group including variances against budgets and targets for recommendation to the Board.
- ii. The quarterly unaudited financial statement and the annual audited financial statement of the Group have been reviewed to ensure that the financial reporting and disclosure requirements comply with the accounting standards, with focus placed on the changes in accounting policy, as well as significant and unusual events or transactions.
- iii. The quarterly financial results for the first, second, third, and fourth quarters of 2024 were reviewed by the ARMC and approved by the Board and announcements were made public on Bursa Malaysia as outlined below:

Financial Result	ARMC Meeting	Board Meeting	Bursa Malaysia
First Quarter	28 May 2024	30 May 2024	30 May 2024
Second Quarter	21 August 2024	28 August 2024	28 August 2024
Third Quarter	26 November 2024	27 November 2024	27 November 2024
Fourth Quarter	27 February 2025	28 February 2025	28 February 2025

- iv. The Group's financial results for the financial year ended 31 December 2024 was reviewed and deliberated at its meeting on 26 March 2025 before recommendation to the Board for approval. The relevant announcement was made public on Bursa Malaysia on 30 April 2025.
- v. The ARMC had reviewed significant accounting and reporting issues, recent professional and regulatory pronouncements, and impact on the financial statement.

Audit and Risk Management Committee Report

> External Audit

- i. The ARMC had taken note of the experience, audit approach and performance, sufficiency of resources, reports presented, objectivity and independence, fees, and overall audit execution of KPMG. Hence, the ARMC unanimously agreed to recommend to the board for the re-appointment of KPMG as the company's external auditor.
- ii. The ARMC was given an overview by KPMG on the Audit Status of the year ended 31 December 2024 where the external auditor had highlighted the significant risk contained in the audit status report in order to ensure that appropriate measures are taken to address the identified risks and that the financial statements provide a true and fair view in compliance with relevant accounting standards and regulations with full transparency.
- iii. The external auditor had confirmed that based on work performed, there was no non-compliance with the laws and regulations, and fraud related matters. In addition, The KPMG had emphasized that at all times of performing audit, there were no anomalies and cordial relationships were maintained.
- iv. KPMG had through their annual audit plan provided the ARMC with a written assurance confirming their independence throughout the conduct of the audit engagement in accordance with the relevant professional and regulatory requirements.
- v. The External Auditors met the ARMC on 2 occasions without the presence of executive management.

> Governance, Risk Management and Compliance

The ARMC assesses and offers guidance regarding the governance and the Group's control framework implemented and upheld by the Group. The ARMC evaluated the precision and sufficiency of the disclosures on corporate governance, interim financial reports, and preliminary announcements concerning the formulation of financial statements.

The effectiveness of the risk management framework and policies and procedures implemented within the Group have been reviewed by the ARMC to ensure that they are operating as intended. The ARMC had reviewed the efficiency of the system in place to oversee adherence to laws and regulations, and the outcomes of any inquiries and subsequent actions taken to address instances of non-compliance.

With regards to the Internal Audit & Risk Management, the ARMC had:

i. Internal Audit

- a. Reviewed and approved the execution of the audit plan for the financial year ending 31 December 2024 by taking into account areas of priority, and optimum man-days.
- b. Appointed a new Head of Internal Audit, Encik Eanis Azman Latif. Encik Eanis Azman Latif headed the consolidated department consisting of Internal Audit, Risk, Integrity, Compliance, HSE and Sustainability [GIARICHS].
- c. Reviewed and deliberated the internal audit reports, follow-up reports, audit recommendations, and Management's responses. The audit reports, audit recommendations, and Management's action plan regarding these recommendations were deliberated and closely monitored by the ARMC. Where appropriate, the ARMC instructed Management to enhance internal control systems following the approved recommendations and suggestions for improvement.
- d. Reviewed the adequacy of resources and the competencies of staff within the department to ensure it has the required expertise and professionalism to discharge its duties.

ii. Risk Management

- a. The ARMC received updates on:

- Consolidated risk position for the Group;
- Transformation Initiatives focus area, Enterprise Risk Management, and Business Process Improvement, which includes other cost reduction focused on the Group;
- Key activities conducted throughout the year to instill compliance culture among the staff; and
- Risk associated with future and potential project of the company.

- b. Reviewed and deliberated the risk assessment for the Group.

Audit and Risk Management Committee Report

- c. Reviewed and deliberated on the statement of Risk Management and Internal Control (SORMIC) for the company's annual report.
- d. Evaluate and consider awareness programs in relation to risk management in order to embed risk culture in the company.

iii. Related Party Transactions

- a. Overseeing related party transaction to ensure independence and impartiality that complies with Companies Act 2016, the Main Market Listing Requirements, and the Malaysian Financial Reporting Standard.
- b. Reviewed the related party transactions and outstanding receivables that arose within the Group;

- c. Reviewed the inter-company Management fee within the Group; and
- d. Reviewed the provision of continued financial support for subsidiary companies.

> Training

Throughout the year, the ARMC members participated in various conferences, seminars, and training programs to enhance their knowledge and proficiency in their areas of expertise. These efforts were aimed at enabling them to carry out their duties effectively and enhance their technical competencies.

 The details of the training programs attended by the ARMC members can be found in the Corporate Governance Overview Statement on pages 74 to 90 of this Annual Report.

INTERNAL AUDIT & RISK MANAGEMENT FUNCTION

The ARMC's primary role is to assist the Board in fulfilling its oversight responsibilities regarding the internal control system, audit process, compliance monitoring, and the management of key risks identified by the Management. This includes supervising the development and implementation of effective systems to manage these risks, with a special focus on governance, compliance, and sustainability practices.

Pursuant to consolidation of department in November 2023, Encik Eanis Azman Bin Latif who was appointed in February 2024 has further taken up Health, Safety and Environment Department in July 2024. This signifies a pivotal step in integrating and strengthening the Group's approach to internal audit, risk management, governance, compliance, and environmental, social, and governance (ESG) initiatives.

> Internal Audit Function

The Group had established an internal audit function initially under the purview of IAD in May 2022, further transitioned into IA Unit under IA & GRCE Department in November 2023, and further in July 2024 expanded as Group Internal Audit, Risk, Integrity, Compliance, HSE, and Sustainability.

The Internal Audit Unit is headed by Encik Eanis Azman Bin Latif, a seasoned internal audit practitioner with a Bachelor's Degree from Leeds Beckett University, United Kingdom. He has extensive experience in the area of internal control, risk management, and governance from various industries such as the government, project management audit, highway concession audit, construction audit, contract management, progress monitoring, and final account audit.

The activities of the IA Unit are guided by the Internal Audit Charter, the Audit Committee Charter, and the Internal Audit Manual which define the roles, responsibilities, accountability, and scope of work of the IA Unit.

As of December 2024, the in-house staff strength of the Internal Audit Unit stood at five (5) manpower which consist of one (1) Head, one (1) Manager and three (3) Executives, with a total cost of RM 481,137.16.

i. Independence and Objectivity

In maintaining its necessary independent and objective attitude, the IA Unit activities are free from any interference by any element within the organisation. This includes matters such as audit selection, scope, procedures, frequency, timing, or report content. The IA Unit does not hold any direct operational responsibility or authority over the activities reviewed.

However, through a systematic and structured approach, the IA Unit is responsible for the following:

- a. Provides independent assurance to both the Board and Management that the Group's assets are adequately and effectively safeguarded by the internal control system;
- b. Recommends improvements and enhancements to the existing system of internal controls and work procedures/processes, aiming to enhance their effectiveness; and
- c. Acts as a reference point to ensure the effective implementation of policies and procedures, and to promote best corporate governance practices.

Audit and Risk Management Committee Report

ii. Scope of Coverage

The IA Unit's scope of coverage extends to all corporate services and business units of the Group. The selection of corporate services and business units to be reviewed is based on a risk-based approach, which allows for flexibility in addressing both current and potential future risks. This approach enables the IA Unit to focus its resources and skills on areas that are most crucial to the Group's Annual Operating Plan, ensuring alignment and making continuous improvements to achieve its goals.

In carrying out an internal audit review, audit reports were tabled to the ARMC during its meetings quarterly. Apart from highlighting any deficiencies or areas requiring the Management's attention, the reports also included recommendations and proposed action plans to be implemented by the respective business units. Follow-up audits were conducted, and the status of the action plan implemented by the Management was also tabled to the ARMC via the Management Action Plan Dashboard.

Details of the review carried out are as follows:

- Internal Audit Review on Theta Telecoms
- Internal Audit Review on Human Capital Management and Working Environment
- Internal Audit Review on Corporate and Strategic Communication
- Internal Audit Review on Theta's Payment Solution Gateway (SakuPay)
- Internal Audit Review on Theta's Financial System
- Internal Audit Review on Corporate Services of Theta

The Management is accountable for ensuring that the corrective actions addressing the reported weaknesses are implemented within the stipulated timeframe. The IA Unit conducts periodic follow-up reviews to monitor the implementation of audit recommendations.

iii. Practices and Framework

To ensure consistency and standardisation in assuring the effectiveness and adequacy of the overall system of internal controls, all auditing activities of IA Unit are carried out in line with the Group's Annual Operating Plan, objectives, policies, and procedures. These activities are also conducted in accordance with applicable laws and regulations, as well as relevant policies and guidelines, as prescribed by the International Professional Practices Framework (IPPF) promulgated by the Institute of Internal Auditors.

> Risk Management Function

ERM is a function under the purview of the Group Internal Audit, Risk, Integrity, Compliance, HSE, and Sustainability Department focusing on the three (3) components of strategic risk namely Sustainability risk, Corporate risk, and Anti-Bribery Risk.

As of December 2024, there is two (2) manpower in total to strengthen the Unit's function in risk management, governance/compliance monitoring, and sustainability. The department had to support business growth and strengthen the business transformation activities for the Group.

The same function was also headed by Encik Eanis Azman Latif.

i. Objectives of Risk Management Function

The primary objective of the Risk Management function is to supervise the Group's activities in managing the key risk areas and to ensure that the risk management process is in place and functioning adequately, which includes:

- Review and recommend appropriate risk management strategies, policies, and risk tolerance to the business units and support functions;
- Identify, measure, monitor, and control risks to ensure that the risk management policies and frameworks are operating effectively;
- Ensure that the responsible staff (Risk Owners & Risk Champions) implement the risk management and perform their duties consistently;
- Provide oversight and imperative direction for managing all risks in Theta Group.

ii. Strategic Focus of Group Internal Audit, Risk, Integrity, Compliance, HSE and Sustainability (GIARICHs).

As an entirety, GIARICHs is also in charge of strategic focus, which covers the following areas:

- Redefine and improve the Governance Practice as a whole within the Group that provides clarity and adoption of best practices that include compliance with the relevant laws and regulations including but not limited to below:

- Malaysian Code of Corporate Governance and Sustainability Reporting;
- MACC Section 17A - Adequate Measures for Anti Bribery; and
- Business Policy and Operating Procedures.

Audit and Risk Management Committee Report

- b. Requirement for an improvement in Group approving authority and approval limits in line with the rationalisation plan and changes to corporate/organisation structure;
- c. Improvement and realignment of various policies and standard operating procedures in the Group;
- d. Improvement in the governance structure for clear accountability and responsibility for all functions in the Group;
- e. Improvement on the internal capabilities, including knowledge and skills within the function for effectiveness in monitoring, reporting, and compliance purposes;
- f. Emphasis on the function's independent monitoring mechanism and acting as a Second Line of Defense within the Group.

> Development of Professional Qualifications and Ongoing Competency

GIARICHS Department is dedicated to being equipped with the necessary knowledge, skills, and competencies to carry out their duties and responsibilities effectively. To enhance professional competency within the Department and improve staff retention, the ARMC had agreed to include training & certifications and professional subscription fees in the budget for the year 2024.

The departments' personnel attended the following sessions throughout the year to improve their knowledge and skills and to provide valuable services to the Group.

No.	Training/Conferences	Date	Organiser
1	Taklimat Pengurusan Pematuhan Lif dan Eskalator dengan Kerjasama Koperasi Usahawan Keselamatan dan Kesihatan Selangor Berhad	29 th February 2024	CIDB
2	National Anti-Corruption Strategies (NACS) Bersama Ketua Unit Integriti dan Governans (CIGO)	7 th May 2024	Bahagian Perancangan Governans Nasional (BPGN), SPRM
3	The Use of AI in ESG	21 st June 2024	Project Management Academy
4	ESG Standards and Guidelines	24 th June 2024	SIRIM Academy Sdn Bhd
5	ESG for Logistics Service Providers	25 th June 2024	CLLB Sdn Bhd
6	ESG Clinic: Is your Business ESG ready?	26 th June 2024	Sara Resorts Management Sdn Bhd
7	Knowing ESG and Its Application	26 th June 2024	Eminence Reliance Certification Plt
8	ESG Awareness: Integrating Environment, Social and Governance	27 th June 2024	SIRIM Academy Sdn Bhd
9	Building Sustainable Future: ESG Essentials for Public Listed Companies in Malaysia	27 th June 2024	AIHQ Training and Consultancy
10	Building a Sustainable Future: ESG Essentials for SMEs in Malaysia	27 th June 2024	AIHQ Training and Consultancy
11	FMM Mini Webinar: Road to Zero Carbon-How to Calculate The Carbon Footprint/Emission @ The Workplace	27 th June 2024	Federation of Malaysian Manufacturers (Kedah)
12	ESG for Industry 4.0	28 th June 2024	Datalytica Sdn Bhd
13	ESG Implementation: Your Questions, Our Insights	28 th June 2024	myESG Sdn Bhd
14	Environmental, Social and Governance (ESG) Awareness	28 th June 2024	Unipeq Sdn Bhd
15	Safety & Health Officer Enrichment Program	19 th August – 24 th August 2024	NIOSH
16	ISSB: Applying the IFRS Sustainability Disclosure Standards	11 th November 2024	UN SSE Academy

Statement on Risk Management and Internal Control

INTRODUCTION

The Board of Directors [the Board] is pleased to present this Statement on Risk Management and Internal Control in accordance with Paragraph 15.26(b) of the Main Market Listing Requirements [MMLR] of Bursa Malaysia Securities Berhad [Bursa Securities]. This statement outlines the key aspects of the risk management and internal control framework within Theta Edge Berhad and its subsidiaries [Theta or the Group] for the financial year under review and up to the date of its approval for inclusion in the annual report.

BOARD RESPONSIBILITY & ACCOUNTABILITY

The Board acknowledge on holding the ultimate responsibility for overseeing and establishing sound and effective company's risk management framework and internal control systems. This encompasses setting the company's risk appetite, ensuring that risk exposures remain within acceptable tolerance levels, and safeguarding shareholders' investments as well as the company's assets. The Board periodically reviews the effectiveness and adequacy of these frameworks and systems by identifying, assessing, monitoring, and communicating key business risks.

As there are limitations that are inherent in any system of risk management and internal control, this system is designed to manage the risk rather than eliminating such risks that may hinder the achievement of Theta's business objectives. Accordingly, it can only provide reasonable but not absolute assurance against material misstatement of losses and fraud.

To fulfil its oversight responsibilities, the Board, either collectively or through delegation to the Audit, Risk Management Committee [ARMC], assesses the adequacy and effectiveness of the Company's risk management and internal control systems. The control structure and functions across the Group are periodically reviewed and updated. This continuous process has been in effect throughout the financial year under review, and this statement has been approved for inclusion in the annual report.

