WHITE HORSE BERHAD (Reg No. 199701039630 (455130-X))

ANNUAL REPORT 2025

ANNUAL REPORT 2025

WHITE HORSE

WHITE HORSE BERHAD

(Reg No. 199701039630 (455130-X))

www.whitehorse.com.my

VISION
宏願

To become a world class
Ceramic Tiles Manufacturer

成為國際頂尖磁磚製造商

MARKETING NETWORK

CERAMIC WORLD SHOWROOMS

CERAMIC WORLD KUALA LUMPUR
No. 1, Jalan Persiaran 1, Bandar Baru Selayang,
68100 Batu Caves, Selangor, Malaysia
+603-6136 1188 +603-6135 1188 / 6138 2366
whkl@whitehorse.com.my

CERAMIC WORLD JOHOR BAHRU
No. 2, Jalan Mutiara 2, Taman Perindustrian Plentong,
81750 Plentong, Johor, Malaysia
+607-353 1616 +607-357 1919
whjbshow@whitehorse.com.my

CERAMIC WORLD BUTTERWORTH
No. 3088, Jalan Kelisa Emas 1, Seberang Jaya, 3700 Perai,
Penang, Malaysia
+604-397 7888 / 6999 +604-397 7999
whbw_showroom@whitehorse.com.my

CERAMIC WORLD KLANG
Lot 2737, Jalan Raja Nong/KS2, Taman Perindustrian Sg. jati,
41200 Klang, Selangor, Malaysia
+603-5161 3888 +603-5161 3111
whkg@whitehorse.com.my

CERAMIC ALOR SETAR
No. 202, Lorong Perak 8, Kawasan Perusahaan Mergong 2,
05150 Alor Setar, Kedah, Malaysia
+604-732 7226 +604-732 7282
whas@whitehorse.com.my

CONCEPT GALLERY BY WH CERAMIC
No.97, Lorong Kinta 10400 Georgetown, Penang, Malaysia
+604-210 9999 +604-210 9998
whcgpg@whitehorse.com.my

OTHER BRANCHES

BATU PAHAT BRANCH
No. 102, Jalan Jelawat, Taman Banang,
83000 Batu Pahat, Johor, Malaysia
+607-433 2855 +607-433 4855
whbp@whitehorse.com.my

KUANTAN BRANCH
Lot 55, Semambu Industrial Estate,
25350 Kuantan, Pahang, Malaysia
+609-568 5333 +609-568 5666
whkt@whitehorse.com.my

IPOH BRANCH
Plot 76, Persiaran Portland, Kawasan Perindustrian Tasek,
31400 Ipoh, Perak, Malaysia
+605-291 2288 +605-291 8822
whlp@whitehorse.com.my

KOTA BHARU BRANCH
No. 1, Lot PT 4089, Jalan 9/44, Kawasan Perindustrian
Pengkalan Chepa, 16100 Kota Bharu, Kelantan, Malaysia
+609-774 4333 +609-774 4166
whkb@whitehorse.com.my

KOTA KINABALU BRANCH
Lot 84-B, Block B, Sedco Industrial Estate, off Jalan Kilang,
Lorong E, 88450 Kolombong, Kota Kinabalu, Sabah, Malaysia
+6088-434 008 / 007 / 006 +6088-433 171
whkk@whitehorse.com.my

KUCHING BRANCH
Lot 1035, Jalan Utama, Pending Industrial Estate,
93450 Kuching, Sarawak, Malaysia
+6082-341 577 +6082-341 578
whkh@whitehorse.com.my

OVERSEAS MARKETING OFFICES

WHITE HORSE SINGAPORE
White Horse Ceramic (S) Pte Ltd
28 Kranji Loop, #04-01, Kranji Green
Singapore 739571
+65-6269 0555 +65-6269 0055
enquiry@whitehorse.com.sg

Showrooms -
50 Ubi Avenue 3 #01-10/11 Frontier, Singapore 408866

WHITE HORSE VIETNAM
White Horse Ceramic Industries (Vietnam) Co., Ltd.
Phuoc lap Quarter, My Xuan Ward, Phu My Town,
Ba Ria-Vung Tau Province, Vietnam
+84 254 3932333 shippingwhv@gmail.com

WHITE HORSE PHILIPPINES
White Horse Ceramic (Philippines) Inc.
346, Isabel Street, Brgy, 884 Zone 097 Sta. Ana Manila,
1007 Philippines

Showrooms -
Unit 15 A Ground Floor, Two Ecom Center, Harbor Drive
Mall of Asia Complex, Pasay City
+63-2268 1928 / 1929 enquiry@whitehorse.com.ph

WHITE HORSE CHINA
Grand Mark International Co. Ltd
Room 2801-02, Block C, Foshan Vanke Financial Center,
No 57, Ji Hua 5th Road, Chancheng District, Foshan City,
Guangdong Province, 528000 China
+86-7578 278 5282 +86-7578 277 5377
whitehorse@whitehorseceramic.com.cn

WHITE HORSE THAILAND
White Horse Ceramic (Thailand) Ltd
34/9 Moo 13, Debaratana rd., Bangpleeyai Sub-District,
Bangplee District, Samutprakarn 10540 Bangkok, Thailand
+662-316 3788 / 89 / 90 / 91 / 92 / 93 +662-316 3794 / 95 / 96
info@whitehorse.co.th

TABLE OF **CONTENTS**

CORPORATE **INFORMATION**

BOARD OF **DIRECTORS**

Liao Shen Hua
(Chairman/ Managing Director)

Teo Swee Teng
(Deputy Managing Director)

Cheng Soon Mong
(Deputy Managing Director)

Teo Kim Lap
(Non-Independent Non-Executive Director)

Teo Kim Tay
(Non-Independent Non-Executive Director)

Liao Shen Yao
(Non-Independent Non-Executive Director)

Liao, Hung-Chang
(Non-Independent Non-Executive Director)

Lau Lee Jan
(Independent Non-Executive Director)

Tai Lam Shin
(Senior Independent Non-Executive Director)

Ling Lian Ying
(Independent Non-Executive Director)

AUDIT COMMITTEE

Tai Lam Shin
(Chairman, Senior Independent Non-Executive Director)

Liao, Hung-Chang
(Member, Non-Independent Non-Executive Director)

Lau Lee Jan
(Member, Independent Non-Executive Director)

NOMINATION COMMITTEE

Tai Lam Shin
(Chairman, Senior Independent Non-Executive Director)

Lau Lee Jan
(Member, Independent Non-Executive Director)

Liao, Hung-Chang
(Member, Non-Independent Non-Executive Director

Corporate Information (cont'd)

REMUNERATION COMMITTEE

Lau Lee Jan
(Chairperson, Independent Non-Executive Director)

Cheng Soon Mong
(Member, Deputy Managing Director)

Ling Lian Ying
(Member, Independent Non-Executive Director)

SECRETARY

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

Huan Hui Shin
(SSM PC No. 202408000958) (MAICSA 7067490)

REGISTERED OFFICE

PLO 464, Jalan Gangsa
Pasir Gudang Industrial Estate
81700 Pasir Gudang
Johor Darul Takzim
Tel: (60)7 -251 1111
Fax: (60)7 -251 8855
Email: whb@whitehorse.com.my

SHARE REGISTRAR

Securities Services (Holdings) Sdn Bhd
[Reg No. 197701005827 (36869-T)]
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan
Tel: 603 – 2084 9000
Fax: 603 – 2094 9940
Email: info@sshsb.com.my

AUDITORS

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA & AF 1018)
No. 52, Jalan Kota Laksamana 2/15
Taman Kota Laksamana, Seksyen 2
75200 Melaka
Tel: 606 – 2825 995
Fax: 606 – 2836 449

PRINCIPAL BANKERS

Malayan Banking Berhad
[Reg No. 196001000142 (3813-K)]
69-75, Jalan Meranti Merah
Taman Kebun Teh
80250 Johor Bahru
Johor Darul Takzim

Malayan Banking Berhad
[Reg No. 196001000142 (3813-K)]
14 Pusat Perdagangan
Jalan Bandar
81700 Pasir Gudang
Johor Darul Takzim

AmBank (M) Berhad
[Reg No. 196901000166 (8515-D)]
Level 31, Selesa Tower
Jalan Dato' Abdullah Tahir
80300 Johor Bahru
Johor Darul Takzim

United Overseas Bank (Malaysia) Berhad
[Reg No. 199301017069 (271809-K)]
8, Jalan Ponderosa 2/1
Taman Ponderosa
81100 Johor Bahru
Johor Darul Takzim

RHB Bank Berhad
[Reg No. 196501000373 (6171-M)]
10 Pusat Perdagangan
Jalan Bandar
81700 Pasir Gudang
Johor Darul Takzim

STOCK EXCHANGE

Main Market of Bursa Malaysia Securities Berhad

WEBSITE

www.whitehorse.my

CORPORATE **STRUCTURE**

WHITE HORSE
WHITE HORSE
BERHAD
[Reg No. 199701039630 (455130-X)]

100%

WHITE HORSE CERAMIC INDUSTRIES SDN BHD
[Reg No. 199101006514 (216824-X)

100%

100 % SUBSIDIARIES

- White Horse Ceramic (S) Pte. Ltd.
- White Horse Ceramic (Phil.) Inc.
- White Horse Ceramic (Thailand) Ltd
- PT WH Ceramic Indonesia
- Grand Mark International Co., Ltd.