The primary function of the Audit and Risk Management Committee [ARMC] is to assist the Board in overseeing the company's financial reporting, risk management, and internal control processes. The committee plays a crucial role in enhancing transparency, accountability, and governance, thereby strengthening stakeholders' confidence in the company.

The Board has also established committees to support its oversight functions, including the Nomination and Remuneration Committee [NRC] and Board Investment Committee [BIC]. These committees have formalised terms of reference that are accessible on the Company website. They have the authority to examine their scope and report to the Board with recommendations.

RISK MANAGEMENT

The company acknowledge that an embedded ERM Framework within its operation, is a critical function that helps a company identify, assess, mitigate, and monitor potential risks that could impact its operations, financial performance, and strategic objectives. Its primary goal is to minimise uncertainties and enhance decision-making to protect the company's assets, reputation, and stakeholders' interests.

The Enterprise Risk Management [ERM] approach is aligned with and benchmarked against the International Organization for Standardization [ISO] 31000:2018 – A Risk Practitioner's Guide. This framework offers principles and general guidelines for effective risk management and is applicable within Theta.

The implementation of risk management in the Group is supported by the following Committees:

a. Audit, Risk Management Committee [ARMC]

ARMC was established by the Board to assist in reviewing the adequacy and integrity of the Group's financial administration and reporting, internal control and risk management systems, including the management information system and systems of compliance with the applicable laws, regulations, rules, directives and guidelines.

While the Board holds overall responsibility for overseeing risk management and internal controls through the ARMC, Senior Management is accountable for effectively managing these areas through the following actions:

- Providing leadership and direction to achieve the objectives outlined in the Annual Operating Plan [AOP].
- Addressing risk and internal control concerns identified by the Group Internal Audit, Risk, Integrity, Compliance HSE, Sustainability and external consultants.

Statement on Risk Management and Internal Control

- Implementing the Risk Management Framework by understanding the inherent risks of the business, measuring and monitoring those risks, and adopting mitigation strategies. They also evaluate the impact of ongoing action plans to achieve the set objectives.
- Assessing the performance and effectiveness of internal controls within the operating companies of the Group.

b. Nomination and Remuneration Committee (NRC)

The NRC is a key board committee responsible for ensuring the effective governance of board appointments and executive compensation by weighing critical criteria such as the qualifications, positive qualities, and independence of the director. The NRC helps to maintain corporate governance by ensuring that the Board has the right leadership and that compensation practices are transparent, competitive, and aligned with the company's long-term goals.

Nomination Responsibilities:

1. Identifying and recommend appointment of Directors to the Board, The Board Committees and nominate candidates for directorship to the Board of Subsidiary and Associated Companies.
2. Reviewing and recommend appointments of the Senior Management and other strategic positions as may be determined by the Board.
3. Reviewing the Board's required mix of skills, diversity, experience and other qualities, including core competencies
4. Assessing the effectiveness of the Board and the Board Committees as a whole.

Remuneration Responsibilities:

1. Determining, review and recommend the remuneration framework and policies of Directors, Board Committee members, Senior Management and other strategic positions as may be determined by the Board.
2. Setting policy and remuneration framework for employees of the Group.

c. Group Management Committees and Working Committees

The daily operations of the business are delegated to the Group Managing Director & Chief Executive Officer [GMD & CEO] and the Management team. Under the GMD & CEO leadership, the heads of various business divisions and departments within the group are given the authority to manage their respective operations.

The Group Management Committees and Working Committees are formed to support and focus on higher level strategic decision-making and ensure that the Group's interests are properly safeguarded in key business and operational decisions. These Committees include the Group Consequence Management Committee [GCMWC], Group Innovation Working Committee [GIWC], Group Strategic Procurement Committee [GSPC], Operations Working Committee [OWC], and Bidding/Tender Working Committee [TBWC]. The terms of reference for these Committees are outlined in the Corporate Governance Framework and have been approved by the Board.

d. Board Investment Steering Committee (BISC)

The BISC is responsible for overseeing and guiding the organisation's investment strategies, ensuring alignment with corporate objectives, risk appetite, and regulatory requirements. The responsibilities and duties of the BISC are not limited to the following scopes:

- To review, assess the proposed investment viability and risk exposure associated and to provide guidance to Management.
- To review and approve on the proposed equity and capital requirements for the acquisition/investment including fund-raising requirements and salient terms of agreements of the proposed investment.
- To review the outcome of the due diligence of the proposed investments.
- To review, assess and approve the appropriate strategic direction and strategic plan pertaining activities undertaken and to approve on the significant matters related thereto;
- To carry out any other relevant function as delegated by the Board
- To safeguard all information in relation to the investment activities and treat them as strictly private and confidential in line with the requirement of the Document Control Policy and any applicable laws included but not limited to the Official Secrets Act 1972.

Statement on Risk Management and Internal Control

RISK MANAGEMENT APPROACH

The Management Committee, along with other Senior Management and Divisional Heads, is responsible for the ongoing development of risk management and ensuring its integration into all key processes and activities within Theta Group. This includes adapting to changing risk profiles resulting from shifts in business strategies, the external environment, and regulatory requirements. The risk management processes involve various activities applied across all operational businesses and support function units.

The Risk owners and champions are primarily accountable for identifying and managing risks within their daily operations. Risks are systematically identified and assessed using the group-wide risk methodologies, with action plans developed, and corrective actions implemented to mitigate these risks.

The Risk Management Unit, an independent risk management function, is responsible for ensuring the implementation and compliance with the approved risk management framework and policies. Additionally, they facilitate the risk management processes across operational units, which include risk identification, assessment, mitigation, and monitoring.

After risks are evaluated, the Company undertakes risk management or treatment, which involves both responsive and proactive actions to control risks within acceptable limits, aligned with the Company's risk appetite. The final stage involves continuous monitoring and review of risks. This includes tracking risk events, assessing the effectiveness of action plans, and extracting key lessons learned. Given the dynamic nature of risks, ongoing monitoring ensures that the Company stays adaptable and ready to implement new measures as needed to mitigate them.

INTERNAL CONTROLS

The Board and Management have implemented a range of processes for the internal control system of Theta Group. This system includes the structure, governance, policies, processes, tasks, behaviours, and other elements that support effective and efficient operations. It enables Theta Group to effectively address significant business, operational, financial, compliance, and other risks that may impact the achievement of its objectives.

The Board also committed to maintain a strong control structure and environment to conduct the Group's business operations properly. The Group's control environment comprises the following components, which have been in place throughout the financial year. The key elements of Theta Group's control structure and environment include:

a. Organisation Structure

The Group has established an organisational structure with clearly defined authority, responsibility, and accountability to support its business strategies and objectives within a suitable control environment. Each function will ensure that delegated authority, responsibility, and accountability are executed diligently, safeguarding the interests of the Company and shareholders while working towards achieving the corporate strategy.

b. Corporate Governance Framework

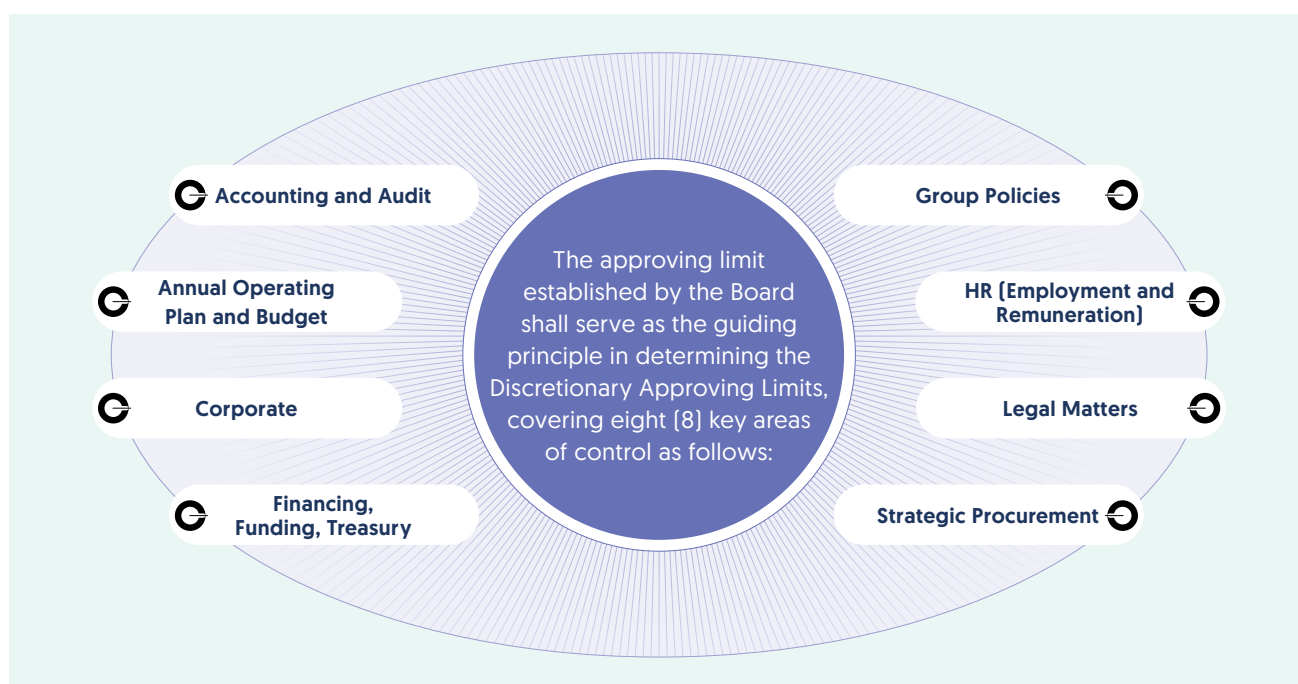
Theta is committed to strong corporate governance and has implemented a comprehensive risk management and control system to protect the interests of all shareholders and stakeholders through its Corporate Governance Framework. The Corporate Governance Framework of Theta aims to:

- Provide clarity on corporate governance practices within Theta, guiding day-to-day business and operational decision-making.
- Formalize the creation of Group Management Committees and Working Committees within Theta, with clearly defined terms of reference that include a precise allocation of roles and responsibilities for both strategic and operational matters.
- Promote the core values of the company and foster high integrity among all employees in the conduct of business operations.
- Strengthen the Assurance and Enabler pillars, which emphasize the 2nd and 3rd Lines of Defence for monitoring compliance and ensuring the effectiveness of internal controls within Theta.

c. Discretionary Approving Limit Policy

The Discretionary Approving Limit Policy [DAL] is a policy designed to outline the authority and limits granted to individuals or entities within an organisation to approve certain financial transactions, commitments, or actions. This policy ensures that decisions are made within clearly defined boundaries, safeguarding the organisation's interests and maintaining proper governance.

Statement on Risk Management and Internal Control



d. Group Internal Audit, Risk Management, Integrity, Compliance, HSE and Sustainability (GIARICHs)

The Group Internal Audit, Risk Management, Integrity, Compliance, HSE and Sustainability [GIARICHs] Department plays a crucial role in supporting the organisation's overall governance framework. By working collaboratively, these functions help to provide comprehensive oversight, mitigate risks, ensure compliance, and support the company's long-term sustainability. Throughout the year of 2024, GIARICHs has managed to:

- Produce the Sustainability Statement for Annual Report 2023;
- Achieve 66.8% of EESG Internal Score Rating;
- Achieve zero fatality accident and successfully maintaining ISO 45001:2018 [OHSMS] & 14001:2015 [EMS] certification.
- Governed four [4] frameworks, nine [9] policies and one [1] Standard Operating Procedures [SOPs];
- Maintain certification from the Corporate Integrity System Malaysia [CISM];
- Produced Quarterly Risk Assessment and Reporting.
- Centralised the manuals and policies in the staff portal.

The risk management function is embedded within GIARICHs department to establish a structured reporting line for risk management and ensure that significant risks are escalated to the appropriate levels. This structure facilitates alignment with Theta's strategic planning process and reinforces its commitment to sustainability and governance.

The GIARICHs supports the ARMC in fulfilling its risk management responsibilities by reviewing and assessing the adequacy of risk management policies and ensuring the availability of infrastructure, resources, and systems for effective risk management.

In collaboration with various business units, the GIARICHs facilitates the risk review process across the Group, reporting significant risks to the ARMC and ultimately to the Board. Additionally, the GIARICHs is responsible for ensuring the effective implementation of the risk management framework and ensuring that each business platform maintains its respective risk registers.

e. Internal Audit Function

The Board routinely reviews the internal audit function's assessment of the adequacy and effectiveness of the Group's internal control framework. To uphold complete independence in managing risk and the internal control environment, the Company established in-house Internal Audit Department [IAD] to examine and evaluate the adequacy, existence, and effectiveness of the internal control system, as well as risk management and corporate governance of the group, which includes, among other things, the following:

- Reviewing the reliability and integrity of financial and operational information, as well as the methods used for identification, measurement, classification, and reporting.

Statement on Risk Management and Internal Control

- Evaluating the systems in place to ensure compliance with policies, plans, procedures, laws, and regulations that may significantly impact operations.
- Assessing the efficiency and effectiveness of resource utilisation.
- Analysing operations to determine whether outcomes align with established objectives and goals and ensuring that activities are carried out as planned.
- Reporting significant issues related to business and operational controls, along with recommendations for improvement, through periodic audit reports and timely follow-up reports to the ARMC and management.
- Assisting in the investigation of major suspected fraudulent activities and informing the ARMC and top management of the findings.
- Examining the measures in place to safeguard assets and, where necessary, verifying their existence.

During the year 2024, a total of six (6) Internal Audit Reports were submitted to the ARMC, as follows:

1. Internal Audit on Project Delivery and Quality Management
2. Internal Audit on Sales Cluster, Support and Business Operations
3. Internal Audit Review on Sales and Accounts Management and Business Development
4. Internal Special Audit Review on Theta Innovation Sdn Bhd
5. Special Audit Review on Corporate Governance and Related Party Transaction
6. Internal Audit on Cyber Security, Data Protection & Privacy and Software & Technologies Licenses

f. Anti Bribery and Adequacy Policy

This policy is designed to provide the Board and employees with a reference on integrity-related issues while performing their duties. The policy sets the tone for the commitment to a high standard of ethical and legal business conduct. As the businesses continue to grow, Theta and its employees are committed to presenting accurate information to guide the board, management, shareholders, and other stakeholders in making informed decisions. The general principles & prohibition under this policy shall apply to all Board members, employees and other third parties appointed by Theta as partners, consultants or vendors to perform services on behalf of the Group.

g. Corporate ESG and Sustainability Framework

The framework aims to provide guidelines for reporting on economic, Environmental, Social and Governance (ESG). Theta has prioritised its corporate sustainability as an essential agenda item in the Annual Operating Plan. It has integrated ESG requirements into its business processes and strategies to manage risks and generate sustainable returns. Theta is committed to effective stewardship and good governance practices to maximise its long-term value, with a focus on sustainability issues throughout its business and operations. As Theta adapts to technological changes, it will face ESG challenges. ESG reporting and analysis per the framework will help Theta to evaluate the risk and impact of these changes.

h. Document Control Policy

The policy provides comprehensive guidelines on the documentation formatting across Theta and to ensure all documents necessary for the operation of the Company are managed systematically. This policy ensures that documents maintain integrity and complies with the International Standard Organization, i.e. ISO9001:2015 [Quality Management], ISO27001 [Information Security Management], and ISO22301 [Business Continuity Management], thereby enhancing operational efficiency, security and business resilience. It governs the entire lifecycle of documents, including creation, revision, approval, distribution, storage, archival, and disposal.

i. Whistleblower Policy

This policy aims to guide on the act of whistleblowing any wrongdoing, corrupt practice, unethical behaviour, and about to commit a criminal activity that may adversely affect the Group.