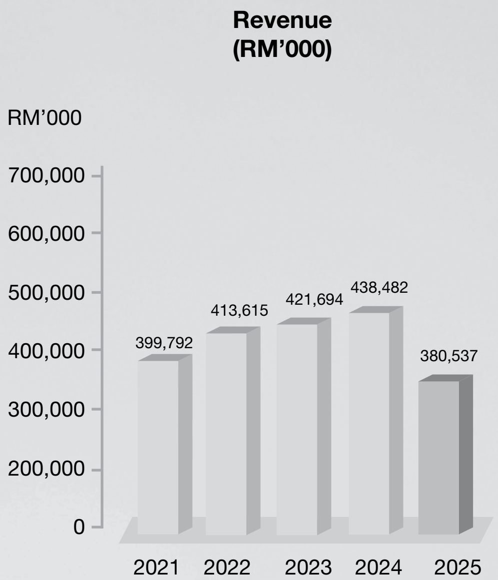
100%

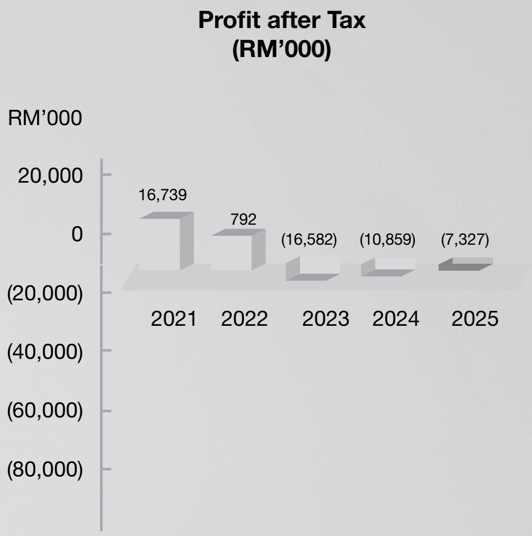
WHITE HORSE MARKETING SDN BHD
[Reg No. 199201019057 (250561-D)

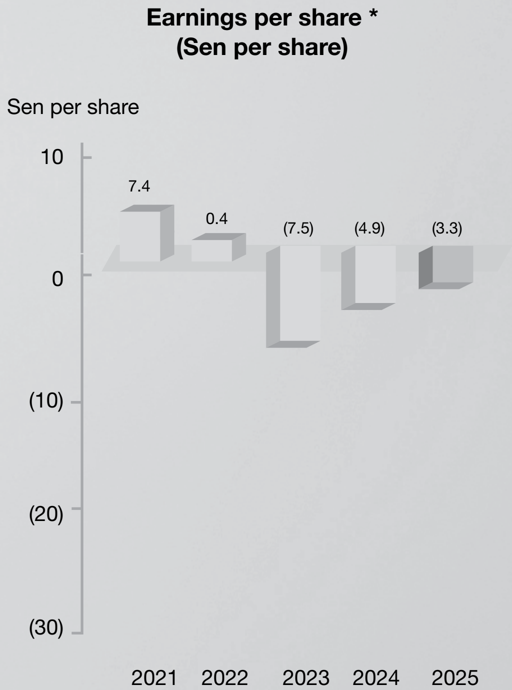
100%

WHITE HORSE CERAMIC INDUSTRIES (VIETNAM) CO., LTD

FINANCIAL **HIGHLIGHTS**







* Earnings/(loss) per share is calculated by dividing profit/(loss) after taxation with weighted average number of ordinary shares in issue.

BOARD OF **DIRECTORS' PROFILE**

LIAO SHEN HUA
Chairman/Managing Director

Taiwanese
Male
Aged 63

Mr. Liao Shen Hua ("**Mr. Liao SH**") was appointed to the Board on 6 August 1999. He was re-designated from Non-Independent Non-Executive Director to Chairman/ Managing Director on 11 February 2022.

Mr. Liao SH holds a Diploma in electrical engineering from Ta Hua College of Technology, Taiwan. He was introduced to the ceramic tiles industry soon after his graduation in 1987. Mr. Liao SH joined White Horse Ceramic Industries Sdn. Bhd. since 1991 as the Executive Director in charge of manufacturing and was responsible for the overall manufacturing operation of White Horse Ceramic Industries Sdn. Bhd. He does not have any directorships in other public companies and public listed companies.

He has attended all four (4) Board of Directors' Meetings held in the financial year ended 31 December 2025. He is the brother of Mr. Liao Shen Yao and cousin of Mr. Liao, Hung-Chang, who are the Directors and major shareholders of White Horse Berhad.

TEO SWEE TENG
Deputy Managing Director

Malaysian
Male
Aged 69

Mr. Teo Swee Teng ("**Mr. Teo ST**") was appointed to the Board on 6 August 1999.

His first involvement in the ceramic tiles industry began in 1983 upon completing his secondary education when he started a business in marketing and distributing of ceramic tiles.

Mr. Teo ST presently sits on the board of several private limited companies in Malaysia. He does not have any directorships in other public companies and public listed companies.

He has attended all four (4) Board of Directors' Meetings held in the financial year ended 31 December 2025. He is the brother of Mr. Teo Kim Lap and Mr. Teo Kim Tay, who are the Directors and major shareholders of White Horse Berhad.

CHENG SOON MONG
Deputy Managing Director
Member of the Remuneration Committee

Singaporean
Male
Aged 83

Mr. Cheng Soon Mong ("**Mr. Cheng**") was appointed to the Board on 6 August 1999.

He graduated from high school and has over 49 years of experience in the ceramic tiles business. Mr. Cheng has been an Executive Director of White Horse Ceramic Industries Sdn. Bhd. since its incorporation in 1991.

Mr. Cheng also sits on the board of several private limited companies in Malaysia. He does not have any directorships in other public companies and public listed companies.

He has attended all four (4) Board of Directors' Meetings held in the financial year ended 31 December 2025. He is not related to any other Directors on the Board nor major shareholders of the Company.

Board of Directors' Profile (cont'd)

TEO KIM LAP
Non-Independent Non-Executive Director

Malaysian
Male
Aged 67

Mr. Teo Kim Lap ("**Mr. Teo KL**") was appointed to the Board on 6 August 1999.

Together with his brothers, he ventured into the ceramic tiles business upon completion of his secondary education.

Mr. Teo KL presently sits on the board of several private limited companies in Malaysia. He does not have any directorships in other public companies and public listed companies.

He has attended all four (4) Board of Directors' Meetings held in the financial year ended 31 December 2025. He is the brother of Mr. Teo Swee Teng and Mr. Teo Kim Tay, who are the Directors and major shareholders of White Horse Berhad.

TEO KIM TAY
Non-Independent Non-Executive Director

Malaysian
Male
Aged 62

Mr. Teo Kim Tay ("**Mr. Teo KT**") was appointed to the Board on 6 August 1999.

He ventured into the ceramic tiles industry upon completion of his secondary education.

Mr. Teo KT presently sits on the board of several private limited companies in Malaysia. He does not have any directorships in other public companies and public listed companies.

He has attended three (3) out of four (4) Board of Directors' Meetings held in the financial year ended 31 December 2025. He is the brother of Mr. Teo Kim Lap and Mr. Teo Swee Teng, who are the Directors and major shareholders of White Horse Berhad.

LIAO SHEN YAO
Non-Independent Non-Executive Director

Taiwanese
Male
Aged 61

Mr. Liao Shen Yao ("**Mr. Liao SY**") was appointed to the Board on 22 June 2021.

Mr. Liao SY completed his education at Cheng Kung Senior High School in Taiwan. After Mr. Liao SY served his national service, Mr. Liao SY joined White Horse Ceramic Taiwan in 1982. He has more than 34 years of experience in managing various departments such as research and development, manufacturing, purchasing, human resources etc. In year 2000, he was appointed as the Manufacturing Director of Vietnam plant in charge of the manufacturing, purchasing and human resources departments. Over the years, he has gained vast knowledge and expertise in ceramic tiles manufacturing, raw materials management and machinery handling.

He does not have any directorships in other public companies and public listed companies.

He has attended three (3) out of four (4) Board of Directors' Meetings held in the financial year ended 31 December 2025. He is the brother of Mr. Liao Shen Hua and cousin of Mr. Liao, Hung-Chang, who are the Directors and major shareholders of White Horse Berhad.

Board of Directors' Profile (cont'd)

LIAO, HUNG-CHANG

Non-Independent Non-Executive Director
Members of the Audit Committee and Nomination Committee

Taiwanese
Male
Aged 41

Mr. Liao, Hung-Chang ("**Mr. Liao HC**") was appointed as an Alternate Director to Mr. Liao Yuan Shun on 22 November 2021. That consequent upon the retirement of Mr. Liao Yuan Shun as Chairman cum Managing Director of the Company on 10 February 2022, Mr. Liao HC ceased to be the Alternate Director to Mr. Liao Yuan Shun on the same day. Subsequently, Mr. Liao HC was appointed to the Board as a Non-Independent Non-Executive Director on 11 February 2022.

Currently, Mr. Liao HC is an EMBA candidate at National Chengchi University in Taiwan. He holds a Bachelor Degree of International Relations from Tunghai University, Taichung, Taiwan and a Masters Degree of International Marketing from Hult International Business School, Boston, United States of America. Mr. Liao HC holds a Bachelor Degree of International Relations from Tunghai University, Taichung, Taiwan. Subsequently he obtained his Masters Degree of International Marketing in 2015 from Hult International Business School, Boston, United States of America. Mr. Liao HC has working experience in aviation, consulting and luxury retailing industries. He has over eleven (11) years of work experience in areas encompassing operations, marketing and communications and project management. In 2016 to 2020, he joined White Horse Ceramic Industries Sdn. Bhd. assuming the role of SAP Project Manager and Marketing Manager. Prior to joining White Horse Board of Directors, he was employed in the marketing and communications department of a luxury goods company in Taiwan.

He does not have any directorships in other public companies and public listed companies.

He has attended all four (4) Board of Directors' Meetings held in the financial year ended 31 December 2025. He is the cousin of Mr. Liao Shen Hua and Mr. Liao Shen Yao, who are the Directors and major shareholders of White Horse Berhad.

TAI LAM SHIN

Senior Independent Non-Executive Director
Chairman of the Audit Committee and Nomination Committee

Malaysian
Male
Aged 68

Mr. Tai Lam Shin ("**Mr. Tai**") was appointed to the Board and Chairman of the Audit Committee on 1 July 2019. Subsequently, he was re-designated from an Independent Non-Executive Director to the Senior Independent Non-Executive Director on 25 March 2025. Mr. Tai was appointed as the Chairman of the Nomination Committee on 25 March 2025.

Mr. Tai's qualifications include member of the Malaysian Institute of Accountant (MIA) and Fellow of the Chartered Certified Accountants (FCCA), United Kingdom.

He is exposed and experienced in areas of audit assurance, financial and corporate advisory, due diligence review and reporting accountants to public listed corporations, multinationals and private companies.

He sits as an Independent Non-Executive Director on the Board of Keck Seng (Malaysia) Berhad and Non-Independent Non-Executive Director of MCE Holdings Berhad, both public companies listed on Bursa Malaysia Securities Berhad. Mr Tai will be retiring as the director of Keck Seng (Malaysia) Berhad on their upcoming AGM to be held on 29 May 2026.

He has attended all four (4) Board of Directors' Meetings held in the financial year ended 31 December 2025. He is not related to any other Directors on the Board nor major shareholders of the Company.

LAU LEE JAN

Independent Non-Executive Director
Chairperson of the Remuneration Committee
Members of the Audit Committee and Nomination Committee

Singaporean
Female
Aged 69

Ms. Lau Lee Jan ("**Ms. Lau**") was appointed to the Board on 22 August 2018.

Ms. Lau was re-designated from a member to the Chairperson of the Remuneration Committee on 25 March 2025 and was appointed as a member of the Audit Committee on 25 March 2025.

Ms. Lau graduated with a Bachelor of Law LLB (Honours) in 1981 from the National University of Singapore. She was admitted as an advocate and solicitor to the High Court of Malaya on 5 June 1982 and commenced her private legal practice in Johor Bahru. In 1986, she obtained admission as an advocate and solicitor to the Supreme Court of Singapore. She joined Tay & Partners in 1990 and managed the Johor Bahru branch office until her retirement on 31 December 2016.

Ms. Lau does not have any directorships in other public companies and public listed companies.

She has attended all four (4) Board of Directors' Meetings held in the financial year ended 31 December 2025. She is not related to any other Directors on the Board nor major shareholders of the Company.

Board of Directors' Profile (cont'd)

LING LIAN YING

Independent Non-Executive Director
Members of Remuneration Committee

Malaysian
Female
Aged 67

Ms. Ling Lian Ying ("**Ms. Ling**") was appointed to the Board and member of the Remuneration Committee on 25 March 2025.

Ms. Ling graduated with a Bachelor of Law LLB (Honours) in 1983 from the National University of Singapore. She was admitted as an advocate and solicitor to the High Court of Malaya in 1984. In 1993, she obtained admission as an advocate and solicitor to the Supreme Court of Singapore. She was in active practice both in Malaysia and Singapore until her retirement in Singapore.

Ms. Ling was the Vice President, Legal Department of City Developments Limited from July 2008 to June 2015. She was Vice President, Legal, Group Legal and Regulatory Compliance of Great Eastern Life Assurance Co. Ltd, Singapore from January 2003 to July 2008. Prior to that, she was a salaried partner of Chor Pee Anwarul & Co., Malaysia from January 1993 to June 2002.

Ms. Ling does not have any directorships in other public companies and public listed companies.

She has attended all three (3) Board of Directors' Meetings held in the financial year ended 31 December 2025. She is not related to any other Directors on the Board nor major shareholders of the Company.

Conflict of Interest

Apart from Mr. Tai Lam Shin, Mr. Cheng Soon Mong, Ms. Lau Lee Jan and Ms. Ling Lian Ying, the rest of the Directors are deemed interested in the recurrent related party transactions, of which a shareholders' mandate has been obtained in the Annual General Meeting held on 28 May 2025. Details pertaining to these transactions are disclosed in the Audited Financial Statements for the financial year ended 31 December 2025 and Part A of the Circular/Statement to Shareholders which are downloadable from the Company's corporate website at www.whitehorse.my.

Conviction of Offence

None of the Directors have been convicted of any offence within the past five (5) years, other than the traffic offences, if any, nor any public sanction or penalty imposed by the relevant regulatory bodies, during the financial year ended 31 December 2025.

KEY SENIOR **MANAGEMENT PROFILE**

KWAN KIM FOOK
Regional Financial Controller

Malaysian
Male
Aged 67

Mr. Kwan Kim Fook joined White Horse Ceramic Industries Sdn. Bhd. ("**WHCI**") on 16 June 1997 as the Financial Controller. He holds a Bachelor Degree in Accounting from the University of Malaya and is a member of the Malaysian Institute of Accountants. He had worked with Bank Negara Malaysia for several years and multi-national companies before joining WHCI. He was appointed as Regional Financial Controller on 1 March 2014.

RAYMOND LOO KIM HUAT
General Manager, Marketing

Malaysian
Male
Aged 58

Mr. Raymond Loo Kim Huat joined White Horse Marketing Sdn. Bhd. on 15 May 2000 as the Regional Manager for domestic sales. He graduated from University of Malaya with a Degree in Arts majoring in Economics. Before joining the Company, he worked in Public Bank Berhad for three (3) years and a building materials company for five (5) years. He was appointed as General Manager of domestic sales division on 1 January 2013.

LUO TSU-TE
Assistant General Manager, Manufacturing

Taiwanese
Male
Aged 56

Mr. Luo Tsu-Te joined WHCI on 28 April 2006 as the Assistant General Manager of manufacturing division. He holds a Diploma in Ceramic Engineering from National United University, Taiwan. He served in the Republic of China Armed Forces as a Lieutenant for four (4) years before joining White Horse Ceramic Co., Ltd., Taiwan's Research and Development Department. He is responsible for overseeing the daily operations in both manufacturing facilities in Malaysia.

Key Senior Management Profile (cont'd)

TAN CHIN GOAN
Senior Manager, Human Resources

Malaysian
Male
Aged 65

Mr. Tan Chin Goan joined WHCI on 18 July 1997. He completed his Degree in Commerce at the University of Windsor, Canada. Prior to joining WHCI, he has eleven (11) years of experience in the field of administration and human resources functions in various companies. He is responsible for the human resources function in the Group. He was appointed as Senior Manager on 1 January 2003.

None of the above Key Senior Management has any:

- directorships in public companies and public listed companies;
- family relationship with any Directors and/or major shareholders of the Company;
- personal interest or conflict of interest in any business arrangement involving the Group;
- conviction for offences within the past five (5) years other than traffic offences (if any); and
- public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 31 December 2025.

MANAGEMENT DISCUSSION **AND ANALYSIS**

On behalf of the Board of Directors of White Horse Berhad, it is our pleasure to present the Management Discussion and Analysis (MD&A) for the financial year ended 31 December 2025 ***("FYE 2025").***

Overview of Group's Business and Operations

White Horse Berhad ("White Horse" or "the Company") strives to be a reputable manufacturer of premium quality tiles. The vision of White Horse is "to become a world class ceramic tiles manufacturer."

The Group is involved in the manufacturing of ceramic and porcelain tiles. With a sole vision to pursue, the Group remains steadfast in its sole business objective of offering ceramic tiles of par excellence to the market.

We are firmly committed to strengthening our core expertise in ceramic tiles manufacturing and have consistently remained focused on this sole business segment without diversifying into other non-related businesses.

White Horse entered the Malaysian tiles manufacturing industry as a humble player in 1992. Currently, the Group has two (2) manufacturing facilities in Johor, Malaysia.

At present, our products are sold both domestically and internationally to more than thirty (30) countries in the world. Domestically, we have a strong marketing network of eleven (11) marketing offices, ten (10) distribution centres and five (5) major showrooms, "Ceramic World", to provide a prompt service to our dealers and end consumers.

Apart from the overseas subsidiaries in Singapore, Philippines, Thailand, Indonesia and China, we have an international sales team to service our overseas customers in other countries.

The following table highlights the financial information of our group for the past five (5) financial years.

	2021	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	399,792	413,615	421,694	438,482	380,537
Earnings / (Loss) before interest, taxes, depreciation and amortisation	68,818	35,533	1,855	10,771	12,428
Profit / (Loss) before tax	25,538	6,998	(16,392)	(8,321)	(5,786)
Interest expense	11,648	3,221	4,713	5,207	4,353
Proft / (Loss) after tax	16,739	792	(16,582)	(10,859)	(7,327)
Shareholders' equity	600,666	597,147	585,234	565,631	548,877
Total assets	756,527	763,502	748,837	719,788	670,853
Loans and borrowings	70,938	97,882	97,187	89,397	68,349
Earnings / (Loss) per share (sen)	7.4	0.4	(7.5)	(4.9)	(3.3)
Net assets per share (RM)	2.66	2.71	2.65	2.56	2.49

Financial Performance Overview

Review of Financial Results for the financial year ended 31 December 2025 ("FYE 2025") and Financial Condition

For the FYE 2025, the Group recorded a turnover of RM 380.5 million, a decrease of 13.2% as compared to the previous financial year. The lower revenue was mainly due to stiff market competition sentiment. Consequently, the gross profit and operating expenses were lower by 16.2% and 10.6% respectively.

The Group incurred a loss before tax of RM 5.8 million for the FYE 2025, about 30.5% lower than the previous financial year, mainly due to the gain of RM 6.9 million from the disposal of property.

Interest expense of borrowings (excluded imputed interest) amounting to RM 4.4 million, a reduction of 16.4% as compared to the previous financial year mainly due to the lower borrowings for the current year. The interest income has been decreased by 6.5% from RM 4.63 million to RM 4.33 million due to lower deposit interest.

The gearing ratio stood at 12.5% as compared to 15.8% of previous financial year, reduction of which was due to the on-going repayment of borrowings.

Cash and bank balances amounted to RM 169.8 million, an increase of 8.7% as compared to previous financial year of RM 156.3 million, resulting from the lower inventories and receivables that generated higher cash-inflow.

The trade receivables stood at RM 57.6 million, a reduction of RM 7.7 million or 11.8% as compared to previous financial year due to the stringent credit control.

Review of Financial Condition

The market condition in the construction and renovation industries is the only factor that determining our capital expenditure to be taking place in the forthcoming years.

In order to continuing to improve our bottom line and cash flow, our Group has implemented the followings:-

1. Stringent credit control to improve the Group's cash inflow and to reduce the risk of non-performance trade receivables.

2. Rationalisation of inventories management together with the changes in production mix resulted in the positive contribution to the inventories control and improvement of productivity and efficiency.

3. Continuing to develop and launch new products with higher margin and launching it into the market regularly.

Financial condition and liquidity are considered at a manageable level and sufficient working capital to meet the current operating condition. In addition, the Group has sufficient unutilized banks' facilities for future requirements.

Known and Anticipated Risks

The Group is exposed to a variety of market and financial risks, including foreign currency exchange rate, borrowings interest rate hike and credit risks.

The Group's business operates in a stiff competitive environment with local manufacturers and importers. To remain competitive, our Group focuses on the wide product range and high-quality products as to uphold our premium pricing over the competitors. This is supported by our continuous research and development efforts and product innovation.

Management Discussion and Analysis (cont'd)

With regards to the borrowing interest rate hike risk, we conduct cost-savings measures across the board and to enforce a stringent credit control procedure, so as to generate positive cash flow and to lower our borrowings. Another prevailing risk under the existing unstable economic conditions will be non-collection from customers. As a precaution measure, the Group has tightened our credit control policy across the subsidiaries to manage our credit risk.

Dividend

For the financial year ended 31 December 2025, the Company did not declare dividend in considerations of the Company's financial performance, liquidity position and operational funding requirements. The Company aspires to achieve profitability in year 2026, which would warrant us to reward our shareholders through the distribution of dividends.

Looking Forward

In 2026, the global operating environment continues to be shaped by heightened geopolitical tensions, particularly across the Middle East region. Elevated oil prices and risks of energy supply disruption are reflected in increased material, logistics and energy costs across the industry.