The Whistleblower policy shall provide an overview of the following:

- GIARICHs role as the custodian of the whistleblowing channel and process.
- The reporting framework of whistleblowing cases.
- Whistleblowing reporting mechanism.
- Protection of whistleblowers' identity to avoid harassment, intimidation, victimisation, reprisal, or detrimental action; and
- Confidentiality of disclosure or reports.
- The policy builds into the Group's culture, abhorrence for fraud, and that any conduct of this nature will not be tolerated. It also promotes a transparent and open environment for fraud reporting within the Group whilst protecting the identity of the person who lodges the report.

Statement on Risk Management and Internal Control

j. No Gift Policy

The Group practices and adopts a “No Gift Policy” whereby all employees, including our immediate family members, are prohibited from giving and receiving gifts in any form (in terms of goods or services, in money or kind, business courtesy, or other benefits) in their dealings with relevant third parties. One element of our corporate values is integrity. This policy applies to all our business conduct. It guides and maintains ethical values and business relationships and avoids conflict of interest.

k. Conflict of Interest and Disclosure Policy

This Policy is designed to assist the Directors, Officers and Employees in identifying situations that present potential conflicts of interest and guidelines on the disclosure process.

l. Conflict of Business Ethics for Directors, Employees and Stakeholders

This Code of Business Ethics has been designed according to the Company’s core values: Courage, Accountability, Responsive, Engagement, and Simplicity (known as “CARES”). It entails the principles and rules of business conduct for directors, employees, and all relevant stakeholders interested in business dealings with the Group.

m. Personal Data Protection Policy

This policy aims to serve as a point of reference and is mandatory for the employees, departments and/or third party that are involved in dealing with personal data to comply with including any additional requirements listed in PDPA.

n. Employees Code of Conduct

The Employee Code of Conduct is communicated to all employees, and compliance with this Code is mandatory. The Code serves as a guiding principle to assist employees in practising high ethical business standards. It guides how business and duties are governed efficiently, effectively, and fairly.

o. Human Resources Management

The Group recognises the importance of its staff in contributing to its growth and, therefore, places great emphasis on human resource development and training. The Group has established proper recruitment, performance appraisals, and promotion guidelines to ensure competent personnel are hired and retained at all management levels. The Group has a Performance Management System linked to and guided by the Key Performance Indicator (KPI) and departmental Balance Score Card. Individual KPIs are quantifiable in reflecting the critical success factors of an organisation in line with the department’s Balance Score Card. The Performance Management Framework focuses on aligning the Group’s direction by measuring revenue growth, operational profit, revenue quality, stakeholders’ management, business processes, and organisational capabilities to ensure growth in the desired direction.

p. Health, Safety and Environment

The Group is committed to adequately managing the risk of health, safety, and environmental impact in the workplace. The Group has the ISO 45001:2018 Occupational Health & Safety Management System certification and ISO 14001:2015 for the Environmental Management System concerning managing information and Communication Technology (ICT) and telecommunications services projects. A committee chaired by the Senior Management team member meets regularly to discuss HSE issues and ensure adherence to HSE policies.

CONTROL ACTIVITIES & MONITORING

The Group crafted its Annual Operating Plan to outline its operating strategy for the year, which is presented to and approved by the Board after deliberations. Senior Management meetings are held to monitor business performance and discuss critical issues related to the Annual Operating Plan.

Regular reports on performance against the targets set out in the plan, management action plans, operating vital problems, legal and regulatory matters, and any other significant issues that may affect the Group’s Annual Operating Plan are presented to the Board for review and deliberation.

All functions across the Group are governed by relevant frameworks, guidelines, policies, and procedures, which are available in Theta’s internal portal alongside the Code of Ethics, Discretionary Authority Limit, and other company related information.

Statement on Risk Management and Internal Control

ADEQUACY OF RISK MANAGEMENT AND INTERNAL CONTROL

The Board confirms that it has reviewed the effectiveness of the risk management and internal control framework and considers Theta's internal control system as adequate in safeguarding the shareholders' interests and assets of the Group.

The Board also confirms an effective ongoing process for identifying, evaluating, and managing significant risks in the Group. It is committed to ongoing review of all control, compliance, and risk management controls. The Board believes that developing the internal control system is an ongoing process. It has taken steps throughout the year to improve its internal control system and will continue to do so.

Group Managing Director & Chief Executive Officer [GMD & CEO] and the Group Chief Financial Officer had assured the Board that the Group's risk management and internal control system was operating adequately and effectively in all material aspects.

Based on the Group's internal control system assessment for the year under review and up to this statement's approval date, no significant control failures or weaknesses that would result in material loss, contingency or uncertainty requiring disclosure in the Group's annual report were noted. The management has taken appropriate actions to address the shortcomings, lapses or weaknesses in the internal control highlighted by the IAD. The Group will continue to identify, evaluate and monitor all major risks and take measures to strengthen the internal control and risk management environment.

REVIEW OF STATEMENT BY EXTERNAL AUDITORS

In compliance with Paragraph 15.23 of the Main Market Listing Requirements [MMLR], the external auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in the Integrated Report. They have informed the Board that, based on their review, nothing has come to their attention that suggests the statement is inconsistent with their understanding of the process undertaken by the Board in assessing the adequacy and integrity of the internal control system.

Their limited assurance review was performed per the Audit and Assurance Practice Guide [AAPG] 3, 2018, issued by the Malaysian Institute of Accountants.

AAPG 3 2018 does not require the external auditors to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control systems. The External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that the statement intended to be included in the annual report of the Group, in all material respects:

- a. has not been prepared per the disclosures required by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers or
- b. is factually inaccurate.

APG 3 does not require the External Auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system, including the assessment and opinion by the Board and management thereon. The External Auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the Annual Report will remedy the issues.

CONCLUSION

The Board believes that the present internal control system is adequate for the Group to manage its risks and achieve its business objectives. The Board is committed to ensure that the Group, continuously reviews the internal control system to enhance shareholders' investments effectively and safeguard the Group's assets. This statement was approved by the Board of Directors on 14 April 2025.

Additional Compliance Information

(In accordance with Appendix 9C of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

1. Utilisation of Proceeds

During the financial year ended 31 December 2024, there were no proceeds received by the Company from any corporate proposals.

2. Audit and Non-Audit Fees

The fees payable to the External Auditors, Messrs KPMG PLT in relation to the audit and non-audit services rendered to Theta Edge Berhad (the Group or THETA) and its subsidiary companies for the financial year ended 31 December 2024 are as follows:

	THETA (RM' 000)	GROUP (RM' 000)
Audit	49	159
Non-Audit Fees	10	24
Total	59	183

3. Material Contracts

There are no material contract[s] (not being contracts entered into the ordinary course of business) by the Group involving the interest of the directors, chief executive who is not a director or major shareholders, either still subsisting at the end of the financial year ended 31 December 2024 or entered into since the end of the previous period directors and substantial shareholders' interest with the Company and/its subsidiary companies during the financial year.

4. Recurrent Related Party Transactions of a Revenue or Trading in Nature

The Company had at the Annual General Meeting held on 26 June 2024 obtained the shareholders' mandate to enter Recurrent Related Party Transactions (RRPT) of a revenue in nature, which are necessary for the day-to day operations on the terms not more favourable to the related party than those available to the public and not to the detriment of the minority shareholders.

The breakdown of the aggregate value and type of recurrent related party transactions conducted pursuant to the shareholders' mandate for the financial year ended 31 December 2024 is set out below:

Related Party With Whom the Group Is Transacting	Nature of Transaction	Company Within The Group Involved in RRPT	Interested Related Party	Aggregate Value (RM' 000)
TH Group and/ or its associated company(ies) [Recipient]	i. The provision of ICT application support services. ii. The provision of maintenance for ICT hardware and software systems. iii. The provision of all related ICT system integration, system implementation and related services. iv. The provision of desktop management services and hardware leasing.	THETA Group and/or its subsidiaries [Provider]	TH Group, Tan Sri Abd Rahman Bin Mamat, Datuk Dyg Sadiyah Binti Abg Bohan and Nik Johaan Bin Nik Hashim	3,098

Notes:

¹ TH stand for Lembaga Tabung Haji, a major shareholder of the company.

² Tan Sri Abd Rahman Bin Mamat, Datuk Dyg Sadiyah Binti Abg Bohan and Nik Johaan Bin Nik Hashim are the Directors nominated and appointed by TH and they are deemed interested in the transactions.

FINANCIAL STATEMENTS

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Directors' Report

For The Year Ended 31 December 2024

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

Principal activities

The principal activity of the Company is that of an investment holding company. The principal activities of the subsidiaries are stated in Note 4 to the financial statements.

There has been no significant change in the nature of these activities during the financial year.

Subsidiaries

The details of the Company's subsidiaries are disclosed in Note 4 to the financial statements.

Results

	Group RM'000	Company RM'000
Loss for the year attributable to:		
Owners of the Company	17,808	10,223

Reserves and provisions

There were no material movements to or from reserves and provisions during the year.

Dividend

Since the end of the previous financial year, the amount of dividends paid by the Company was as follows:

- i) In respect of the financial year ended 31 December 2023 as reported in the Directors' Report of that year, a first and final single tier dividend of RM0.01701 per ordinary share in respect of the financial year ended 31 December 2023 amounting to RM2,007,100 was declared on 31 May 2024 and paid on 10 July 2024.

The Directors do not recommend any dividend to be paid for the financial year under review.

Directors' Report

For The Year Ended 31 December 2024

Directors of the Company

Directors who served during the financial year until the date of this report are:

Tan Sri Abd Rahman bin Mamat	[appointed on 9 July 2024]
Azih bin Yusof	
Latifah binti M.Daud	
Zainal 'Abidin bin Abd Jalil	
Adam Malik bin Azlan	
Shahrin binti Oli Mohamed	
Datuk Dyg Sadiyah binti Abg Bohan	[appointed on 9 July 2024]
Nik Johaan bin Nik Hashim	[appointed on 24 October 2024]
Datuk Nuraslina binti Zainal Abidin	[appointed on 24 October 2024]
Tengku Dato' Seri Hasmuddin bin Tengku Othman	[resigned on 26 June 2024]
Syed Osman Al Haddad bin Syed Mohamed	[resigned on 26 June 2024]

The names of Directors of the subsidiaries as at the financial year end are as follows:

Name of entity	Directors	
Advanced Business Solutions (M) Sdn. Bhd.	Kamilah binti Abdul Hamid Sham Sol bin Ali	[appointed on 17 October 2024] [resigned on 17 October 2024]
Impianas Sdn. Bhd.	Sham Sol bin Ali Ahmad Nazri bin Mohamad Mohamad Izzat bin Serpudin	[appointed on 18 September 2024] [appointed on 24 June 2024 and resigned on 18 September 2024] [resigned 24 June 2024]
Theta Services Sdn. Bhd.	Datuk Nuraslina binti Zainal Abidin Rozahan bin Osman	[resigned on 18 March 2024]
TH2.0 Sdn. Bhd.	Datuk Nuraslina binti Zainal Abidin	
Theta Greentech Sdn. Bhd.	Datuk Nuraslina binti Zainal Abidin	
Theta Innovation Sdn. Bhd.	Datuk Nuraslina binti Zainal Abidin Adam Malik bin Azlan	
Theta Healthcare Sdn. Bhd.	Datuk Nuraslina binti Zainal Abidin Mohamad Izzat bin Serpudin	
Theta Technologies Sdn. Bhd.	Latifah binti M.Daud Razina binti Abd Rashid Syahrul Hafidz bin Suid	[appointed on 14 January 2025] [resigned on 14 January 2025]
Theta Telecoms Sdn. Bhd.	Zahari bin Abdul Jalil Datuk Nuraslina binti Zainal Abidin Dr Suhaidi bin Hassan	[appointed on 7 May 2024] [resigned on 7 May 2024]
Theta Mobility Sdn. Bhd.	Datuk Nuraslina binti Zainal Abidin Mohamad Izzat bin Serpudin	

Directors' Report

For The Year Ended 31 December 2024

Directors' interests in shares

None of the Directors holding office at 31 December 2024 had any interest in the shares and of the Company and of its related corporations during the financial year.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The Directors' benefits paid or receivable by Directors in respect of the financial year ended 31 December 2024 are as follows:

	From the Company RM'000	From the subsidiaries RM'000
Directors of the Company:		
Fees	243	-
Salaries and other emoluments	715	-
	958	-

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Issue of shares and debentures

There were no changes in the issued and paid-up capital of the Company. There were no debenture issued during the financial year.

Options granted over unissued shares

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

Indemnity and insurance costs

During the financial year, the total amount of insurance coverage effected for the Directors and Officers of the Company and its subsidiaries is RM20 million. The total Directors and Officers insurance premium incurred including tax and duties by the Company is RM58,310.

Directors' Report

For The Year Ended 31 December 2024

Other statutory information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

- i) all known bad debts have been written off and adequate provision made for doubtful debts, and
- ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- i) that would render the amount written off for bad debts or the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and of the Company misleading.

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

- i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet its obligations as and when they fall due.

In the opinion of the Directors, except for the impairment loss on investments in subsidiaries in the Company as disclosed in Note 4 of the financial statements, the financial performance of the Group and of the Company for the financial year ended 31 December 2024 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Auditors

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The auditors' remuneration of the Group and the Company during the year are RM159,000 and RM49,000 respectively.

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

Tan Sri Abd Rahman bin Mamat
Director

Datuk Nuraslina binti Zainal Abidin
Director

Petaling Jaya, Selangor
Date: 26 March 2025

Statements of Financial Position

As At 31 December 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Assets					
Plant and equipment	2	4,899	6,087	4,115	4,886
Right-of-use asset	3	4,232	6,011	4,232	6,008
Investments in subsidiaries	4	-	-	76,518	87,714
Investment in joint venture	5	-	-	-	-
Intangible assets	6	2,241	1,014	-	-
Trade and other receivables	7	26,409	40,105	-	-
Total non-current assets		37,781	53,217	84,865	98,608
Inventories	8	44	60	-	-
Trade and other receivables	7	27,561	30,932	46,869	45,633
Contract assets	9	7,570	10,659	-	-
Contract costs	9	980	2,231	-	-
Current tax assets		329	100	37	27
Cash and cash equivalents	10	30,845	54,882	1,214	1,135
Total current assets		67,329	98,864	48,120	46,795
Total assets		105,110	152,081	132,985	145,403
Equity					
Share capital	11	115,019	115,019	115,019	115,019
Reserves		(54,295)	(34,480)	(54,151)	(41,921)
Equity attributable to owners of the Company		60,724	80,539	60,868	73,098
Liabilities					
Lease liabilities		17,854	4,403	2,412	4,403
Borrowings	12	2,071	6,912	-	-
Total non-current liabilities		19,925	11,315	2,412	4,403
Lease liabilities		6,640	1,768	1,992	1,765
Borrowings	12	4,981	5,161	-	-
Trade and other payables	13	12,219	52,608	67,713	66,137
Contract liabilities	9	621	690	-	-
Total current liabilities		24,461	60,227	69,705	67,902
Total liabilities		44,386	71,542	72,117	72,305
Total equity and liabilities		105,110	152,081	132,985	145,403

The notes on pages 116 to 147 are an integral part of these financial statements.