Domestically, Bank Negara Malaysia projects GDP growth of 4% to 5% for 2026, supported by resilient domestic consumption and continued investment amidst other factors. The construction and property sector continues to benefit from a robust pipeline of infrastructure mega projects and sustained foreign direct investment into data centres and industrial facilities across Johor and Selangor. Notwithstanding these favourable conditions, competitive pressures from tile importers continue to intensify.

Looking forward, we remain optimistic that our performance will strengthen further. While mindful of the challenges ahead, we remain guided by resilience and innovation and are committed to driving operational and cost efficiencies while pursuing sustainable growth to deliver long-term value to all our stakeholders.

Recognition and Appreciation

On behalf of the Board of Directors, I extend our sincere appreciation to the Management and staff of the Group for their unwavering commitment, dedication, and contributions throughout the year.

I also wish to convey my deepest gratitude to our valued customers, business partners, suppliers, shareholders, financial institutions, and the various government and regulatory authorities for their trust and support. We remain committed to nurturing these relationships and look forward to your continued support in the years ahead.

LIAO SHEN HUA
GROUP CHAIRMAN

SUSTAINABILITY **STATEMENT 2025**

About this statement

We are pleased to present White Horse Group's Sustainability efforts and performance for the financial year ended 31 December 2025.

This Statement provides an insight of our sustainability strategies and initiatives undertaken and explain how we are able to create and sustain long-term value, in line with our vision "TO BECOME A WORLD CLASS CERAMIC TILES MANUFACTURER".

We aim to communicate our initiatives in managing our economic environment, social and governance (EESG) matters arising from our business operations. Through these disclosures, we endeavour to share our sustainability efforts and initiatives.

Reporting Period

This Sustainability Statement encompasses our ESG performance for financial year (FY) 2025, commencing 1 January 2025 to 31 December 2025

Reporting Scope and Boundary

This Statement encompasses our business operations in Malaysia, which constitute a material financial contribution to the Group. This includes our two (2) manufacturing plants in Johor as well as our network of 11 marketing offices, 10 distribution centres and five (5) major showrooms throughout Malaysia. The scope of this Statement does not extend to data from our foreign subsidiaries.

Reporting Framework

This Statement has been prepared in accordance with the following reporting requirements, frameworks and standard to enhance transparency, comparability and accountability:

- Main Market Listing Requirements ("MMLR') of Bursa Malaysia Securities Berhad;
- Sustainability Reporting Guide 2022 (3"rd" Edition) issued by Bursa Malaysia Securities Berhad;
- Malaysian Code on Corporate Governance, updated on 28 April 2021("MCCG 2021");
- Enhanced Sustainability Reporting Requirements: Annexure A Practice Note 9 by Bursa Malaysia Securities Berhad;
- Global Reporting Initiative ("GRI") Sustainability Reporting Standards; and
- The Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard.

By adhering to these regulatory frameworks and standards, we reaffirm our commitment to high standards of professionalism, accountability and transparency in the development of this Sustainability Statement.

Sustainability Assurance Statement

This Sustainability Statement has been subjected to an internal review by the Group's Internal Audit Department to enhance the reliability and credibility of the disclosures.

In the current financial year, the review scope has been further enhanced with a focus on selected ESG areas, particularly supplier evaluation and local procurement, given their significance to the Group's operations and sustainability priorities.

Sustainability Statement 2025 (cont'd)

The Internal Audit Department has performed a limited assurance review on these selected areas. Based on the procedures performed:

- Supplier evaluation processes are established and supported by documented procedures and records;
- Procurement data is supported by underlying system records and is appropriately classified;
- The local procurement percentage has been recalculated and confirmed to be accurate; and
- No material discrepancies were identified from the procedures performed.

For other ESG disclosures, including diversity and health and safety, data verification procedures were performed, including reconciliation to underlying records and limited sample checks. These procedures do not constitute an assurance engagement and no assurance conclusion is expressed.

Conclusion

Based on the procedures performed, the Internal Audit Department did not identify any material inconsistencies in the selected ESG areas reviewed under the limited assurance scope. The data supporting supplier evaluation and local procurement disclosures is considered to be reliable.

For other ESG disclosures, data verification procedures were performed and no material discrepancies were noted. As these procedures do not constitute an assurance engagement, no assurance conclusion is expressed on these disclosures.

Feedback

We welcome all queries and feedbacks from our stakeholders regarding this Statement. For further information or clarification, kindly email to whb@whitehorse.com.my

A. OUR BUSINESS

Our Operations

White Horse was established as a humble player in 1992 in Johor, Malaysia. We started with one manufacturing plant and have since expanded our operations throughout Malaysia as well as overseas. Currently, the Group has two (2) manufacturing facilities in Johor, and a strong marketing network of 11 offices, 10 distribution centres and five (5) major showrooms known as "Ceramic World" to cater to the need of both our dealers and end consumers throughout Malaysia.

At present, our products are sold both domestically and internationally to more than thirty (30) countries in the world. Our Malaysian marketing offices are detailed in the marketing network of our 2025 Annual Report.

Operational Value Chain

The value chain of the tile industry involves various stages that can be summarised as below:

Miners & Raw Material Suppliers	Tile Manufacturers	Wholesalers/ Retailers/ Specialised shops / Home centres	Consumers
• Mining of clay • Materials for production	• Manufacturing • Stock • Distribute	• Stock • Distribute	• Construction firms • Consumers • Tilers • Contractors

In the value chain of the tile industry, White Horse is involved in the manufacturing, warehousing and distribution of ceramic and porcelain tiles. In this, the Group is committed in its sole business objective of offering a par excellence service with its premium ceramic tiles to the market.

White Horse Operation Value Chain	ESG Issues	Materiality
Manufacturing	Environmental: • energy usage • water usage • recycling of raw materials, production resources Health & Safety: • accident rate • exposure to harmful particulates, chemicals and heavy metals	Quality Management Environmental Management Product Innovation
Inventory Management	Environmental: • fuel usage • use of packaging and storage materials Health & Safety: • accident rate	
Distribution	Environmental: • fuel usage • use of packaging and storage materials Health & Safety: • accident rate	

Sustainability Statement 2025 (cont'd)

B. OUR SUSTAINABILITY APPROACH

Our Materiality Matters

During the financial year ended 31 December 2025, an assessment was performed on the materiality matters based on the importance and impact to stakeholders and business operations. The following table summarises the Group's sustainability goals linked to the relevant economic, environmental, social and governance (EESG) factors and UN SDG indicators.

Level of Importance	Materiality Topic	Goals	Relevant EES	UN SDGs Indicator
High	Product Innovation	• To certify and maintain sustainability friendly local and international product certifications for our products • Source and use local materials	Economic Social Governance Economic	12
High	Quality Management	• To maintain local and international certifications with regards to product quality and management systems such as MS ISO 13006:2020, ISO 9001:2015	Economic Social Governance	9
High	Environmental Management	• To maintain international accredited environmental management certification such as ISO14001:2015 • To monitor energy & water usage • To monitor and manage waste including recycling both production and packaging wastes	Environment Governance Economic Environmental Economic Social Environmental	12

Our Sustainability Strategy

Our approach to sustainability is reliant on our materiality assessment topics - product innovation, quality, environmental and safety & health management and is closely aligned to the sustainability pillars: economic, environmental, social and governance – where our goal is to capture and report all the non-financial risks and opportunities inherent to the Group's day-to-day operations.

We believe our focus to pursue these materiality topics will help improve our operational environmental footprint while supporting our uncompromised desire to design environment friendly products that help our customers and consumers reduce their environmental footprint as well. Based on the focused materiality topics, we have established goals and targets to reduce our environmental impact and at the same time produce environment friendly products.

Our Sustainability Governance

White Horse strictly operates in accordance to the standards of corporate governance dictated by the Malaysian Code on Corporate Governance, as well as with the main board Listing Requirement of Bursa Malaysia Securities (Listing requirements).

For our sustainability governance structure, the Group is led by the Board of Directors who are the highest governance body and oversees the management of the Group in the fulfilment of both its corporate and sustainability objectives and goals, including new directions and initiatives. Our sustainability working structure is presented in the following table.

Level of Authority	Group	Representatives	Roles & Responsibilities
Ultimate decision-making authority	Board	Board of Directors	• Determine the sustainability direction of the Group
Highest level of authority at working level	Sustainability Committee	Group Managing Director Executive Directors	• Reviews all sustainability policies and disclosures • Reviews and endorses all sustainability strategies as well as set time-bound targets and plans
Working level	Sustainability Working Group (SWG)	Working Level 1: Heads of Department representatives from: Finance and Accounting Human Resources Manufacturing Marketing and Purchasing Working Level 2: Department representatives from various departments	• Develops and drive all sustainability strategies as well as set time-bound targets and plans • Review practicality of sustainability policies across operating departments/unit • Guides and supervise all sustainability implementation and monitor performances • Implement sustainability policies across operating departments/units while collect and provide feedback to sustainability committee for review

Sustainability Statement 2025 (cont'd)

C. Corporate Governance and Sustainability Policies

The Corporate Governance Report which sets out the application of each practice in the MCCG 2021 is available for viewing in the Group's corporate website at www.whitehorse.my.

In addition, White Horse has also actively sought to improve and raise the level of sustainability within its operations while addressing social, environmental and economic challenges. Several sustainability policies aimed at delivering White Horse's sustainability commitment have been launched over the years and we have also encouraged our clients, suppliers and partners to adopt such policies.

During the year, the Group implemented a Conflict of Interest Policy to guide the identification, declaration, and effective management of actual, potential, and perceived conflicts of interest, including procedures for handling any breaches.

ESG Indicator	Policies	Year Introduced
Governance	Grievance Procedures	1998
Governance	Whistleblowing Policy	2014
Governance	Code of Ethics and Conduct	2015
Governance	Anti-Bribery and Corruption Policy	2020
Governance	Reporting Procedure	2020
Governance	Conflict of Interest Policy	2025
Social	Policy & procedure on Prevention and Elimination of Sexual Harassment at Workplace	2022
Social	Policy on Prevention and Elimination of Drug, Alcohol and Substance Abuse at Workplace	2022
Social	Policy & procedure on Elimination of Violence at Workplace	2022
Social	Policy & procedure on Elimination of Harassment at Workplace	2022
Social	Safety & Health Policy	1998
Environment	Environmental Policy	2013

Anti-Bribery, Anti-Corruption and Whistleblowing

White Horse is committed to working against corruption in all its forms as set out in our Code of Conduct and Business Ethics Policy which prohibits the giving and receiving of any types of bribe or other benefits that may influence our employees' ability to carry out their duties legally and/or in line with company interest. The Anti-Bribery and Corruption Policy was implemented in October 2020, in line with Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018.

The policy outlines the expected standards of conduct when engaging on behalf of the Group with stakeholders of the company. The policy was also communicated to employees via email to ensure our employees are fully equipped with the knowledge on anti-bribery policies. Formal training on this subject was not conducted in 2025, as the majority of employees had already completed training in prior years. However, training has been scheduled to be carried out in 2026 to reinforce awareness.

To-date there has been no breach reported while our operational facilities especially high-risk portfolios such as in the procurement, sales and marketing, after sales as well as managerial categories have undergone corruption-related risk assessment by our internal audit team in 2025.

Our whistleblowing policy, which was introduced in 2014, enables both internal and external stakeholders to report cases involving fraud, bribery, corruption and other irregularities directly to the relevant party.

Customers' Privacy and Data Protection

Though our business is largely on a B2B model, we do ensure our customers' data and privacy are maintained as it is a requirement to adhere to the Personal Data Protection Act ("PDPA") 2010.

Access to customers' personal data is restricted to only authorised personnel. In view of our data protection practices, we have recorded zero report and complaint of data mismanagement during the year.

Stakeholder Engagement

White Horse recognises that sustainability is pertinent in creating long-term value for our business as well as an indication of our strong commitment as a responsible corporate citizen. As such, the Group engages with our internal and external stakeholders, especially our key stakeholders that include our shareholders, investors and analysts, employees, customers, suppliers and regulators and government bodies.

Sustainability Statement 2025 (cont'd)

Through engagements with our stakeholders, White Horse can effectively determine key sustainability matters that are material to the organisation and our stakeholders. The Group conducts such engagements with transparency and integrity to sustain a mutually supportive and beneficial relationship.

Stakeholder Groups	Area of Interests	Engagement Channels	Frequency of Engagement
Shareholders and Investors	• Financial performance • Risk management • Good business conduct • Corporate values and compliance	Physical Meeting • Annual General Meeting Virtual Platform • Corporate website • Bursa Malaysia Securities' announcements • Financial Results	• Annually • Ad hoc basis • Quarterly
Government & Regulatory Agencies	• Compliance to laws, regulations and guidelines	• Meetings • On site visits • Seminars	• Ad hoc basis
Customers	• Product Quality & Services • Engagement opportunities and experience	Walk in customers • Showroom/purchase visit • Feedback, survey & complaints • Social media Regular customers • Visits to customers • Feedback, survey or complaints	• On-going
Employees	• Working environment – safety, work/life balance, etc • Benefits and remuneration • Career development	• Performance appraisal • Training & development • Suggestion & Complaint System	• On-going
Suppliers and Business Partners	• Fair procurement practices • Quality of goods & services • Mutually beneficial collaboration	• Feedback • Supplier site visits • Supplier appraisal	• Adhoc • Annually
Local communities	• Impacts of the Group's operations on the surrounding communities • Local community development and investment	• Company website • Sponsorship • Community activities • Internship arrangements	• On-going

Quality Management & Product Innovations

At White Horse, we place the highest importance on quality management. Our pursuit of excellence in operations and product offerings drives our commitment to achieving our vision. To support this, we have established a framework for constant quality improvement which includes:

• To maintain MS ISO 13006:2020, ISO 9001:2015 certifications
• To produce high quality products
• To obtain and maintain green certifications for our products

Regulatory Compliance

White Horse is committed to full compliance with all government regulations applicable to the industries in which it operates, namely the following :

Type of Regulations	Regulations
Governance	• Companies Act 2016 • Capital Markets and Service Act 2007
Environmental	• Environmental Quality Act 1974
Social	• Occupational Safety and Health Act 1994 • Children and Young Persons (Employment) Act 1966 • Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 • Malaysian Anti-Corruption Commission (Amendment) Act 20 Employment Act 1955 (Amendment) 2022 • Personal Data Protection Act 2010 (PDPA) • Minimum Wages Order 2012 • Industrial Relations Act 1967 • Minimum Retirement Age Act 2012 • Employment Insurance System Act 2017 • Employees' Social Security Act 1969 • Employees Provident Fund Act 1991 • Trade Unions (amendment) Act 2024

Product Stewardship

In order to further support Quality Management & Product Innovations strategy, White Horse's strategy is to obtain selected product quality and innovative certifications.

White Horse products are all MS ISO 13006 certified

In our quest to produce the best products, our products adhered to the MS ISO 13006: 2020 standard, which is regulated by the Construction Industry Development Board (CIDB) Malaysia as stipulated under Schedule 4 of CIDB Act 520. Conforming to MS ISO 13006 standards meant that the tile product has undergone numerous tests, which includes water absorption, breaking strength and abrasion resistance.

Sustainability Statement 2025 (cont'd)

Product Innovation with SIRIM's Eco Label & Singapore's Green Label and Green Building Product Certification

In further embracing our commitment to producing high-quality, durable and environmentally-friendly products, White Horse has also obtained SIRIM Eco Label certification, Singapore Green Label certification and Singapore Green Building Product certification.

This shows that White Horse is focused on developing environmentally friendly products that are not only of the highest quality but are also of minimal impact on the environment in tangible ways.

Percentage of Green Product Produced (%)			
Year	2025	2024	2023
Green Product produced	87.1	84.4	71.4

Supply Chain Management

White Horse understands that to generate sustainable economic and financial returns and create value for our stakeholders, we need to maintain a sustainable supply chain with a systematic procurement policy.

As a Malaysian incorporated company, our priority is always to source locally first as this translates to helping the local economy. However, due to the nature of our business, we are not able to fully depend on the local suppliers as certain procurements are not available locally. Raw materials sourcing will change according to the manufactured product mix.

This year, close to 100% of our procurement budget on packaging materials was spent on local suppliers while portions of raw materials and spare parts for tile manufacturing were procured overseas.

	Suppliers	**2025 (%)**		**2024(%)**		**2023 (%)**	
		Local	**Overseas**	**Local**	**Overseas**	**Local**	**Overseas**
1.	Raw materials	54.5	45.5	60.0	40.0	61.0	39.0
2.	Packaging Materials	99.6	0.4	100.0	0.0	100.0	0.0
3.	Spare parts	54.6	45.4	54.1	45.9	51.7	48.3

The proportion of spending (in total) on local suppliers was 61.61% compared to 64.61% in 2024 and 65.19% in 2023.

D. ADDRESSING ENVIRONMENTAL CONCERNS

Environmental Management

GHG Emission

White Horse recognises that environmental issues and climate change is a major threat to our planet and is committed to monitoring and reducing our global carbon emissions.

In 2025, the company took a significant step forward in its environmental management journey by initiating the calculation of Greenhouse Gas (GHG) emissions across all three scopes — Scope 1 (direct emissions from owned or controlled sources), Scope 2 (indirect emissions from purchased energy), and Scope 3 (all other indirect emissions across the value chain). This marks the company's first structured effort to comprehensively measure and understand its full carbon footprint. We are pleased to report that the GHG emissions calculations for the 2025 reporting period have been successfully completed, providing the company with a credible emissions baseline that will serve as the foundation for setting reduction targets and driving meaningful climate action in the years ahead.

Total Greenhouse Gas Emissions

Emissions	FY2025 (tCO_2e)
Scope 1: Direct from company operations	62,058
Scope 2: Indirect from purchased electricity	43,378
Scope 3: Indirect from business travel and employee commuting	768

Reference:
i. Greenhouse Gas Protocol
ii. Emission Factor: Grid Emission Factor (GEF) Malaysia 2024, International Civil Aviation Organisation (ICAO), DEFRA 2025

Energy & Water Consumption

Year	2025	2024	2023
Electricity (MW)	58,619	70,497	67,477
Gas (MW)	333,098	405,401	393,043
Total Energy Usage (MW)	391,717	475,897	460,520
Water (ML)	211	240	273

Waste Management

Recycling of Waste

Proper waste management is an integral part of White Horse's environmental and social responsibility and, we believe that effective waste management remains a consistent and key component of the Group's environmental and social mandate.

We have in place waste management procedures to ensure stringent measures are taken in the manufacturing facilities to minimise any adverse environmental impacts arising from waste disposal and discharge. All scheduled waste generated are properly labelled and stored and transported by licensed contractors registered with Department of Environment (DOE) for treatment or recovery.

Waste in manufacturing operations is categorised into scheduled waste and non-scheduled waste. Scheduled waste is managed according to regulatory requirements and collected by licensed contractors approved by Department of Environment. Non-scheduled waste is collected by selected contractors for recycling purposes or disposed at authorised landfills. By-product waste are recycled back into manufacturing process.

Wastewater is generated throughout the process of producing ceramic tiles. The production processes include glaze preparation, ball milling, spray drying, glazing, and further process such as polishing. Throughout these production processes, recycled water will be used to mix the raw materials or wash out the ceramic dust on the tiles surface. The wastewater with ceramic dust will be transferred to WWTP for treatment while the residue will be filtered out and pressed as sludge cake. After that, these sludge cake will be dried out naturally and then reuse as raw material in the production process of ceramic tiles.

Reusing the scheduled waste into production process is considered as special management for scheduled wastes which require a written approval from Department of Environment (DOE), Putrajaya, according to Regulation 7 of Environmental Quality (Scheduled Wastes) Regulation 2005. White Horse Ceramic had received this written approval and currently operating as per requirements.

Sustainability Statement 2025 (cont'd)

E. OUR COMMUNITY (SOCIAL)

As part of our quality management strategy, we strive to build and nurture an inclusive culture that promotes and values diversity amongst our total employees numbering 1,130 personnel as at 31 Dec 2025.

Foreign workers made up more than 20% of our workforce while the ethnic diversity of our local workers reflects the population of Malaysia where the Malay forms the majority of our workers with more than 55% representation while the Chinese and Indian comprised about 19% and 3% respectively.

The vast majority of our employees work in our manufacturing plants with the rest working at our showrooms and marketing & distribution centres meeting our customers on a daily basis.

PROMOTING DIVERSITY AND INCLUSIVENESS

Diversity is reflected in our recruitment policy where we aim to recruit individuals from various backgrounds, experiences and cultures, where our main emphasis on skills and specialisations that support our business priorities rather than ethnicity or religious belief. Currently, all our employees are required to be properly oriented to the company's work culture, policies and are formally appraised once a year.

We also maintain a safe and healthy working environment and foster a collaborative culture, where people are motivated to develop their competencies and deliver the best results for our customers.