Statements of Profit or Loss and Other Comprehensive Income

For The Year Ended 31 December 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	14	60,517	144,321	14,616	12,740
Cost of sales		(58,191)	(112,558)	-	-
Gross profit		2,326	31,763	14,616	12,740
Other income		1,428	7,014	31	7,803
Selling and distribution costs		(6,206)	(2,965)	(728)	(448)
Administrative expenses		(11,976)	(13,273)	(10,143)	(11,322)
Net loss on impairment of financial instruments		(291)	(9,377)	(64)	(26)
Other expenses		(3,491)	(3,575)	(13,896)	(6,208)
Zakat expenses		-	(211)	-	(93)
Results from operating activities		(18,210)	9,376	(10,184)	2,446
Finance income		1,999	1,442	20	33
Finance costs		(1,597)	(1,252)	(59)	(137)
(Loss)/Profit before tax	15	(17,808)	9,566	(10,223)	2,342
Tax expense	16	-	(253)	-	(8)
(Loss)/Profit for the year and total comprehensive (expense)/income for the year attributable to the owners of the Company		(17,808)	9,313	(10,223)	2,334
Basic (loss)/earnings per ordinary share (sen)	17	(15.10)	7.89		

The notes on pages 116 to 147 are an integral part of these financial statements.

Statements of Changes in Equity

For The Year Ended 31 December 2024

		Attributable to owners of the Company		
		Non-distributable		Total equity RM'000
		Share capital RM'000	Accumulated Losses RM'000	
Note				
Group				
At 1 January 2023		115,019	[42,024]	72,995
Distribution to and total transactions with owners of the Company				
- Dividend to the owners of the Company	18	-	(1,769)	(1,769)
Profit for the year and total comprehensive income for the year		-	9,313	9,313
At 31 December 2023/1 January 2024		115,019	[34,480]	80,539
Distribution to and total transactions with owners of the Company				
- Dividend to the owners of the Company	18	-	(2,007)	(2,007)
Loss for the year and total comprehensive expense for the year		-	(17,808)	(17,808)
At 31 December 2024		115,019	[54,295]	60,724
Note 11				
Company				
At 1 January 2023		115,019	[42,486]	72,533
Distribution to and total transactions with owners of the Company				
- Dividend to the owners of the Company	18	-	(1,769)	(1,769)
Profit for the year and total comprehensive income for the year		-	2,334	2,334
At 31 December 2023/1 January 2024		115,019	[41,921]	73,098
Distribution to and total transactions with owners of the Company				
- Dividend to the owners of the Company	18	-	(2,007)	(2,007)
Loss for the year and total comprehensive expense for the year		-	(10,223)	(10,223)
At 31 December 2024		115,019	[54,151]	60,868
Note 11				

The notes on pages 116 to 147 are an integral part of these financial statements.

Statements of Cash Flows

For The Year Ended 31 December 2024

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash flows from operating activities				
(Loss)/Profit before tax	(17,808)	9,566	(10,223)	2,342
Adjustments for:				
Depreciation of plant and equipment	1,712	1,581	923	860
Depreciation of right-of-use asset	1,779	1,908	1,776	1,808
Loss on disposal of plant and equipment	-	77	-	-
Gain on fair value of finance lease receivables	(629)	[42,891]	-	-
Interest income from finance lease	(1,542)	[662]	-	-
Net loss on impairment of financial instruments	291	9,377	64	26
Impairment of investments in subsidiaries	-	-	11,196	3,512
Interest expense in relation to lease liabilities	534	138	59	137
Loss on lease modification	-	9	-	-
Borrowing costs	1,026	1,114	-	-
Income from deposits with licensed banks	(457)	[780]	(20)	[33]
Zakat	-	211	-	93
Waiver of liabilities by suppliers	-	6,871	-	-
Assets leased out financed by hire-purchase*	372	1,490	-	-
Operating (loss)/profit before changes in working capital	(14,722)	[11,991]	3,775	8,745
Changes in working capital:				
Inventories and contract costs	1,267	[1,412]	-	-
Trade and other receivables and contract assets	22,037	17,810	(1,300)	[15,898]
Trade and other payables and contract liabilities	(19,252)	5,373	1,576	7,249
Cash generated (used in)/from operating activities	(10,670)	9,780	4,051	96
Borrowing costs paid	(1,560)	[1,252]	(59)	[137]
Income from deposits with licensed banks	457	780	20	33
Income tax paid	(229)	[273]	(10)	[10]
Zakat paid	-	[211]	-	[93]
Net cash (used in)/from operating activities	(12,002)	8,824	4,002	[111]

The notes on pages 116 to 147 are an integral part of these financial statements.

Statements of Cash Flows

For The Year Ended 31 December 2024

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash flows from investing activities				
Decrease in investment in joint venture	-	20	-	20
Purchase of plant and equipment	(524)	(650)	(152)	(563)
Proceed from disposal of plant and equipment	-	125	-	-
Purchase of intangible assets	(1,227)	(879)	-	-
Net cash used in investing activities	(1,751)	(1,384)	(152)	(543)
Cash flows from financing activities				
Dividend paid	(2,007)	(1,769)	(2,007)	(1,769)
Repayment of lease liabilities	(2,884)	(1,834)	(1,764)	(1,727)
Repayment of borrowings	(5,393)	(5,154)	-	-
(Increase)/Decrease in pledged deposits	(2,239)	8,657	(15)	13
Net cash used in financing activities	(12,523)	(100)	(3,786)	(3,483)
Net (decrease)/increase in cash and cash equivalents	(26,276)	7,340	64	(4,137)
Cash and cash equivalents at 1 January	41,704	34,364	196	4,333
Cash and cash equivalents at 31 December	15,428	41,704	260	196

Cash outflows for leases as lessee

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Included in net cash (used in)/from operating activities:					
Interest expense in relation to lease liabilities	15	534	138	59	137
Payment relating to short term leases	15	-	13	-	-
		534	151	59	137
Included in net cash used in financing activities:					
Payment of lease liabilities		2,884	1,834	1,764	1,727
Total cash outflows for leases		3,418	1,985	1,823	1,864

The notes on pages 116 to 147 are an integral part of these financial statements.

Statements of Cash Flows

For The Year Ended 31 December 2024

Reconciliation of movements of liabilities to cash flows arising from financing activity:

	Borrowings RM'000	Lease liabilities RM'000	Total RM'000
Group			
At 1 January 2023	15,737	8,163	23,900
Net changes from financing cash flows	(5,154)	(1,834)	(6,988)
Lease modifications	-	(158)	(158)
Assets leased out financed by hire-purchase*	1,490	-	1,490
At 31 December 2023/1 January 2024	12,073	6,171	18,244
Net changes from financing cash flows	(5,393)	(2,884)	(8,277)
Lease additions	-	21,207	21,207
Assets leased out financed by hire-purchase*	372	-	372
At 31 December 2024	7,052	24,494	31,546
Company			
At 1 January 2023	-	8,024	8,024
Net changes from financing cash flows	-	(1,727)	(1,727)
Lease modifications	-	(129)	(129)
At 31 December 2023/1 January 2024	-	6,168	6,168
Net changes from financing cash flows	-	(1,764)	(1,764)
At 31 December 2024	-	4,404	4,403

* Assets leased out financed by hire-purchase is a non-cash adjustment

Cash and cash equivalents

Cash and cash equivalents included in the statements of cash flows comprise of the following statements of financial position amounts:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Deposits with licensed banks	15,417	13,178	954	939
Cash and bank balances	15,428	41,704	260	196
	30,845	54,882	1,214	1,135
Less: Pledged deposits	(15,417)	(13,178)	(954)	(939)
	15,428	41,704	260	196

The notes on pages 116 to 147 are an integral part of these financial statements.

Notes to The Financial Statements

Theta Edge Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The address of its registered office and principal place of business is as follows:

Registered office and principal place of business

11B, Jalan 223
Seksyen 51A
46100 Petaling Jaya
Selangor Darul Ehsan

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”).

The Company is principally engaged in investment holding activities. The principal activities of the subsidiaries are stated in Note 4 to the financial statements.

The financial statements were approved by the Board of Directors on 26 March 2025.

1. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements of the Group and the Company have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board (“MFRS Accounting Standards”), IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”), and the requirements of the Companies Act 2016 in Malaysia.

The following are accounting standards, interpretations and amendments of the MFRSs that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group and the Company:

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements – Volume 11:
 - > Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
 - > Amendments to MFRS 7, *Financial Instruments: Disclosures*
 - > Amendments to MFRS 9, *Financial Instruments*
 - > Amendments to MFRS 10, *Consolidated Financial Statements*
 - > Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

Notes to The Financial Statements

1. BASIS OF PREPARATION (CONTINUED)

(a) Statement of compliance (continued)

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments, where applicable:

- from the annual period beginning on 1 January 2025 for the amendments that are effective for annual periods beginning on or after 1 January 2025.
- from the annual period beginning on 1 January 2026 for the amendments that are effective for annual periods beginning on or after 1 January 2026.
- from the annual period beginning on 1 January 2027 for the accounting standards that are effective for annual periods beginning on or after 1 January 2027.

The initial application of the abovementioned accounting standards, amendments and interpretations is not expected to have any material financial impact to the current period and prior period financial statements of the Group and of the Company.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currencies

These financial statements are presented in Ringgit Malaysia ["RM"], which is the Group and the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:

- note 3 – extension options and incremental borrowing rate in relation to leases
- note 4 – investments in subsidiaries
- note 14 – revenue recognition
- note 20 – measurement of expected credit loss ["ECL"]

Notes to The Financial Statements

2. PLANT AND EQUIPMENT

	Computer equipment RM'000	Office and test equipment RM'000	Furniture and fittings RM'000	Motor vehicles RM'000	Renovation RM'000	Plant and machinery RM'000	Digital media infrastructure RM'000	Total RM'000
Group								
Cost								
At 1 January 2023	1,861	2,418	33	106	5,734	3,088	445	13,685
Additions	28	51	-	-	527	44	-	650
Disposals	-	(844)	(18)	(106)	(621)	(1,746)	-	(3,335)
At 31 December 2023/ 1 January 2024	1,889	1,625	15	-	5,640	1,386	445	11,000
Additions	372	20	11	-	121	-	-	524
At 31 December 2024	2,261	1,645	26	-	5,761	1,386	445	11,524
Accumulated depreciation								
At 1 January 2023	552	1,707	21	106	721	2,700	445	6,252
Depreciation for the year	516	230	3	-	796	36	-	1,581
Disposals	-	(729)	(11)	(106)	(541)	(1,746)	-	(3,133)
At 31 December 2023/ 1 January 2024	1,068	1,208	13	-	976	990	445	4,700
Depreciation for the year	657	186	3	-	822	44	-	1,712
At 31 December 2024	1,725	1,394	16	-	1,798	1,034	445	6,412
Group								
Accumulated impairment losses								
At 1 January 2023/ 31 December 2023/ 1 January 2024/ 31 December 2024	-	-	-	-	-	213	-	213
Carrying amounts								
At 1 January 2023	1,309	711	12	-	5,013	388	-	7,433
At 31 December 2023/ 1 January 2024	821	417	2	-	4,664	183	-	6,087
At 31 December 2024	536	251	10	-	3,963	139	-	4,899

Notes to The Financial Statements

2. PLANT AND EQUIPMENT (CONTINUED)

	Computer equipment RM'000	Office equipment RM'000	Furniture and fittings RM'000	Renovation RM'000	Total RM'000
Company					
Cost					
At 1 January 2023	225	134	12	5,104	5,475
Additions	9	45	-	509	563
Transfer	29	-	-	-	29
At 31 December 2023/1 January 2024	263	179	12	5,613	6,067
Additions	-	19	11	122	152
At 31 December 2024	263	198	23	5,735	6,219
Accumulated depreciation					
At 1 January 2023	18	86	6	182	292
Depreciation for the year	58	14	2	786	860
Transfer	29	-	-	-	29
At 31 December 2023/1 January 2024	105	100	8	968	1,181
Depreciation for the year	87	14	3	819	923
At 31 December 2024	192	114	11	1,787	2,104
Carrying amounts					
At 1 January 2023	207	48	6	4,922	5,183
At 31 December 2023/1 January 2024	158	79	4	4,645	4,886
At 31 December 2024	71	84	12	3,948	4,115

Material accounting policy information

(a) Recognition and measurement

Items of plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

(b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment from the date that they are available for use.

The estimated useful lives for the current and comparative periods are as follows:

- Computer equipment 3 - 5 years
- Office and test equipment 5 - 10 years
- Furniture and fittings 10 years
- Motor vehicles 5 years
- Renovation 5 - 7 years
- Plant and machinery 5 - 10 years
- Digital media infrastructure 5 years

Notes to The Financial Statements

3. RIGHT-OF-USE ASSETS

	Office building RM'000
Group	
At 1 January 2023	8,086
Derecognition*	(167)
Depreciation	(1,908)
At 31 December 2023/1 January 2024	6,011
Depreciation	(1,779)
At 31 December 2024	4,232
Company	
At 1 January 2023	7,945
Derecognition*	(129)
Depreciation	(1,808)
At 31 December 2023/1 January 2024	6,008
Depreciation	(1,776)
At 31 December 2024	4,232

The Group and the Company lease an office building for 3 years, with an option to renew the lease after that date.

3.1 Extension options

Lease of office building contains extension options exercisable by the Group and the Company up to one year before the end of the non-cancellable contract period. Where applicable, the Group and the Company seek to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and the Company and not by the lessors. The Group and Company assess at lease commencement whether it is reasonably certain to exercise the extension options. The Group and Company reassess whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

All potential future lease payments from assessment on extension options have been included in discounted lease liabilities.

3.2 Significant judgements and assumptions in relation to leases

The Group and the Company assess at lease commencement by applying significant judgement whether it is reasonably certain to exercise the extension options. The Group and the Company consider all facts and circumstances including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term.

The Group and the Company also applied judgement and assumptions in determining the incremental borrowing rate of the respective leases. The Group and the Company first determine the closest available borrowing rates before using significant judgement to determine the adjustments required to reflect the term, security, value or economic environment of the respective leases.

Notes to The Financial Statements

3. RIGHT-OF-USE ASSETS (CONTINUED)

3.3 Material accounting policy information

(a) Recognition and measurement

All right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

(b) Recognition exemption

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

4. INVESTMENTS IN SUBSIDIARIES

	Company	
	2024 RM'000	2023 RM'000
Cost of investment		
At 1 January	181,153	181,153
Less: Impairment loss	(104,635)	(93,439)
At 31 December	76,518	87,714

The Company assesses on the recoverability of the investments in subsidiaries by applying significant estimates used to determine the recoverable amount using the method of fair value less costs of disposal of the subsidiaries. During the financial year, impairment loss of investments in subsidiaries amounting to RM11,196,000 (2023: RM3,512,000) was recognised.