Description	2025	2024	2023
Total number of employees	1130	1219	1314
Local	877	915	969
Foreigner	253	304	345
Total number of employees by Ethnicity:			
Malay	616	657	706
Chinese	212	224	223
Indian	29	30	32
Others	273	308	353

Gender Group By Employee Category

	2025	2024	2023
Management Male	52	51	54
Management Female	27	27	24
Executive Male	105	104	103
Executive Female	80	82	83
Non-Executive/Technical staff Male	299	302	307
Non-Executive/Technical Staff Female	100	108	115
General Workers Male	393	464	539
General Workers Female	74	81	89

Age Group By Employee Category

	2025	2024	2023
Management Under 30	0	0	0
Management between 30 and 50	33	37	43
Management above 50	46	41	35
Executive Under 30	11	15	10
Executive between 30 and 50	115	114	123
Executive above 50	59	57	53
Non-Executive/Technical staff under 30	67	67	79
Non-Executive/Technical staff between 30 and 50	247	266	279
Non-Executive/Technical staff above 50	85	78	64
General Workers under 30	121	169	208
General Workers between 30 and 50	297	331	373
General Workers above 50	49	44	47

Total number of employee turnover

Category of employees	**Employee turnover**		
	2025	**2024**	**2023**
Management	7	4	4
Executive	16	13	14
Non-executive/technical staff	49	42	76
General workers	94	95	114

Sustainability Statement 2025 (cont'd)

Creating a Safe Working Environment

White Horse seeks to create and maintain a safe working environment for all our employees, contractors and visitors. In this respect, our commitment is to ensure a continuous reduction in the number of accidents in our operations, while continuously instilling a safety-first mindset in our employee in their daily work culture. In our quest to ensure the wellness and well-being of our workers, we obtained the ISO 45001 certification for Occupational Health and Safety Management Systems in 2022 to help our organisations prevent work-related injuries and illnesses and provides a safer and healthier workplace for its workers. The Lost Time Incident Rate (LTIR) for 2025 stood at 0.767, compared to 0.320 in 2024 and 0.666 in 2023. Prior year figures have been restated following a revision to the calculation methodology, which now incorporates total hours worked across all employees in the Group — rather than solely those in the manufacturing division — to provide a more comprehensive representation of the indicator. White Horse has put in place a system that look into:

- Prevent work-related injuries, illnesses, and death.
- Motivate and engage staff to promote health, safety and competency across organisations.
- Provide safe and healthy workplaces.
- Improve occupational health and safety performances and effectiveness.
- Compliance with applicable legal and regulatory requirements.

Towards a Zero-fatality Workplace

White Horse's industrial accident target for its operational plants is to reduce the industrial accident rate to below 1.0%. We also provide periodical intensive training, specifically focusing on corrective actions beside routine preventative actions to ensure the safety message is subconsciously embedded in our workers. Safety and warning signs are clearly positioned at workspaces.

In 2025, White Horse trained a total of 602 employees on health and safety standards averaging a total of 9,287hours for the year.

	Safety training hours per year for production workers (average workers trained/average training hr)		
	2025	**2024**	**2023**
Total Training Hours	8,972 (852/10.5hr)	9,287 (927/10.0hr)	10,660 (1,000/10.7hr)

Creating a Healthy Work Environment

Our commitment to ensure the safety and health of our workers are safeguarded has compelled us to regularly monitor our workers' exposure to potential harmful fine particulates, respirable particulate, crystalline silica, inhalable particulate and metal (lead) in our tile manufacturing plants. We collect regular sampling test from different areas of our manufacturing facilities to test for specific harmful exposures.

Fair Pay and Workers Benefits

In complementing the safety and health of our workers, all our workers, local and foreign, are paid the required base wage of RM1,700 per month as stipulated under the Minimum Wages Order, which was made effective 1 February 2025. Beyond this base wage, all workers are also covered by a general Group Personal Accident Insurance which covers both injuries and fatalities as well as other benefits that include leaves, benefits, allowances and incentives.

In line with the updated Employment (Amendment) Act 2021, all our female employees are entitled to 98 days of maternity leaves with full pay annually while their male counterparts are entitled to seven days of paternity leaves.

Human Resources Development

We, at White Horse, place great importance in the human capital development of our employees to promote continuous staff learning and provide opportunities for career advancement to our employees.

As such, we offer a variety of training, workshops and knowledge-management practices as we recognise our employees' valuable contributions to our operations.

In 2025, our employees spent a total of 13,232 hours in training.

Category of employees	Total Training Hours		
	2025	2024	2023
Management	291.5	799.3	422.5
Executive	1,972.5	2,388.1	1,979.0
Non-executive/technical staff	5,186	4,601.7	8,204.5
General workers	5,782	7,971.5	16,930.0
Total Training Hours	13,232.0	15,760.6	27,536.0

Human Rights - Freedom of Association & Rights to Collective Bargaining

As an equal opportunity employer, White Horse is committed to ensuring that the rights of all employees, irrespective if they are locals and foreign, are respected and accorded in accordance to local, national and ratified international laws.

As such, we do not differentiate nor discriminate based on nationalities but instead uphold our commitment to provide equal benefits including wages and medical provision to all workers. Furthermore, we do not restrict our workers from forming an association or conducting collective bargaining.

We also do not hold our foreign workers' official travel documents and has also put in place a grievance procedure that allows all our employees to raise issues and seek redress. In 2025, there were no complaints nor incidences of human rights violations.

Community Involvement

Not forgetting the society at large, our community outreach program for the financial year ended 31 December 2025 included providing industrial training opportunities to existing students of tertiary institutions and organising a complimentary health screening in collaboration with a neighbouring hospital at our manufacturing premises.
Our CSR activities that took place in FY2025 included a visit to non-profit charitable organisation.

The Way Forward

As we look ahead, the Group remains steadfast in our commitment to address material matters that impact our stakeholders and the broader community. We will continue to strengthen our foothold in the tiles industry in line with our aspirations to become a world class ceramic tiles manufacturer.

This report has been approved by the Board of Directors on 15 April 2026.

Sustainability Statement 2025 (cont'd)

White Horse Berhad
BMLR Transition Period

Date & Time: 2026-04-22_11:45:33
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Anti-corruption	Percentage of operations assessed for corruption--related risks	Percentage	100	—	No assurance	
Anti-corruption	Confirmed incidents of corruption and action taken	Number	0	—	No assurance	
Diversity	Percentage of employees by age group, Management Under 30	Percentage	0	—	No assurance	Internal Verification
Diversity	Percentage of employees by age group, Management between 30 -50	Percentage	42	—	No assurance	Internal Verification
Diversity	Percentage of employees by age group, Management above 50	Percentage	58	—	No assurance	Internal Verification
Diversity	Percentage of employees by age group, Executive under 30	Percentage	6	—	No assurance	Internal Verification
Diversity	Percentage of employees by age group, Executive between 30-50	Percentage	62	—	No assurance	Internal Verification
Diversity	Percentage of employees by age group, Executive above 50	Percentage	32	—	No assurance	Internal Verification
Diversity	Percentage of employees by age group, Non-Executive/ Technical under 30	Percentage	17	—	No assurance	Internal Verification
Diversity	Percentage of employees by age group, Non-Executive/ Technical between 30-50	Percentage	62	—	No assurance	Internal Verification
Diversity	Percentage of employees by age group, Non-Executive/ Technical above 50	Percentage	21	—	No assurance	Internal Verification

Sustainability Statement 2025 (cont'd)

White Horse Berhad
BMLR Transition Period

Date & Time: 2026-04-22_11:45:33
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Diversity	Percentage of employees by age group, General Workers under 30	Percentage	26	—	No assurance	Internal Verification
Diversity	Percentage of employees by age group, General Workers between 30-50	Percentage	64	—	No assurance	Internal Verification
Diversity	Percentage of employees by age group, General Workers above 50	Percentage	10	—	No assurance	Internal Verification
Diversity	Gender Group by Employee Category : Management Male	Percentage	66	—	No assurance	Internal Verification
Diversity	Gender Group by Employee Category : Management Female	Percentage	34	—	No assurance	Internal Verification
Diversity	Gender Group by Employee Category : Executive Male	Percentage	57	—	No assurance	Internal Verification
Diversity	Gender Group by Employee Category : Executive Female	Percentage	43	—	No assurance	Internal Verification
Diversity	Gender Group by Employee Category : Non-executive/ Technical Male	Percentage	75	—	No assurance	Internal Verification
Diversity	Gender Group by Employee Category : Non-executive/ Technical Female	Percentage	25	—	No assurance	Internal Verification
Diversity	Gender Group by Employee Category : General Workers Male	Percentage	84	—	No assurance	Internal Verification
Diversity	Gender Group by Employee Category : General Workers Female	Percentage	16	—	No assurance	Internal Verification

Sustainability Statement 2025 (cont'd)

White Horse Berhad
BMLR Transition Period

Date & Time: 2026-04-22_11:45:33
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Diversity	Percentage of directors by gender and age group : Male	Percentage	80	—	No assurance	Internal Verification
Diversity	Percentage of directors by gender and age group : Female	Percentage	20	—	No assurance	Internal Verification
Diversity	Percentage of directors by gender and age group : Between 30-50	Percentage	10	—	No assurance	Internal Verification
Diversity	Percentage of directors by gender and age group : Above 50	Percentage	90	—	No assurance	Internal Verification
Labour practices and standards	Total hours of training by employee category : Management	Hours	291	—	No assurance	
Labour practices and standards	Total hours of training by employee category : Executive	Hours	1,972	—	No assurance	
Labour practices and standards	Total hours of training by employee category : Non-executive/Technical	Hours	5,186	—	No assurance	
Labour practices and standards	Total hours of training by employee category :General Workers	Hours	5,782	—	No assurance	
Labour practices and standards	Total number of employees turnover by employee category : Management	Number	7	—	No assurance	Internal Verification
Labour practices and standards	Total number of employees turnover by employee category : Executive	Number	16	—	No assurance	Internal Verification
Labour practices and standards	Total number of employees turnover by employee category : Non-execut-ive/Technical staff	Number	49	—	No assurance	Internal Verification

Sustainability Statement 2025 (cont'd)