Details of subsidiaries are as follows:

Name of Company	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2024 %	2023 %
Advanced Business Solutions (M) Sdn. Bhd.	Malaysia	Dealers, software writers, compilers and testers, system developers, trainers and consultants in computers and all services related to information technology industry	100	100
Impianas Sdn. Bhd.	Malaysia	Public mobile data network operator	100	100
Theta Technologies Sdn. Bhd.	Malaysia	Sales and maintenance of computers and telecommunication equipment, peripherals and related services	100	100
Theta Services Sdn. Bhd.	Malaysia	Marketing of computer products, provision of application development services and all other computer related activities	100	100
Theta Telecoms Sdn. Bhd.	Malaysia	Supply of telecommunication equipment and services and provision of customised total systems integration services and solutions	100	100

Notes to The Financial Statements

4. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries are as follows: (continued)

Name of Company	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2024 %	2023 %
Theta Greentech Sdn. Bhd.	Malaysia	Information technology solutions	100	100
Theta Healthcare Sdn. Bhd.	Malaysia	Distributions of computers and computers related equipment	100	100
TH2.0 Sdn. Bhd.	Malaysia	Investment holding company	100	100
Theta Innovation Sdn. Bhd.	Malaysia	Carrying on business associated with or in promotion of IT industry	100	100
<u>Subsidiary of Theta Technologies Sdn. Bhd.</u>				
Theta Mobility Sdn. Bhd.	Malaysia	Leased real estate-residential building, export and import goods	100	100

Material accounting policy information

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses.

5. INVESTMENT IN JOINT VENTURE

	Group and Company	
	2024 RM'000	2023 RM'000
At cost		
Interest in equity accounted investment	-	-

Details of the joint venture is as follows:

Name of Company	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2024 %	2023 %
Digital EG Sdn. Bhd.	Malaysia	Businesses of development and implementation of the electronic government services project and the provision of other related services for the electronic government services project	60	60

Material accounting policy information

Investment in joint venture is measured in the Company's statement of financial position at cost less any impairment losses.

Notes to The Financial Statements

6. INTANGIBLE ASSETS - GROUP

		Work in progress RM'000
Cost/Carrying amounts		
At 1 January 2023		135
Additions		879
At 31 December 2023/1 January 2024		1,014
Additions		1,227
At 31 December 2024		2,241

Software

The development costs represent development and enhancement cost incurred related to the e-Procurement software and SakuPay. No amortisation for the year due to the software is still work in progress.

Material accounting policy information

Intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

7. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current					
Trade					
Net investment in lease	7.1	26,409	40,105	-	-
Current					
Trade					
Trade receivables	7.2	11,375	14,753	-	-
Less: Impairment loss		(1,304)	(1,310)	-	-
		10,071	13,443	-	-

Notes to The Financial Statements

7. TRADE AND OTHER RECEIVABLES (CONTINUED)

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Amount due from a subsidiary	7.3	-	-	43,498	35,780
Amount due from related parties	7.4	465	1,006	-	-
Less: Impairment loss		[21]	[2]	-	-
		444	1,004	43,498	35,780
Net investment in lease	7.1	13,895	13,937	-	-
		14,339	14,941	43,498	35,780
		24,410	28,384	43,498	35,780
Current					
Non-trade					
Amount due from subsidiaries	7.3	-	-	3,267	9,765
Less: Impairment loss		-	-	[1,105]	[1,041]
		-	-	2,162	8,724
Deposits		1,203	928	623	633
Other receivables		255	184	125	45
Prepayments		1,693	1,436	461	451
		3,151	2,548	1,209	1,129
		27,561	30,932	46,869	45,633
		53,970	71,037	46,869	45,633

7.1 Net Investment in lease

	2024 RM'000	2023 RM'000
Group		
At 1 January	54,042	17,441
Addition	629	42,891
Interest income	1,542	662
Lease payments received	[15,909]	[6,952]
At 31 December	40,304	54,042

The Group leases computer equipment to third parties.

These leases transfer substantially all the risk and rewards incidental to ownership of the equipment. The Group expects the residual value of the equipment at the end of the lease term to be minimal. These leases do not include buy-back agreements or residual value guarantees.

Notes to The Financial Statements

7. TRADE AND OTHER RECEIVABLES (CONTINUED)

7.1 Net Investment in lease (continued)

The lease payments to be received are as follows:

	2024 RM'000	2023 RM'000
Group		
Less than one year	14,998	15,488
One to two years	10,687	14,850
More than two years	16,965	27,597
Total undiscounted lease payments	42,650	57,935
Unearned interest income	(2,346)	(3,893)
Net investment in lease	40,304	54,042

The following are recognised in profit or loss:

	2024 RM'000	2023 RM'000
Group		
Gain on fair value of finance lease receivables	629	42,891
Interest income	1,542	662

7.2 Trade receivables

Included in the trade receivables of the Group is an amount due from trade debtors to be satisfied by the issuance of Irredeemable Convertible Preference Shares ("ICPS") amounted to RM1,031,991 (2023: RM1,031,991). However, the customer had been delisted from the Official List of Bursa Securities pursuant to Paragraph 8.04 of the Main Market Listing Requirements in September 2022. A full impairment has been provided on the amount due from the trade debtor in prior year.

7.3 Amount due from subsidiaries

The trade amount due from a subsidiary is in relation to trade transactions in the ordinary course of business, and subject to normal credit terms.

The non-trade amount due from subsidiaries of the Company is interest-free, unsecured and has no fixed terms of repayment.

7.4 Amount due from related parties

The amount due from related parties of the Group is in relation to trade transactions in the ordinary course of business, and subject to normal credit terms.

Notes to The Financial Statements

8. INVENTORIES

	2024 RM'000	2023 RM'000
Group		
Equipment and supplies, at cost	44	60
Recognised in profit or loss:		
Equipment and supplies recognised as cost of sales	-	138

Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the weighted average method.

9. CONTRACT WITH CUSTOMERS

9.1 Contract assets/(liabilities)

	2024 RM'000	2023 RM'000
Group		
Contract assets	7,570	10,659
Contract liabilities	(621)	(690)

The contract assets primarily relate to the Group's rights to consideration for work completed on construction contracts but not yet billed at the reporting date. Typically, the amount will be billed upon agreed milestone achieved and payment is expected within 30 – 90 days.

The contract liabilities primarily relate to advance consideration received from customers for system development projects, which revenue is recognised overtime during the projects. The contract liabilities are expected to be recognised as revenue based on the stage of completion of the projects.

Significant changes to contract assets and contract liabilities balances during the period are as follows:

	2024 RM'000	2023 RM'000
Group		
Contract liabilities at the beginning of the period recognised as revenue	(660)	(1,159)
Contract liabilities at the beginning of the period not recognised as revenue due to change in time frame	(30)	(31)
Contract assets at the beginning of the period not transferred to trade receivables due to change in time frame	2,295	319

9.2 Contract costs

	2024 RM'000	2023 RM'000
Group		
Cost to fulfil a contract	980	2,231

Cost to fulfil a contract comprises of cost that relate directly to a contract and is expected to be recovered in the future.

Capitalised costs are charged out when the related revenues are recognised. In 2024, the amount charged out was RM2,231,000 (2023: RM836,000) and there were no impairment losses in relation to the costs capitalised.

Notes to The Financial Statements

10. CASH AND CASH EQUIVALENTS

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Deposits placed with licensed banks	10.1	15,417	13,178	954	939
Cash and bank balances		15,428	41,704	260	196
		30,845	54,882	1,214	1,135

10.1 Deposits placed with licensed banks

Included in deposits placed with licensed banks of the Group and of the Company is RM15,417,000 [2023: RM13,178,000] and RM954,000 [2023: RM939,000], respectively, pledged for bank guarantees.

11. SHARE CAPITAL

	Amount 2024 RM'000	Number of shares 2024 ['000]	Amount 2023 RM'000	Number of shares 2023 ['000]
Group and Company				
Issued and fully paid ordinary shares with no par value classified as equity instruments:				
At 1 January/31 December	115,019	117,968	115,019	117,968

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Group and of the Company.

12. BORROWINGS

	2024 RM'000	2023 RM'000
Group		
Non-current		
Hire-purchase	2,071	6,912
Current		
Hire-purchase	4,981	5,161
	7,052	12,073

Hire-purchase are payable as follows:

	Future minimum lease payments 2024 RM'000	Borrowing cost 2024 RM'000	Present value of minimum lease payments 2024 RM'000	Future minimum lease payments 2023 RM'000	Borrowing cost 2023 RM'000	Present value of minimum lease payments 2023 RM'000
Less than one year	5,725	(744)	4,981	5,938	(777)	5,161
Between one and five years	2,395	(324)	2,071	7,966	(1,054)	6,912
	8,120	(1,068)	7,052	13,904	(1,831)	12,073

Notes to The Financial Statements

13. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Trade					
Trade payables		3,568	12,960	-	-
Accrued costs		3,752	34,052	-	-
Amount due to a subsidiary	13.1	-	-	24,142	24,142
		7,320	47,012	24,142	24,142
Non-trade					
Amount due to subsidiaries	13.1	-	-	41,903	39,191
Other payables and accruals		3,882	4,819	1,492	2,628
Deposits received		308	182	176	176
Sales tax payable		709	595	-	-
		4,899	5,596	43,571	41,995
		12,219	52,608	67,713	66,137

13.1 Amount due to subsidiaries

The trade amount due to a subsidiary is in relation to trade transactions in the ordinary course of business, and subject to normal credit terms.

The non-trade amount due to subsidiaries is interest-free, unsecured and has no fixed terms of repayment.

14. REVENUE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue from contracts with customers	59,888	101,430	-	-
Other revenue				
- Gain on fair value of finance lease receivables	629	42,891	-	-
- Management fees	-	-	14,616	12,740
	60,517	144,321	14,616	12,740

Notes to The Financial Statements

14. REVENUE (CONTINUED)

14.1 Disaggregation of revenue from contracts with customers

In the following table, revenue is disaggregated by major products/services lines.

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Major products/services lines				
- Telecommunication services	33,257	81,074	-	-
- Equipment and application management services	7,906	11,534	-	-
- System integration projects	18,002	7,543	-	-
- Trading	623	1,206	-	-
- Energy and facility management	100	73	-	-
	59,888	101,430	-	-
Timing and recognition				
At a point in time	623	1,206	-	-
Overtime	59,265	100,224	-	-
	59,888	101,430	-	-

14.2 Nature of goods and services

The following information reflects the typical transactions of the Group and of the Company:

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms
Telecommunication services	Revenue is recognised over time based on performance of construction work done by comparing the actual costs incurred with the estimated total costs required to complete the construction. Services provided are customised to meet the customers' specifications and have no alternative use.	Based on agreed milestones, certified and accepted by customers' authorised signatories.
Equipment and application management services	Revenue is recognised over time over the agreement period.	Credit period of 30 days from invoice date.
System integration projects	Revenue is recognised over time based on milestones, certified and accepted by customers' authorised signatories.	Based on agreed milestones, certified and accepted by customers' authorised signatories.
Trading	Revenue is recognised at a point in time when the goods are delivered and accepted by the customer.	Credit period of 30 days from invoice date.
Energy and facility management	Revenue is recognised over time when the services are delivered and accepted by the customer.	Credit period of 30 days from invoice date.

There are no variable elements in consideration, obligation for returns or refund in all of the contracts for the provision of goods and services by the Group and the Company.

Notes to The Financial Statements

14. REVENUE (CONTINUED)

14.3 Transaction price allocated to the remaining performance obligations

The following table shows revenue from performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date. The disclosure is only providing information for contracts that have a duration for more than one year.

		2025 RM'000	2026 RM'000	2027 RM'000	2028 RM'000	Total RM'000	
2024							
Telecommunication services		9,199	1,088	-	-	10,287	
Equipment and application management services		7,398	3,095	1,961	984	13,438	
System integration projects		1,210	-	-	-	1,210	
Trading		1,185	-	-	-	1,185	
		18,992	4,183	1,961	984	26,120	
		2024 RM'000	2025 RM'000	2026 RM'000	2027 RM'000	2028 RM'000	Total RM'000
2023							
Telecommunication services	33,257	9,199	1,088	-	-		43,544
Equipment and application management services	7,906	3,798	1,859	887	850		15,300
System integration projects	13,359	1,210	-	-	-		14,569
Trading	269	1,185	-	-	-		1,454
		54,791	15,392	2,947	887	850	74,867

14.4 Significant judgements and assumptions arising from revenue recognition

The Group applied the following judgements and assumptions that significantly affect the determination of the amount and timing of revenue recognised from contracts with customers:

- For telecommunication services, the Group measured the performance of construction work done by comparing the actual costs incurred with the estimated total costs required to complete the construction. Significant judgements are required to estimate the total contract costs to complete. In making these estimates, management relied on professionals' estimates and also on past experience of completed projects. A change in the estimates will directly affect the revenue to be recognised; and
- For system integration, the Group measured the performance of the work done based on the milestone. Significant judgements are required upon assessing when the control is transferred.

Notes to The Financial Statements

15. (LOSS)/PROFIT FOR THE YEAR

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
(Loss)/Profit for the year arrived at after charging/(crediting):				
Auditors' remuneration:				
Audit fees:				
- KPMG PLT	159	154	49	49
Non-audit fees:				
- KPMG PLT	24	18	10	10
	183	172	59	59
Material expenses/(income)				
Other expenses/(income):				
Depreciation of plant and equipment	1,712	1,581	923	860
Depreciation of right-of-use asset	1,779	1,908	1,776	1,808
Loss on disposal of plant and equipment	-	77	-	-
Impairment on investments in subsidiaries	-	-	11,196	3,512
Zakat	-	211	-	93
Dividend income	-	-	-	(7,789)
Personnel expenses [including key management personnel]:				
- Salaries, bonus and allowances	21,858	15,450	6,759	5,316
- Contribution to Employees Provident Fund	2,568	1,965	896	693
- Others	216	175	59	46
- Provision for bonus	-	1,245	-	656
Waiver of liabilities by suppliers	-	(6,871)	-	-
Finance costs/(income)				
Bank guarantee and overdraft interest	264	338	-	-
Borrowing costs	762	776	-	-
Interest income from finance lease	(1,542)	(662)	-	-
Income from deposits with licensed banks	(457)	(780)	(20)	(33)
Expenses/(Income) arising from leases				
Expenses relating to short-term leases	-	13	-	-
Interest expense in relation to lease liabilities	534	138	59	137
Income from short-term rental from subsidiaries	-	-	(16)	(5)
Loss on lease modification	-	9	-	-
Net loss on impairment of financial instruments				
Net remeasurement of loss Allowance	291	9,377	64	26

Notes to The Financial Statements

16. TAX EXPENSE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current tax expense				
- Current year	-	187	-	8
- Under provision in prior year	-	66	-	-
	-	253	-	8
Reconciliation of tax expense				
[Loss]/Profit before tax	(17,808)	9,566	(10,223)	2,342
Income tax calculated using Malaysian tax rate of 24%	(4,274)	2,295	(2,454)	562
Non-deductible expenses	635	1,767	161	531
Non-chargeable income	(364)	(99)	-	-
Effect of deferred tax assets not recognised	4,003	-	2,293	-
Effect of utilisation of deferred tax assets previously not recognised	-	(3,776)	-	(1,085)
	-	187	-	8
Under provision in prior year	-	66	-	-
	-	253	-	8

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Tax loss carry-forwards	90,227	48,832	13,425	6,405
Other deductible temporary differences	78,627	103,343	97,496	94,962
	168,854	152,175	110,921	101,367

Deferred tax assets have not been recognised in respect of these items due to history of recent losses and because it is not probable that future taxable profit will be available against which the Group can utilise the benefits.

Unutilised tax loss carry-forwards from a year of assessment can only be carried forward up to 10 consecutive year of assessment. Tax loss of the Group and the Company amounting to RM90,227,000 and RM13,425,000 (2023: RM48,832,000 and RM6,405,000), respectively expires within 2028 to 2034. Included in the other deductible temporary differences is unutilised capital allowances of the Group and of the Company amounting to RM13,617,000 and RM nil (2023: RM5,356,000 and RM323,000), respectively which do not expire under the current tax legislation.

Notes to The Financial Statements

17. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share

The calculation of basic earning/[loss] per ordinary share was based on the profit/[loss] attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	Group	
	2024	2023
[Loss]/Profit for the year attributable to owners of the Company (RM'000)	(17,808)	9,313
Weighted average number of ordinary shares as at 31 December ('000)	117,968	117,968
Basic [loss]/earnings per ordinary share (sen)	(15.10)	7.89

Diluted earnings per ordinary share

No diluted earnings per share is disclosed in these financial statements as there is no potential dilutive ordinary share.

18. DIVIDENDS

Dividends recognised by the Company:

	Sen per share	Total amount RM'000	Date of payment
2024			
Final [single tier] in respect of financial year ended 31 December 2023	0.017	2,007	10 July 2024
2023			
Final [single tier] in respect of financial year ended 31 December 2022	0.015	1,769	30 June 2023

19. OPERATING SEGMENTS

The Group's has two reportable segments, as described below, which are Information Technology and Telecommunication services. Both reportable segments offers different products and services and require different marketing strategies. The following summary describes the operations in each of the Group's reportable segments:

- Information technology - Consist of system integration work, trading of hardware and software.
- Telecommunication - Consist of provision of telecommunication engineering and communication services.

For each reportable segment, the Group Chief Operating Decision Maker ["CODM"], [i.e. the Group's Chief Executive Officer], reviews segment business progress on a weekly basis and internal management reports at least on a quarterly basis.

Performance is measured based on segment revenue and gross profit as included in the internal management reports that are reviewed by the CODM on quarterly basis. Segment revenue and gross profit are used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Notes to The Financial Statements

19. OPERATING SEGMENTS (CONTINUED)

Business Segments

	Information technology RM'000	Telecommunication RM'000	Total amount RM'000
Group			
2024			
Revenue	27,160	33,357	60,517
Cost of sales	(27,952)	(30,239)	(58,191)
Gross (loss)/profit	(792)	3,118	2,326
2023			
Revenue	62,116	82,205	144,321
Cost of sales	(40,424)	(72,134)	(112,558)
Gross profit	21,692	10,071	31,763

Segment assets

Segment assets information is neither included in the internal management reports nor provided regularly to the CODM. Hence, no disclosure is made on segment assets.

Segment liabilities

Segment liabilities information is neither included in the internal management reports nor provided regularly to the CODM. Hence, no disclosure is made on segment liabilities.

Geographical information

There is no disclosure on geographical segment information as the Group does not have operations outside of Malaysia.

Major customers

The following are major customers with revenue equal or more than 10 percent of Group total revenue:

	2024 RM'000	2023 RM'000	Segment
Customer A	17,721	71,734	Telecommunication
Customer B	9,851	40,013	Information Technology

Material accounting policy information

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segment results are reviewed regularly by the chief operating decision maker, which in this case is the Chief Executive Officer of the Group, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Notes to The Financial Statements

20. FINANCIAL INSTRUMENTS

20.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as Amortised cost ["AC"].

	Note	Carrying amount RM'000	AC RM'000
2024			
Financial assets			
Group			
Trade and other receivables	*	11,973	11,973
Cash and cash equivalents	10	30,845	30,845
		42,818	42,818
Company			
Trade and other receivables	*	46,408	46,408
Cash and cash equivalents	10	1,214	1,214
		47,622	47,622
Financial liabilities			
Group			
Trade and other payables	*	11,510	11,510
Borrowings	12	7,052	7,052
		18,562	18,562
Company			
Trade and other payables	13	67,713	67,713

* These balances exclude non-financial instruments balances.

Notes to The Financial Statements

20. FINANCIAL INSTRUMENTS (CONTINUED)

20.1 Categories of financial instruments (continued)

	Note	Carrying amount RM'000	AC RM'000
2023			
Financial assets			
Group			
Trade and other receivables	*	15,559	15,559
Cash and cash equivalents	11	54,882	54,882
		70,441	70,441
Company			
Trade and other receivables	*	45,182	45,182
Cash and cash equivalents	10	1,135	1,135
		46,317	46,317
Financial liabilities			
Group			
Trade and other payables	*	52,013	52,013
Borrowings	12	12,073	12,073
		64,086	64,086
Company			
Trade and other payables	13	66,137	66,137

* These balances exclude non-financial instruments balances.

20.2 Net gains and losses arising from financial instruments

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Net gain/(loss) arising from:				
Financial assets at amortised cost	166	(8,597)	(44)	7
Financial liabilities at amortised cost	(1,026)	(1,114)	-	-
	(860)	(9,711)	(44)	7

20.3 Financial risk management

The Group and the Company have exposures to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Notes to The Financial Statements

20. FINANCIAL INSTRUMENTS (CONTINUED)

20.4 Credit risk

Credit risk is the risk of a financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's and the Company's exposure to credit risk arises principally from its receivables from customers. There are no significant changes as compared to prior periods.

Trade receivables and contract assets

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally financial guarantees given by banks are obtained, and credit evaluations are performed on customers requiring credit over a certain amount.

At each reporting date, the Group or the Company assesses whether any of the trade receivables and contract assets are credit impaired.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets are represented by the carrying amounts in the statements of financial position.

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group and the Company. The Group and the Company use ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due, which are deemed to have higher credit risk, are monitored individually.

Recognition and measurement of impairment losses

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 90 days. The Group's debt recovery process is as follows:

- a) Above 90 days past due after credit term, the Group will start to initiate a structured debt recovery process which is monitored by the sales management team; and
- b) Above 90 days past due, the Group will commence a legal proceeding against the customer.

The Group uses an allowance matrix to measure ECLs of trade receivables for all segments except for telecommunication segment. Consistent with the debt recovery process, invoices which are past due 90 days will be considered as credit impaired.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to 90 days past due.

Loss rates are based on actual credit loss experience over the past three years. The Group also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the receivables. Nevertheless, the Group believes that these factors are immaterial for the purpose of impairment calculation for the year.

Notes to The Financial Statements

20. FINANCIAL INSTRUMENTS (CONTINUED)

20.4 Credit risk (continued)

Trade receivables and contract assets (continued)

Recognition and measurement of impairment losses (continued)

For telecommunication contracts, as there are only a few customers, the Group assessed the risk of loss of each customer individually based on their financial information, past trend of payments and external credit ratings, where applicable. All of these customers have low risk of default.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets as at 31 December 2024 and 31 December 2023 which are grouped together as they are expected to have similar risk nature.

	Gross carrying amount RM'000	Loss allowances RM'000	Net balance RM'000
Group			
2024			
Current (not past due)	11,826	-	11,826
1 – 30 days past due	942	-	942
31 – 60 days past due	3,516	-	3,516
61 – 90 days past due	588	-	588
	16,872	-	16,872
Credit impaired			
More than 90 days past due	2,665	(1,452)	1,213
	19,537	(1,452)	18,085
Trade receivables	11,375	(1,304)	10,071
Trade amount due from related parties	465	(21)	444
Contract assets	7,697	(127)	7,570
	19,537	(1,452)	18,085
2023			
Current (not past due)	15,566	-	15,566
1 – 30 days past due	8,434	-	8,434
31 – 60 days past due	79	-	79
61 – 90 days past due	584	-	584
	24,663	-	24,663
Credit impaired			
More than 90 days past due	10,981	(10,538)	443
	35,644	(10,538)	25,106
Trade receivables	14,753	(1,310)	13,443
Trade amount due from related parties	1,006	(2)	1,004
Contract assets	19,885	(9,226)	10,659
	35,644	(10,538)	25,106

Notes to The Financial Statements

20. FINANCIAL INSTRUMENTS (CONTINUED)

20.4 Credit risk (continued)

Trade receivables and contract assets (continued)

Recognition and measurement of impairment losses (continued)

	Gross carrying amount RM'000	Loss allowances RM'000	Net balance RM'000
Company			
2024			
Current (not past due)	7,718	-	7,718
More than 90 days past due	35,780	-	35,780
	43,498	-	43,498
Trade amount due from a subsidiary	43,498	-	43,498
2023			
Current (not past due)	6,838	-	6,838
More than 90 days past due	28,942	-	28,942
	35,780	-	35,780
Trade amount due from a subsidiary	35,780	-	35,780

The movement in the allowance for impairment in respect of trade receivables and contract assets during the year are shown below:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At 1 January	10,538	1,161	-	-
Bad debts written off	(9,377)	-	-	-
Net remeasurement of loss allowance	291	9,377	-	-
At 31 December	1,452	10,538	-	-

No other impairment was provided during the year as the Group and the Company are satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

Notes to The Financial Statements

20. FINANCIAL INSTRUMENTS (CONTINUED)

20.4 Credit risk (continued)

Trade receivables and contract assets (continued)

Material accounting policy information

(a) Impairment

Financial assets

The Group and the Company recognise loss allowances for expected credit losses on financial assets measured at amortised cost. Expected credit losses are a probability-weighted estimate of credit losses.

The Group and the Company measure loss allowances at an amount equal to lifetime expected credit loss, except for cash and bank balance for which credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss. Loss allowances for trade receivables, contract assets and lease receivables are always measured at an amount equal to lifetime expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group and the Company estimate the expected credit losses on receivables using a provision matrix with reference to historical credit loss experience.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost and debt securities at fair value through other comprehensive income are credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

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

20. FINANCIAL INSTRUMENTS (CONTINUED)

20.4 Credit risk (continued)

Trade receivables and contract assets (continued)

Material accounting policy information (continued)

(a) Impairment

Net investment in leases

Risk management objectives, policies and processes for managing the risk

The Group manages credit risk on net investment in leases together with its leasing arrangements.

At the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position. There is no impairment loss on net investment in a lease during the year.

Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

Other receivables

Credit risks on other receivables are mainly arising from deposits paid for office buildings and fixtures rented. These deposits will be received at the end of each lease terms. The Group manages the credit risk together with the leasing arrangement.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

As at the end of the reporting period, the Group and the Company did not recognise any allowance for impairment losses.

Notes to The Financial Statements

20. FINANCIAL INSTRUMENTS (CONTINUED)

20.4 Credit risk (continued)

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to repay their creditors on an individual basis.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM25,734,000 (2023: RM43,114,000) representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

The financial guarantees are provided as credit enhancements to the subsidiaries' banking facilities.

Recognition and measurement of impairment loss

The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when:

- The subsidiary is unlikely to repay its credit obligation to the bank in full; or
- The subsidiary is continuously loss making and is having a deficit shareholder's fund.

The Company determines the probability of default of the financial guarantees individually using internal information available.

Subsidiaries' advances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured advances to subsidiaries. The Company monitors the ability of the subsidiaries to repay the loans and advances on an individual basis.

Exposure to credit risk, credit quality and collateral

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

Advances provided are not secured by any collateral or supported by any credit enhancements.

Recognition and measurement of impairment losses

Generally, the Company considers advances to subsidiaries have low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' advances when they are payable, the Company considers the advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers a subsidiary's advances to be credit impaired when:

- The subsidiary is unlikely to repay its advances to the Company in full;
- The subsidiary's advance is overdue for more than 365 days; or
- The subsidiary is continuously making loss making and is having a deficit shareholder's fund

The Company determines the probability of default for these advances individually using internal information available.

Notes to The Financial Statements

20. FINANCIAL INSTRUMENTS (CONTINUED)

20.4 Credit risk (continued)

Subsidiaries' advances (continued)

Recognition and measurement of impairment losses (continued)

The following table provides information about the exposure to credit risk and ECL's for subsidiaries' advances as at 31 December 2024 and 31 December 2023.

	Gross carrying amount RM'000	Loss allowances RM'000	Net balance RM'000
Company			
2024			
Credit impaired	3,267	(1,105)	2,162
2023			
Credit impaired	9,765	(1,041)	8,724

The movement in the allowance for impairment in respect of subsidiaries' advances during the year is as follows:

	Lifetime ECL	
	2024 RM'000	2023 RM'000
Company		
Balance at 1 January	1,041	1,015
Net remeasurement of loss allowance	64	26
Balance at 31 December	1,105	1,041

20.5 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as they fall due. The Group's and the Company's exposures to liquidity risk arise principally from its various payables, loans and borrowings.

The Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

Notes to The Financial Statements

20. FINANCIAL INSTRUMENTS (CONTINUED)

20.5 Liquidity risk (continued)

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying amount RM'000	Effective profit rate %	Contractual cash flows RM'000	Less than 1 year RM'000	1 – 5 years RM'000
Group					
2024					
<i>Non-derivative financial liabilities</i>					
Lease liabilities	24,494	2.6-4.2	25,767	7,180	18,587
Borrowings	7,052	3.0-3.94	8,120	5,724	2,396
Trade and other payables	11,510	-	11,510	11,510	-
	43,056		45,397	24,414	20,983
2023					
<i>Non-derivative financial liabilities</i>					
Lease liabilities	6,171	4.2	6,389	1,828	4,561
Borrowings	12,073	3.0 - 3.94	13,904	5,938	7,966
Trade and other payables	52,013	-	52,013	52,013	-
	70,257		72,306	59,779	12,527
Company					
2024					
<i>Non-derivative financial liabilities</i>					
Lease liabilities	4,404	4.2	4,561	2,090	2,471
Trade and other payables	67,713	-	67,713	67,713	-
Financial guarantees	-	-	25,734	25,734	-
	72,117		98,008	95,537	2,471
2023					
<i>Non-derivative financial liabilities</i>					
Lease liabilities	6,168	4.2	6,386	1,825	4,561
Trade and other payables	66,137	-	66,137	66,137	-
Financial guarantees	-	-	43,114	43,114	-
	72,305		115,637	111,076	4,561

20.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and profit rates that will affect the Group's and the Company's financial position or cash flows.

Notes to The Financial Statements

20. FINANCIAL INSTRUMENTS (CONTINUED)

20.6 Market risk (continued)

20.6.1 Effective profit rate risk

The Group's and the Company's non-trade receivables, cash and cash equivalents, and fixed rate borrowings are exposed to a risk of change in their fair value due to changes in profit rates.

Exposure to effective profit rate risk

The profit rate profile of the Group's and the Company's significant profit-bearing financial instruments, based on carrying amounts as at the end of the reporting period are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Fixed rate instruments				
Financial assets	14,396	13,178	894	939
Financial liabilities	(7,052)	(12,073)	-	-
Lease liabilities	(24,494)	(6,171)	(4,404)	(6,168)
	(17,150)	(5,066)	(3,510)	(5,229)

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in profit rates at the end of the reporting period would not affect profit or loss.

20.7 Fair value of financial instruments

The carrying amounts of cash and cash equivalents, trade and other receivables, trade and other payables and short term borrowings reasonably approximate fair values due to the relatively short term nature of these financial instruments.

The table below analyses financial instruments not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position.

	Fair value of financial instruments not carried at fair value Level 3 RM'000	Carrying amount RM'000
Group		
2024		
Financial liabilities		
Borrowings	8,106	7,052
2023		
Financial liabilities		
Borrowings	13,132	12,073

Level 3 fair value

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation models.