White Horse Berhad
BMLR Transition Period

Date & Time: 2026-04-22_11:45:33
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Labour practices and standards	Total number of employees turnover by employee category : General Workers	Number	94	—	No assurance	Internal Verification
Labour practices and standards	Number of substantiated complaints concerning human rights violations	Number	0	—	No assurance	
Health and Safety	Number of work-related fatalities	Number	0	—	No assurance	
Health and Safety	Lost Time Incident Rate ("LTIR")	Rate	0.767	—	No assurance	Internal Verification
Health and Safety	Number of employees trained on health & safety standards	Number	552	—	No assurance	
Community/ Society	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	117,059	—	No assurance	
Community/ Society	Total number of beneficiaries of the investment in communities	Number	53	—	No assurance	
Supply chain management	Proportion of spending on local suppliers	Percentage	61.61	—	Internal	
Energy Management	Total energy consumption	Megawatt	391,717	—	No assurance	
Water	Total volume of water used	Megalitres	211	—	No assurance	
Data privacy and security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	—	No assurance	
Waste Management	Total waste generated	Metric tonnes	52,494.2	—	No assurance	
Waste Management	Total waste diverted from disposal	Metric tonnes	46,431.6	—	No assurance	

This report was generated on the Bursa Malaysia CSI Platform on 2026-04-22_11:45:33

Sustainability Statement 2025 (cont'd)

White Horse Berhad
BMLR Transition Period

Date & Time: 2026-04-22_11:45:33
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Waste Management	Total waste directed to disposal	Metric tonnes	15,488.4	—	No assurance	
Emissions Management	Scope 1 emissions	Metric tonnes CO2e	62,058	—	No assurance	
Emissions Management	Scope 2 emissions	Metric tonnes CO2e	43,378	—	No assurance	
Emissions Management	Scope 3 emissions	Metric tonnes CO2e	768	—	No assurance	

CORPORATE GOVERNANCE
OVERVIEW STATEMENT

The Board acknowledges the importance of the principles and recommendations outlined in the Malaysian Code on Corporate Governance ("**MCCG**"). The Company and its subsidiaries ("**Group**") are fully committed to business integrity, transparency and professionalism whist pursuing its corporate objectives to enhance shareholders' value and its overall competitive positioning. As part of this commitment, the Board of Directors ("**Board**") of the Company recognises the importance of governance and plays an active role in administering and reviewing the Group's governance practices and framework to ensure its relevance and ability to meet future challenges.

The Board is pleased to present this Corporate Governance Overview Statement ("**Statement**") to provide investors with an overview of the extent of compliance with three (3) Principles as set out in the MCCG under the stewardship of the Board throughout the financial year ended 31 December 2025 ("**FYE 2025**") and up to the latest practicable date of 31 March 2026 ("**LPD**").

This Statement also serves as a compliance with Paragraph 15.25 of the Main Market Listing Requirements ("**Main LR**") of Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**"). In addition, the Corporate Governance Report which sets out the application of each practice in the MCCG is available for viewing in the Group's corporate website at www.whitehorse.my.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

(1) Board Responsibilities

Intended Outcome 1.0
Every company is headed by a board, which assumes responsibility for the Company's leadership and is collectively responsible for meeting the objectives and goals of the Company.

(i) Roles and Responsibilities of the Board

The Board is responsible for oversight of the Company and noted that the vision of the Group is "***to become a world class ceramic tiles manufacturer***". By utilising high end, imported machinery and technologies – the Board further noted that the Group is the only tile manufacturer in Malaysia capable of producing a range encompassing a broad spectrum of porcelain and ceramic tiles and tile accessories.

The Board members, in carrying out their duties and responsibilities, are firmly committed to ensuring that set vision be "realised", that the highest standards of corporate governance and corporate conduct are adhered to, in order that the Company achieves strong financial performance for each financial year, and more importantly delivers long-term and sustainable value to stakeholders.

To ensure the effective discharge of its function and responsibilities, the Board delegates some of the Board's authorities and discretion on the Executive Directors, representing the Management, as well as to properly constituted Board Committees.

The Board Committees are entrusted with specific responsibilities to oversee the Company's affairs, in accordance with their respective Terms of Reference. At each Board Meeting, minutes of the Board Committee meetings are presented to the Board.

The respective Chairman of the Board Committees will also report to the Board on key issues deliberated by the Board Committees.

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

(1) Board Responsibilities (Cont'd)

(i) Roles and Responsibilities of the Board (Cont'd)

The Board provides stewardship to the Group's strategic direction and operations, and ultimately the enhancement of long-term shareholders' value. The Board is primarily responsible for:-

(a) Reviewing and adopting a strategic plan for the Company;

(b) Overseeing the conduct of the Company's business;

(c) Considering management recommendations on key issues including acquisitions and divestments, restructuring, funding and significant capital expenditure;

(d) Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks; and

(e) Reviewing the adequacy and integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

(ii) Key Responsibilities of the Chairman

The Board is led by Mr. Liao Shen Hua, who is the Chairman and Managing Director ("**MD**") of the Company. He is assisted by two (2) Deputy MDs. Although the positions of Chairman and MD are held by the same individual, the roles of the Chairman and MD are clearly demarcated, and each has a clear accepted division of responsibilities.

As outlined in the Board Charter, the Chairman is primarily responsible for matters pertaining to the Board and the overall conduct of the Company. The MD together with the Deputy MDs oversee the running of the Group and the implementation of the Board's decisions, business strategies and policies. There is also a clear demarcation of responsibilities between the roles of the MD and Deputy MDs to ensure a balance of authority and power, such that no one individual has unfettered powers of decision-making.

(iii) Separation of the positions of the Chairman and MD

The Board noted the combination of the positions of the Chairman and the MD is essential for the commercial environment that the Group is currently operating. Such combination of roles renders creditability and confidence to third party(ies) on the authority of the Chairman and MD for successful conclusion of commercial deals/ transactions.

As the alternate practice, the Board undertakes the following effort to ensure there is a balance of power and authority on the Board:-

(a) The composition of the Board consists of 30% of Independent Non-Executive Directors, whom, collectively, have the weightage in terms of Board's decision making and are free to exercise their independent judgement or act in the best interests of the Company, and to safeguard the interest of the minority shareholders.

(b) The decision of the Board shall always be agreed upon by at least majority of the Directors present at the Meeting, therefore, no individual Director can dominate the decision-making of the Board.

(c) A clear division of responsibilities for the role of Chairman of the Board has been outlined in the Board Charter, which are distinct and separate from his roles and responsibilities as MD, through the separate employment contract.

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

(1) Board Responsibilities (Cont'd)

(iv) Chairman of the Board should not be a member of the Audit Committee, Nomination Committee and Remuneration Committee

The Board took note on the recommendation Practice 1.4 of the MCCG whereby the Chairman of the Board should not be a member of the Board Committee. Mr. Liao Shen Hua, the Chairman of the Board does not hold any position in the Board Committees. The Board is of the view that this will enable the Board Committees to function independently and professionally without excessive interference from the Board.

(v) Company Secretary

In compliance with Practice 1.5 of the MCCG, the Board is supported by two (2) suitably qualified and competent Company Secretaries, namely Ms. Chua Siew Chuan and Ms. Huan Hui Shin who are qualified Chartered Secretaries pursuant to Section 235(2)(a) of the Companies Act 2016 and are Fellow and Associate Members of the Malaysian Association of the Institute of Chartered Secretaries and Administrators (MAICSA).

Details of the qualifications and experience of the Company Secretaries are set out in Practice 1.5 of the Corporate Governance Report, available for viewing in the Group's corporate website at www.whitehorse.my.

(vi) Circulation of meeting materials

As a standing practice, the notice of the Board Meetings is served at least seven (7) days before each Board Meeting. In compliance with Guidance 1.6 of the MCCG, meeting papers and agenda items are to be circulated at least five (5) days prior to the Meetings to allow ample time for Directors to consider the relevant information.

A comprehensive meeting papers comprising background, matters arising, research, analysis, findings/updates, results, presentations, recommendations and any other relevant information is prepared and circulated in advance to enable the Board to make considerations, deliberations and decisions.

Minutes of the Board/Board Committees Meetings have been accurately recorded by the Company Secretary to reflect the deliberations, in terms of the issues discussed, and the conclusions thereof in discharging its duties and responsibilities. The Minutes was then tabled at the next following Board/Board Committees Meetings for perusal and confirmation. Upon Committee/Directors' confirmation, the Chairman of the Board/Board Committee Meetings signs the minutes as a correct record of the proceedings and thereafter, the said minutes of all proceedings are kept in the statutory book at the registered office of the Company to be made available for inspection under the Companies Act 2016.

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

(1) Board Responsibilities (Cont'd)

Intended Outcome 2.0
There is demarcation of responsibilities between the Board, Board Committees and Management. **There is clarity in the authority of the Board, its Committees and individual Directors.**

(vii) Board Charter

The Board has a Board Charter, which was last reviewed and revised by the Board on 6 April 2022 and includes the Directors' Fit and Proper Policy. The Board recognises the importance of setting out the key values, principles and ethos of the Company, as policies and strategy development are based on these considerations. The Board Charter included the division of responsibilities and powers between the Board and Management as well as the different committees established by the Board.

The Board will review the Board Charter periodically and make any necessary amendments to ensure they remain consistent with the Board's objectives, current law and practices.

A copy of the Board Charter is available for viewing on the Group's corporate website at www.whitehorse.my.

Intended Outcome 3.0
The Board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness. **The Board, Management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.**

(viii) Code of Ethics and Conduct

(a) Business Conduct and Corporate Culture

The Board had on 26 February 2020 adopted a revised Code of Ethics and Conduct for Directors, Management and employees of the Company and its subsidiaries to adhere to the general principles and standards of business conduct and ethical behaviour in the performance and exercise of their responsibilities as Board, Management and employee of the Company in order to uphold good corporate integrity.

The Code of Ethics and Conduct will be reviewed periodically to ensure the information remains relevant and appropriate.

A copy of the Code of Ethics and Conduct is available for viewing on the Group's corporate website at www.whitehorse.my.

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

(1) Board Responsibilities (Cont'd)

(viii) Code of Ethics and Conduct (Cont'd)

(b) Whistleblowing Policy and Procedures

The Board had on 26 February 2020 adopted a revised Whistleblowing Policy and Procedure to facilitate the whistle blower to report or disclose through established channels about any violations or wrongdoings they may observe in the Group without fear of retaliation and should they act in good faith when reporting such concerns.

The Board had subsequently on 23 February 2022 reviewed and approved the revised Whistleblowing Policy and Procedure of the Company.

A copy of the Whistleblowing Policy and Procedure is available for viewing on the Company's corporate website at www.whitehorse.my.