Notes to The Financial Statements

20. FINANCIAL INSTRUMENTS (CONTINUED)

20.7 Fair value of financial instruments (continued)

Financial instruments not carried at fair value

Type	Description of valuation technique and inputs used
Borrowings	Pre-determined cash flows using a rate based on the current market rate of borrowing of the respective Group entities at the time of borrowing.

Material accounting policy information

Fair value of an asset or a liability, except for lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical asset 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: unobservable inputs for the asset or liability.

The Group recognises the transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

21. CAPITAL MANAGEMENT

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain creditor and market confidence and to sustain future development of the business. The Directors monitor the adequacy of working capital on an ongoing basis.

There was no change in the Group's approach to capital management during the financial year.

Notes to The Financial Statements

22. CONTINGENT LIABILITIES

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Bank guarantees issued to trade customers	22.1	18,606	29,211	382	2,278
Corporate guarantee issued for banking facilities granted to subsidiaries		-	-	25,734	43,114

22.1 During the financial year, the Group and the Company issued bank guarantee arrangement with their trade customers over services provided to customers totaling up of RM18,606,000 and RM382,000 [2023: RM29,211,000 and RM2,278,000], respectively. The Group and the Company pledged fixed deposits amounted to RM15,417,000 and RM954,000 [2023: RM13,178,000 and RM939,000], respectively, as collateral.

Material accounting policy information

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

23. RELATED PARTY TRANSACTIONS

Significant related party transactions

Related party transactions have been entered into in the normal course of business under normal trade terms. The significant related party transactions of the Group and of the Company are shown below. The balances related to the below transactions are shown in Notes 7 and 13.

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
A. Related party				
Sale of goods	3,098	3,459	-	-
B. Subsidiaries				
Management fee income	-	-	14,616	12,740
C. Key management personnel				
Directors				
- Fees	243	294	243	294
- Salaries and other emoluments	715	198	715	198
	958	492	958	492
Other key management personnel				
Salaries and other emoluments	2,334	2,078	2,334	2,078
	3,292	2,570	3,292	2,570

Other key management personnel comprise persons other than the Directors of Group entities, having authority and responsibility for planning, directing and controlling the activities of the Group entities either directly or indirectly.

Statement By Directors

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

In the opinion of the Directors, the financial statements set out on pages 106 to 147 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of their financial performance and cash flows for the financial year then ended.

Signed in accordance with a resolution of the Directors:

Tan Sri Abd Rahman bin Mamat

Director

Datuk Nuraslina binti Zainal Abidin

Director

Petaling Jaya, Selangor

Date: 26 March 2025

Statutory Declaration

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

I, **Chong Cheok Weng**, the officer primarily responsible for the financial management of Theta Edge Berhad, do solemnly and sincerely declare that the financial statements set out on pages 106 to 147 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Chong Cheok Weng, 720320-14-5029, MIA 21132 at Petaling Jaya, Selangor on 26 March 2025.

Chong Cheok Weng

Before me:

Independent Auditors' Report

To The Members of Theta Edge Berhad

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Theta Edge Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 110 to 147.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ["MFRS Accounting Standards"], IFRS Accounting Standards as issued by the International Accounting Standards Board ["IFRS Accounting Standards"] and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

Recoverability of trade receivables and contract assets	
Refer to Note 7 and Note 9 – Trade receivables and contract assets	
The key audit matter	How the matter was addressed in our audit
<p>There were significant level of trade receivables as at 31 December 2024 of RM10,071,000 [2023: RM13,443,000] and contract assets of RM7,570,000 [2023: RM10,659,000].</p> <p>The collectability and the adequacy of the allowance for impairment of the Group's trade receivables was a key audit matter due to the judgement applied by the Group which involved estimation based on customers' repayment trend.</p>	<p>We performed the following audit procedures, among others:</p> <ul style="list-style-type: none"> We have obtained understanding and evaluated the design and implementation on the control of the Group's process over collection of trade receivables; We evaluated the reliability on trade receivables ageing report based on invoice date and credit term; We have assessed the adequacy of the allowance for impairment of trade receivables and contract assets, and challenged the Group's assumptions by assessing the repayment trend throughout the year and payment received subsequent to the year end; and We have reviewed management's computation of expected credit losses (ECL) to assess the adequacy of specific and general ECL for outstanding balances provided by management.

Independent Auditors' Report

To The Members of Theta Edge Berhad

Key Audit Matters (continued)

Accuracy of revenue recognition including revenue from contract with customers	
Refer to Note 14 - Revenue	
The key audit matter	How the matter was addressed in our audit
<p>We have identified the accuracy of revenue recognition of the Group as a key audit matter as it was inherently complex due to the contracting nature of the business, which involved significant judgements.</p> <p>Revenue derived from contracts with customers is where multiple type of services were rendered over a period of times. We focused on these contracts as they involved significant estimates and critical judgements made by the Group whether:</p> <ul style="list-style-type: none"> Contractual rights and obligations were properly recognised and measured; Accurate recording of revenue which was highly dependent on judgement exercised by the Group in assessing the valuation of contract variations, claims and liquidated damages; and Completeness and accuracy of the budgeted cost to complete. <p>Revenue involving system integration projects was complex due to the judgements involved to assess if performance obligation was fulfilled based on milestone.</p> <p>Revenue from telecommunication services which was relating to engineering services project involved the determination of the total budgeted contract costs to complete the projects and calculation of percentage of completion which affected the quantum of revenue and profit to be recognised.</p>	<p>We performed the following procedures, among others:</p> <ul style="list-style-type: none"> We evaluated the design and implementation over the controls of the budget preparation and review process and tested the operating effectiveness of the controls; We read and understood the key terms and conditions of selected contracts with customers; We obtained understanding on the product features of material bundled contracts to identify separate performance obligations and transaction price allocated to the respective performance obligations; We tested each performance obligations according to the controls adopted by the Group for each revenue recognition; We evaluated the principal and agent assessment performed by management pertaining to the contracts with customers; We assessed the valuation of contract variations, claims and liquidated damages both within the contract revenue and contract costs via inspection of correspondence with customers and suppliers respectively; For revenue involving system integration projects, we tested the performance of workdone based on milestone. We tested the contract asset amounts by inspecting the subsequent billing and progress reports to evaluate the progress of the system integration services delivered to the customer as at year end; For revenue from telecommunication services relating to engineering services, we tested the actual costs incurred during the year and compared with the estimated total costs required to complete to check the accuracy of the percentage of completion and subsequently, revenue to be recognised; We tested contract liabilities by inspecting sales invoices and contracts to determine whether it was recognised in the correct period.

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to communicate in our auditors' report.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon, which we obtained prior to the date of this auditors' report, and the annual report, which is expected to be made available to us after that date.

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

Independent Auditors' Report

To The Members of Theta Edge Berhad

Information Other than the Financial Statements and Auditors' Report Thereon (continued)

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors of the Company and take appropriate actions in accordance with approved standards on auditing in Malaysia and International Standards on Auditing.

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

Independent Auditors' Report

To The Members of Theta Edge Berhad

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

- 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 ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

KPMG PLT
[LLP0010081-LCA & AF 0758]
Chartered Accountants

Petaling Jaya, Selangor

Date: 26 March 2025

Muhammad Azman bin Che Ani
Approval Number: 02922/04/2026 J
Chartered Accountant

Analysis of Shareholdings

As At 7 April 2025

Number of Shares Issued : 117,967,569 ordinary shares

Class of Shares : Ordinary shares

Voting Rights : One vote per share

DISTRIBUTION OF SHAREHOLDINGS

Category	No. of Shareholders	No. of Shares Held	%
Less than 100 shares	638	17,685	0.014
100 to 1,000 shares	4,347	1,319,517	1.118
1,001 to 10,000 shares	1,675	7,241,198	6.138
10,001 to 100,000 shares	508	14,987,144	12.704
100,001 to less than 5% of issued shares	85	31,330,775	26.558
5% and above of issued shares	4	63,071,250	53.464
TOTAL	7,257	117,967,569	100.0000

THIRTY LARGEST SHAREHOLDERS

Name of Shareholder	No. of Shares	%
1. LEMBAGA TABUNG HAJI	32,179,250	27.278
2. REDTONE DIGITAL BERHAD	14,425,000	12.227
3. MAYBANK NOMINEES (TEMPATAN) SDN BHD <i>Pledged Securities Account for Threadstone Capital Sdn Bhd</i>	10,000,000	8.476
4. RHB NOMINEES (TEMPATAN) SDN. BHD. <i>Pledged Securities Account for Hilary Fernandez</i>	6,467,000	5.482
5. INTER-PACIFIC EQUITY NOMINEES (TEMPATAN) SDN BHD <i>Berjaya Mutual Berhad for Amanah Raya Berhad for Common Fund</i>	3,760,000	3.187
6. MAYBANK NOMINEES (TEMPATAN) SDN BHD <i>Pledged Securities Account for Redtone Equity Sdn Bhd</i>	2,270,900	1.925
7. ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD <i>Pledged Securities Account for Raymond Cheah Sin Beng</i>	1,397,900	1.184
8. PERTUBUHAN KESELAMATAN SOCIAL <i>PKSACT41969 P2</i>	1,292,500	1.095
9. JAGJIT SINGH A/L SARJIT SINGH	1,280,000	1.085
10. ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD <i>Pledged Securities Account for Chua Soah Sen</i>	977,300	0.828
11. TEOH BENG KEONG	900,000	0.762
12. HILARY FERNANDEZ	873,500	0.740
13. LIM POW TOON	653,000	0.553
14. PINTARISMA SDN BHD	646,900	0.548
15. CHUA SOAK SUN	562,200	0.476
16. TUNG CHING AUN	537,600	0.455

Analysis of Shareholdings

THIRTY LARGEST SHAREHOLDERS (CONTINUED)

Name of Shareholder	No. of Shares	%
17. CGS INTERNATIONAL NOMINEES MALAYSIA [TEMPATAN] SDN BHD <i>Pledged Securities Account for Luqman bin Mohamed Jakel</i>	500,000	0.423
18. YAP KAH KEONG	500,000	0.423
19. KENANGA NOMINEES [TEMPATAN] SDN BHD <i>Pledged Securities Account for Mohamed Faroz bin Mohamed Jakel</i>	488,200	0.413
20. CIMSEC NOMINEES [TEMPATAN] SDN BHD <i>CIMB for Pang Kong Hong</i>	476,600	0.404
21. KENANGA NOMINEES [TEMPATAN] SDN BHD <i>Pledged Securities Account for Chew Ba Bah @ Chew Yew Khoon</i>	475,000	0.402
22. PUBLIC NOMINEES [TEMPATAN] SDN BHD <i>Pledged Securities Account for Ling Su You</i>	460,000	0.389
23. YONG HUA TING	435,000	0.368
24. MAYBANK NOMINEES [TEMPATAN] SDN BHD <i>Pledged Securities Account for Azrui Nizam bin Itam</i>	427,200	0.362
25. MAYBANK NOMINEES [TEMPATAN] SDN BHD <i>Pledged Securities Account for Mohd Rusdi bin Draman @ Yusof</i>	379,800	0.321
26. GOH TEN FOOK	368,400	0.312
27. NOOR SALEEHAN BINTI BORHAN	368,000	0.311
28. JAGJIT SINGH A/L SARJIT SINGH	357,700	0.303
29. TA NOMINEES [TEMPATAN] SDN BHD <i>Pledged Securities Account for Chok Pui Woon</i>	334,500	0.283
30. CARTABAN NOMINEES [ASING] SDN BHD <i>Exempt An for Barclays Capital Securities Ltd [SBL/PB]</i>	331,500	0.281
TOTAL	84,124,950	71.311

Analysis of Shareholdings

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

[According to the Register of Substantial Shareholders as at 7 April 2025]

Name	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
1. Lembaga Tabung Haji	32,179,250	27.278	-	-
2. REDtone Digital Berhad	14,425,000	12.228	2,270,900 ^[1]	1.925
3. Berjaya Corporation Berhad	-	-	16,695,900 ^[2]	14.153
4. Berjaya Group Berhad	-	-	16,695,900 ^[3]	14.153
5. Juara Sejati Sdn Bhd	-	-	16,695,900 ^[3]	14.153
6. Threadstone Capital Sdn Bhd	10,000,000	8.477	-	-
7. Zainal 'Abidin Abd Jalil	-	-	10,000,000 ^[4]	8.477
8. Haslinah binti Hassan	-	-	10,000,000 ^[4]	8.477
9. Hilary Fernandez	7,350,500	6.231	-	-

Notes:

^[1] Deemed interested by virtue of its interest held in REDtone Equity Sdn Bhd.

^[2] Deemed interested by virtue of its 100% interest held in Berjaya Group Berhad.

^[3] Deemed interested by virtue of its interest held in REDtone Digital Berhad, the holding company of REDtone Equity Sdn Bhd.

^[4] Deemed interested by virtue of his/her direct interest of more than 20% in Threadstone Capital Sdn Bhd.

DIRECTORS' SHAREHOLDINGS

[According to the Register of Directors' Shareholdings as at 7 April 2025]

Name	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
1. Tan Sri Abdul Rahman bin Mamat	-	-	-	-
2. Zainal 'Abidin bin Abd Jalil	-	-	10,000,000 ^[1]	8.477
3. Latifah binti M.Daud	-	-	-	-
4. Azih bin Yusof	-	-	-	-
5. Adam Malik bin Azlan	-	-	-	-
6. Shahrin binti Oli Mohamed	-	-	-	-
7. Nik Johaan bin Nik Hashim	-	-	-	-
8. Datuk Dyg Sadiyah binti Abg Bohan	-	-	-	-
9. Datuk Nuraslina Zainal Abidin	-	-	-	-

Note:

^[1] Deemed interested by virtue of his direct interest of more than 20% in Threadstone Capital Sdn Bhd.

Notice of Thirty Second Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Thirty Second Annual General Meeting (“32nd AGM”) of THETA EDGE BERHAD (“Company”) will be held at Glenmarie Ballroom, Glenmarie Hotel & Golf Resort, Jalan Usahawan U1/8, Glenmarie Golf & Country Club, 40250 Shah Alam, Selangor Darul Ehsan on Wednesday, 25 June 2025 at 11.30 a.m. for the following purposes:

AS ORDINARY BUSINESSES

1. To receive the audited financial statements together with the reports of the Directors and Auditors for the year ended 31 December 2024. **[Please refer to Explanatory Note 1]**
2. To re-elect the following Directors who retire by rotation in accordance with Clause 97 of the Company’s Constitution:
 - (i) Tan Sri Abd Rahman bin Mamat **[Resolution 1]**
 - (ii) Datuk Dyg Sadiyah binti Abg Bohan **[Resolution 2]**
 - (iii) Nik Johaan bin Nik Hashim **[Resolution 3]**
 - (iv) Datuk Nuraslina binti Zainal Abidin **[Resolution 4]**
3. To re-elect the following Director who retires by rotation in accordance with Clause 119 of the Company’s Constitution:
 - (i) Azih bin Yusof **[Resolution 5]**
4. To approve the payment of additional Directors’ fees amounting to RM2,705, which was in excess of the earlier approved amount of RM240,000 for the financial year ended 31 December 2024. **[Resolution 6]**
5. To approve the payment of Directors’ fees for an amount up to RM290,000 for the financial year ending 31 December 2025. **[Resolution 7]**
6. To approve the payment of Directors’ benefits for an amount up to RM446,000 from 26 June 2025 until the next AGM of the Company. **[Resolution 8]**
7. To re-appoint Messrs KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **[Resolution 9]**

AS SPECIAL BUSINESSES

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

ORDINARY RESOLUTION 1

[Resolution 10]

TO AUTHORISE THE ALLOTMENT AND ISSUANCE OF SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016 AND WAIVER OF PRE-EMPTIVE RIGHTS PURSUANT TO SECTION 85 OF THE COMPANIES ACT 2016 AND CLAUSE 59 OF THE COMPANY’S CONSTITUTION:

“**THAT** pursuant to Sections 75 and 76 of the Companies Act, 2016 [“Act”] and subject always to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the Company at any time and upon such terms and conditions and for such purpose as the Directors may, in their absolute discretion deem fit and in the interest of the Company, provided that the aggregate number of the shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

AND THAT in connection with the above, pursuant to Section 85 of the Act read together with Clause 59 of the Constitution of the Company, approval be and is hereby given to the Company to waive the statutory pre-emptive rights conferred upon the shareholders of the Company and that the Board is exempted from the obligation to offer such New Shares first to the existing shareholders of the Company arising from any issuance of the New Shares pursuant to the Mandate.”

Notice of Thirty Second Annual General Meeting

ORDINARY RESOLUTION 2

[Resolution 11]

PROPOSED RENEWAL OF THE EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING IN NATURE AND RENEWAL OF THE EXISTING GENERAL MANDATE FOR CONTRACTS WHICH ARE REVENUE IN NATURE

"THAT subject to the Companies Act 2016 ["the Act"], the provision of the Company's Constitution and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Renewal of the Existing Shareholders' Mandate and Existing General Mandate for the Company to enter into and give effect to the category of the recurrent arrangements or transactions of a revenue or trading nature from time to time with the Related Party(ies) as specified in Section 2.1.2 of the Circular to Shareholders dated 30 April 2025, provided that such transactions are:

- (i) recurrent transactions of a revenue or trading in nature;
- (ii) necessary for the Company's day-to-day operations;
- (iii) carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Party(ies) than those generally available to the public; and
- (iv) not to the detriment of minority shareholders;

[the "Mandate"];

THAT the Mandate given by the shareholders of the Company shall only continue to be in force until:

- (i) the conclusion of the next Annual General Meeting ["AGM"] of the Company following the forthcoming AGM at which the proposal is passed, at which time such Mandate will lapse, unless by a resolution passed at the meeting, the authority for the proposal is renewed;
- (ii) the expiration of the period, within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required), as they may consider expedient or necessary to give effect to the Mandate."

9. To transact any other ordinary business for which due notice shall have been given.

By Order of the Board,

Cynthia Gloria Louis
[MAICSA 7008306]
[SSM PC No. 201908003061]
Company Secretary

Chew Mei Ling
[MAICSA 7019175]
[SSM PC No. 201908003178]
Company Secretary

30 April 2025
Petaling Jaya

Notice of Thirty Second Annual General Meeting

Notes:

Appointment of Proxy

1. A member entitled to attend and vote at the above meeting is entitled to appoint not more than two [2] proxies to attend and vote instead of him save for a member who is an authorised nominee as defined under the Securities Industry [Central Depositories] Act 1991, it may appoint at least one proxy but not more than two [2] proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
2. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one [1] securities account ("omnibus account"), there is no limit to the number of proxies which such member may appoint in respect of each omnibus account it holds. There shall be no restriction as to the qualification of the proxy and a proxy duly appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
3. Where a member appoints two [2] proxies, the appointment shall be invalid unless he specifies the proportions of his holding[s] to be represented by each proxy.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised in writing.
5. The instrument appointing a proxy must be deposited at the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, Tricor Drop-in Box located at Unit G-2, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than forty-eight [48] hours before the time appointed for holding the meeting or adjourned meeting. The appointment of proxy may also be submitted electronically via Tricor's TIIH Online website at <https://tiih.online> not less than forty-eight [48] hours before the time appointed for holding the meeting or adjourned meeting.

Members Entitled to Attend

6. In respect of the deposited securities, only members whose names appear in the Record of Depositors on 19 June 2025 [General Meeting Record of Depositors] shall be entitled to attend, speak and vote at the said meeting or appoint a proxy[ies] on his behalf.

Notice of Thirty Second Annual General Meeting

Explanatory Notes:

1. Directors' Report, Audited Financial Statement and the Auditors' Report for the financial year ended 31 December 2024

This Agenda item is meant for discussion only as the provision of Section 340[1](a) of the Companies Act, 2016 does not require a formal approval of the shareholders and hence is not put forward for voting. .

2. Re-election of Directors in accordance with Clause 97 and Clause 119 of the Company's Constitution [Resolutions 1,2,3,4 and 5]

In accordance with Clause 97 of the Company's Constitution, the Directors shall have power at any time to appoint any person as a Director either to fill a casual vacancy or an addition to the Board, but so that the total number of Directors shall not be increased beyond the maximum number hereinbefore prescribed. Any Director so appointed shall hold office only until the next Annual General Meeting and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at the meeting.

Clause 119 of the Company's Constitution provides that one-third (1/3) of the Directors or if their number is not a multiple of three then the number nearest to one-third (1/3) shall retire from office and be eligible for re-election provided that all Directors shall retire from office once at least in each three (3) years, but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

Tan Sri Abd Rahman bin Mamat, Datuk Dyg Sadiah binti Abg Bohan, Nik Johaan bin Nik Hashim and Datuk Nuraslina binti Zainal Abidin retire by rotation in accordance with Clause 97 and Azih bin Yusof retires by rotation in accordance with Clause 119 of the Company's Constitution and being eligible, offer themselves for re-election.

The Nomination and Remuneration Committee ("NRC") has assessed and considered the performance and contribution, satisfaction of all the requirements as set out in the Fit and Proper Policy by the retiring Directors as well as the independent assessment of Azih bin Yusof. Based on the evaluation results of the Board Performance Assessment carried out for the financial year ended 31 December 2024, the retiring Directors have performed well and discharged their duties and responsibilities satisfactorily. The retiring directors have declared that they have not engaged in any business dealings or actions that could compromise their impartiality or create a conflict of interest or potential conflict of interest with their roles within the Group. The Board has endorsed the NRC's recommendation to seek shareholders' approval for the re-election of Tan Sri Abd Rahman bin Mamat, Datuk Dyg Sadiah binti Abg Bohan, Nik Johaan bin Nik Hashim, Datuk Nuraslina binti Zainal Abidin and Azih bin Yusof. The retiring Directors have abstained from deliberations and decisions making on their re-election at the NRC and Board meetings respectively.

3. Additional Directors' Fees [Resolution 6]

At the 31st AGM of the Company held on 26 June 2024, the shareholders had approved RM240,000 as the total Directors' Fees payable to the Directors of the Company for the financial year ended 31 December 2024.

The total Directors' Fees incurred amounted to RM242,705. The request for the additional amount of RM2,705 in excess of RM240,000 is required due to the additional directors appointed during the financial year ended 31 December 2024.

4. Directors' Fees [Resolution 7]

Shareholders' approval on the Directors' Fees for the Board was obtained at the 31st Annual General Meeting ["AGM"] held on 26 June 2024 and there is no revision to any of the fees. Details of Directors' Fees are set-out on pages 86 to 87 of the Annual Report.

The Company will be seeking the approval of the shareholders for the Proposed Directors' Fees for an amount up to RM290,000 for the financial year ending 31 December 2025. The fees will not be paid until the approval of the shareholders has been obtained at the 32nd AGM.

The Directors who are shareholders of the Company will abstain from voting on Resolution pertaining to their respective Directors' Fees.

Notice of Thirty Second Annual General Meeting

5. Directors' Benefits (Resolution 8)

Shareholders' approval on the Directors' Benefits for the Board and Board Committees was obtained at the 31st AGM held on 26 June 2024 and there is no revision to any of the fees. The benefits comprises meeting allowance payable to Non-Executive Directors, details of which are as follows:

	Board of Directors (Per Meeting) RM	Audit & Risk Management Committee (Per Meeting) RM	Nomination & Remuneration Committee (Per Meeting) RM	Board Investment Committee (Per Meeting) RM
Chairman	3,500	3,000	2,000	1,000
Non-Executive Member	2,500	2,500	1,500	1,000

The estimated amount of RM446,000 is derived from estimated number of meetings to be held by the Board and Board Committees from 26 June 2025 until the next AGM.

The Directors who are shareholders of the Company will abstain from voting on Resolution 8 pertaining to their respective Directors' Benefits.

6. Ordinary Resolution 1 – Mandate to issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016 and waiver of pre-emptive rights pursuant to Section 85 of the Companies Act 2016 and Clause 59 of the Company's Constitution (Resolution 10)

The Ordinary Resolution 1 proposed is to obtain a general mandate for issuance of shares by the Company under Section 76 of the Act. The Ordinary Resolution 1, if passed, will provide flexibility for the Company and empower the Directors to allot and issue new shares in the Company up to an amount not exceeding in total ten per centum (10%) of the total number of issued shares of the Company for any possible fund-raising activities, including but not limited to placement of shares, funding for future investment project(s) and/or business expansion and/or working capital and/or acquisitions or the issuance of shares as a consideration for the acquisition of assets.

This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM or at the expiry of the period within the next AGM is required to be held after the approval was given, whichever is earlier.

At this juncture, there is no decision to issue new shares. If there should be a decision to issue new shares after the general mandate is obtained, the Company will make an announcement in respect thereof.

7. Ordinary Resolution 2 - Proposed Renewal of the existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading in Nature and Renewal of the existing General Mandate for Contracts which are Revenue in Nature (Resolution 11)

The proposed Ordinary Resolution 2, if approved, will allow Theta Edge Group to enter into Recurrent Related Party Transactions pursuant to Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Further information on the Proposed Renewal of the existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading in Nature and Renewal of the existing General Mandate for Contracts which are Revenue in Nature is set out in the Circular to Shareholders of the Company dated 30 April 2025.

Statement Accompanying Notice of Annual General Meeting

Following is the statement made pursuant to paragraph 8.27[2] of the Listing Requirements of Bursa Malaysia Securities Berhad:

As at the date of the notice, there are no individuals who are standing for election.

1) Directors who are standing for re-election at the 32nd AGM of the Company, are as follows:

(i)	Tan Sri Abd Rahman bin Mamat	[Resolution 1]
(ii)	Datuk Dyg Sadiyah binti Abg Bohan	[Resolution 2]
(iii)	Nik Johaan bin Nik Hashim	[Resolution 3]
(iv)	Datuk Nuraslina binti Zainal Abidin	[Resolution 4]
(v)	Azih bin Yusof	[Resolution 5]

Further details of Directors who are standing for re-election are set out in the Profile of Directors appearing on pages 58,60 to 66 of the Annual Report.

2) Details of attendance of Directors at Board Meetings held during the financial year ended 31 December 2024 are set out on page 78 of the Annual Report.

PERSONAL DATA NOTICE

The Personal Data Protection Act 2010 ("Act") which regulates the processing of personal data in commercial transactions, applies to Tricor Investor & Issuing House Services Sdn Bhd, the share registrar of Theta Edge Berhad.

The personal data processed by Tricor Investor & Issuing House Services Sdn Bhd may include your name, contact details, mailing address and any other personal data derived from any documentation.

Tricor Investor & Issuing House Services Sdn Bhd may use or disclose your personal data to any person engaged for the purposes of issuing the above notice of meeting and convening the meeting.

Subject to the requirement under the Act, if you would like to make any enquiries on your personal data, please contact us at:

Address : Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South, No. 8, Jalan Kerinchi
59200 Kuala Lumpur, Malaysia

Tel No : 603 2783 9299

Fax No : 603 2783 9222

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CDS Account No.

I/We _____ [name as per NRIC, in capital letters]

NRIC No./Registration No. _____ [new] _____ [old]

of _____
_____ [full address]

being a member(s) of **THETA EDGE BERHAD (Registration No. 199301005265 (260002-W))**, hereby appoint the following person(s):

Name	NRIC/Passport No.	Address	Email Address	No. of shares to be represented by proxy
1.				
2.				

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Thirty-Second Annual General Meeting ["32nd AGM"] of the Company to be held at Glenmarie Ballroom, Glenmarie Hotel & Golf Resort, Jalan Usahawan U1/8, Glenmarie Golf & Country Club, 40250 Shah Alam, Selangor Darul Ehsan on Wednesday, 25 June 2025 at 11.30 a.m. and at any adjournment thereof, in the manner indicated below:

RESOLUTIONS		FOR	AGAINST
Resolution 1	To re-elect the retiring Director, Tan Sri Abd Rahman bin Mamat		
Resolution 2	To re-elect the retiring Director, Datuk Dyg Sadiyah binti Abg Bohan		
Resolution 3	To re-elect the retiring Director, Nik Johaan bin Nik Hashim		
Resolution 4	To re-elect the retiring Director, Datuk Nuraslina binti Zainal Abidin		
Resolution 5	To re-elect the retiring Director, Azih bin Yusof		
Resolution 6	To approve the payment of additional Directors' fees amounting to RM2,705, which was in excess of the earlier approved amount of RM240,000 for the financial year ended 31 December 2024.		
Resolution 7	To approve the Directors' fees amounting to RM290,000.00 for the financial year ending 31 December 2025		
Resolution 8	To approve the payment of Directors' benefits for an amount up to RM446,000.00 from 26 June 2025 until the next AGM of the Company.		
Resolution 9	To re-appoint Messrs KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
Resolution 10	Authority to allot shares pursuant to Sections 75 and 76 of the Companies Act, 2016 and waiver of pre-emptive rights		
Resolution 11	Proposed renewal of the existing shareholders' mandate for recurrent related party transactions of a revenue or trading in nature and renewal of the existing general mandate for contracts which are revenue in nature.		

[Please indicate with an "X" in the spaces provided how you wish your votes to be cast. If you do not do so, the proxy will vote or abstain from voting at his/her discretion.]

Signature/Common Seal

Number of shares held: _____

Date: _____

Notes:

- A member entitled to attend and vote at the above meeting is entitled to appoint not more than two (2) proxies to attend and vote instead of him save for a member who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a member of the Company is an exempt authorized nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which such member may appoint in respect of each omnibus account it holds. There shall be no restriction as to the qualification of the proxy and a proxy duly appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
- Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportions of his holding(s) to be represented by each proxy.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised in writing.
- The instrument appointing a proxy must be deposited at the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, Tricor Drop-in Box located at Unit G-2, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting. The appointment of proxy may also be submitted electronically via Tricor's TIH Online website at <https://tiah.online> not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting.

Members Entitled to Attend

- In respect of the deposited securities, only members whose names appear in the Record of Depositors on 19 June 2025 [General Meeting Record of Depositors] shall be entitled to attend, speak and vote at the said meeting or appoint a proxy(ies) on his behalf.

PERSONAL DATA NOTICE

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data notice set out in the notice of the 32nd AGM dated 30 April 2025.

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AFFIX
STAMP

Share Registrar
Theta Edge Berhad
[Registration No.: 199301005265(260002-W)]
Unit 32-01, Level 32, Tower A,
Vertical Business Suite, Avenue 3,
Bangsar South, No 8 Jalan Kerinchi
59200 Kuala Lumpur

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TOGETHER FOR A SUSTAINABLE FUTURE

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Seksyen 51A, 46100, Petaling Jaya, Selangor Darul Ehsan, Malaysia.

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