Intended Outcome 4.0
The Company address sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

(ix) Sustainability strategies, priorities and target

The sustainability efforts of the Group are managed by the Sustainability Working Group ("**SWG**"). The SWG consists of department representatives from various functions within the Group such as Finance and Accounting, Human Resources, Manufacturing, Marketing and Purchasing. The SWG reports to the Sustainability Committee which consists of the Executive Directors and the Group Managing Director as the Chairman of the Committee.

The Company recognises that sustainability is pertinent for creating long term value for its business as well as its commitment as a responsible corporate citizen. As such, the Group engages with internal and external stakeholders through various channels to develop a better understanding of their needs and expectations.

The Group has in place an on-going process for identifying, evaluating, monitoring and managing significant risks that may affect the achievement of business objectives, throughout the year. The Boards are appraised, and they provide their views and opinions on any of the Group's sustainability issues during the Board meetings.

(2) BOARD COMPOSITION

Intended Outcome 5.0
Board decisions are made objectively in the best interests of the Company taking into account diverse perspectives and insights.

(i) Composition of the Board

The Board comprises members experienced in ceramic tiles manufacturing and marketing and is supported by other professionals in the legal, operational, marketing, research and development, administration and financial sectors. The effective combination of existing technical skills and working experience is vital for the continual success of the Group. The profile of the Directors is presented in another section of the Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

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

(2) BOARD COMPOSITION (CONT'D)

(i) Composition of the Board (Cont'd)

The Board has ten (10) members. Seven (7) of the ten (10) members are Non-Executive members, three (3) of whom are Independent Non-Executive Directors. The composition of the Board complied with paragraph 15.02 of the Main LR of Bursa Malaysia Securities. The Independent Non-Executive Directors provide an unbiased and independent view and judgement of the pertinent issues of the Company and the interest of the stakeholders and the Group. The number of Directors reflects fairly the investment of the shareholders in particular the minority shareholders.

As the Chairman/MD of the Company is an Executive Director, the Company acknowledges the importance of increasing the number of Independent Directors pursuant to Practice 5.2 of the MCCG for potential candidates to ensure the balance of power and authority on the Board.

The Board has put in place the following Board Committees to assist in carrying out its fiduciary duties:-

- Audit Committee;
- Nomination Committee; and
- Remuneration Committee.

All of these Committees have written Terms of Reference clearly outlining their objectives, duties and powers. The final decisions on all matters are determined by the Board as a whole.

(ii) Tenure of Independent Directors

The Board believes that the length of tenure of Independent Directors on the Board does not interfere with their objective and independent judgement or their ability to act in the best interest of the Company. Nevertheless, the Board ensures that the existing Independent Directors will not serve as an Independent Director for a cumulative period of more than 12 years from the date of his first appointment as an Independent Director, to be in compliance with Main LR of Bursa Malaysia Securities.

(iii) Appointment of the Board and Senior Management

In relation to appointment of Board member, the Board, vide the Nomination Committee, would undergo the three-staged nomination process as follows:-

- Stage 1: Review of the potential candidates based on the criteria set
- Stage 2: Board gaps review
- Stage 3: Recommendation to the Board

The new appointment of senior management would be reviewed by the Nomination Committee based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

(iv) Board Diversity Policy

The Board affirms its commitment to boardroom diversity as a truly diversified Board to enhance the Board's effectiveness, creativity and capacity to thrive in good times and weather tough times.

Bearing in mind that an appointment to the Board is a long-term commitment to the Company, the Board has not set any short term target or measure for boardroom diversity, but nevertheless works to ensure that there is no discrimination on the basis of, but not limited to, ethnicity, race, age, gender, nationality, political affiliation, religious affiliation, sexual orientation, marital status, education, physical ability or geographic region, during the recruitment of new Board members.

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

(2) BOARD COMPOSITION (CONT'D)

(iv) Board Diversity Policy (Cont'd)

The Board has indicated its commitment to boardroom diversity by the following appointments:-

Gender Diversity

Madam Lau Lee Jan and Madam Ling Lian Ying have been appointed as the Independent Non-Executive Directors to the Board on 22 August 2018 and 25 March 2025 respectively.

Age Diversity

The Board believes that the Directors with diverse age profiles will be able to provide a different perspective and bring vibrancy to the Group's strategy making process.

The age profile of the Directors ranges from 41 to 83 years of age, which underlies the Board's commitment to age diversity at the Board level appointment.

Diversity in Nationality and Geographic Region

Mindful of global mobility of talents, the Board does not restrict its composition to just Malaysians. The Board endeavours to source and appoint Directors of diverse nationality and of trans-national background and experiences.

As at the date of this Annual Report, the diversity in the race/ethnicity of the existing Directors is as follows:-

	Race/Ethnicity					Gender		
	Malay	Chinese	Indian	Other	Total	Male	Female	Total
Number of Directors	0	7	0	3	10	8	2	10

The existing Directors' age distribution falling within the respective age group is as follows:

Age Group (Years)	40-50	51 - 65	66 - 85	Total
Number of Directors	1	3	6	10

Workforce Diversity

The Group is committed to a diverse and inclusive culture which is essential to the Group's future growth. The Group's gender and race/ethnicity diversity are made up of the following:-

	Race/Ethnicity			
Gender	Malay	Chinese	Indian	Other
Male	484	94	16	245
Female	152	108	13	9

(as at 31 March 2026)

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

(2) BOARD COMPOSITION (CONT'D)

(iv) Board Diversity Policy (Cont'd)

The Group's workforce diversity in terms of age is made up of the following:-

	Age Group (Years)				
Gender	**Below 20**	**20-29**	**30-39**	**40-49**	**Above 50**
Male	3	141	233	268	194
Female	2	41	81	98	60

(as at 31 March 2026)

(v) Nomination Committee

During the financial year under review, the Nomination Committee met once and the meeting attendance is as follows:-

Members	Membership/Designation	No. of meetings attended/ held during the financial year under review	%
Rosita Yeo Swat Geok *(Ceased on 25 March 2025)*	Chairperson/ Senior-Independent Non-Executive Director	1/1	100
Tai Lam Shin *(Appointed on 25 March 2025)*	Chairman/ Senior-Independent Non-Executive Director	N/A	N/A
Lau Lee Jan	Member/ Independent Non-Executive Director	1/1	100
Liao, Hung-Chang	Member/ Non-Independent Non-Executive Director	1/1	100

The Nomination Committee has undertaken the following activities during the financial year:-

(a) Examined the size of the Board, mix of skills, independence and time commitment based on the commercial needs of the Company;

(b) Conducted the effectiveness of the Board evaluation to assess the effectiveness of the Board as a whole and Board Committees in accordance with the three (3) key principles of the MCCG;

(c) Evaluated the contribution and performance of each individual Director;

(d) Evaluated the contribution and performance of the Audit Committee and each individual Audit Committee member;

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

(2) BOARD COMPOSITION (CONT'D)

(v) Nomination Committee (Cont'd)

The Nomination Committee has undertaken the following activities during the financial year:- (Cont'd)

(e) Reviewed and recommended to the Board, the adoption of "Declaration by Independent Directors" to confirm the "independence" of the Independent Directors on an annual basis;

(f) Reviewed and recommended to the Board, the re-election of the Directors who will be retiring at the forthcoming Annual General Meeting ("**AGM**") of the Company, together with the proper execution of "Directors' Declaration of Fit and Proper by the individual Directors who are standing for re-election as Directors";

(g) Reviewed and recommended to the Board, the proposed appointment of Ms. Ling Lian Ying as an Independent Non-Executive Director of the Company;

(h) Reviewed and recommended to the Board, the proposed appointment of Senior Independent Director of the Company; and

(i) Reviewed the composition of the Board Committee.

The Board had on 6 April 2022 reviewed and approved the revised Terms of Reference of the Nomination Committee. The Terms of Reference of the Nomination Committee is available for reviewing at the Group's corporate website at www.whitehorse.my.

Directors' Training

In order for the enlarged White Horse Berhad Group to remain competitive, the Board ensures that the Directors continuously enhance their skills and expand their knowledge to meet the challenges of the Board.

The Board has cultivated the following best practices:-

- All newly appointed Directors are to attend the Mandatory Accreditation Programme Parts I and II as prescribed by the Main LR of Bursa Malaysia Securities within the stipulated timeframe;
- All existing Directors are to attend the Mandatory Accreditation Programme Part II in relation to sustainability and the related roles of a Director as prescribed by the Main LR of Bursa Malaysia Securities within the stipulated timeframe;
- All Directors are encouraged to attend talks, training programmes and seminars to update their knowledge on the latest regulatory and business environment;
- The Directors may be requested to attend additional training courses according to their individual needs as a Director or member of Board Committees on which they serve;
- The Directors are briefed by the Company Secretary on the letters issued by Bursa Malaysia Securities at every Board meeting.

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

(2) BOARD COMPOSITION (CONT'D)

(v) Nomination Committee (Cont'd)

Directors' Training (Cont'd)

During the financial year ended 31 December 2025, the Board members had participated in the following continuing education programmes:-

Name of Directors	Dates	Description of Training Programmes
Liao Shen Hua	13-14 January 2025	MAP Part II : Leading for Impact (LIP)
Teo Swee Teng	13-14 January 2025	MAP Part II : Leading for Impact (LIP)
Cheng Soon Mong	13-14 January 2025	MAP Part II : Leading for Impact (LIP)
Teo Kim Lap	13-14 January 2025	MAP Part II : Leading for Impact (LIP)
Teo Kim Tay	13-14 January 2025	MAP Part II : Leading for Impact (LIP)
Liao Shen Yao	13-14 January 2025	MAP Part II : Leading for Impact (LIP)
Liao, Hung-Chang	9 September 2025	Board Simulation – Balancing Risks & Opportunity in Sustainability Leadership Programme
Lau Lee Jan	13-14 January 2025	MAP Part II : Leading for Impact (LIP)
Tai Lam Shin	11 March 2025	ESG Matters – Carbon Trading
	25 April 2025	Ensuring Real Impact in ESG
	19 May 2025	Withholding tax & Tax Implication of Cross Border Transactions
	17 July 2025	How to measure sustainability perf optimally?
	22 July 2025	Asia Pacific Thought Leadership Virtual Forum 2.0
	22 August 2025	Stamp Duty Development & Risks
	28 August 2025	Building AI Literate
	1 October 2025	Gender Equality & Global Markets
	7 October 2025	Practical Beneficial ownership reporting
	28 October 2025	Navigating the Tides: Mkt Trends & Strategic Outlook
	13 November 2025	Budget 2026 Seminar
	28 November 2025	HK Exploring Operation Restructuring
Ling Lian Ying	9-10 June 2025	MAP Part I

In addition, the Company Secretary and the External Auditors update the Board on a regular basis the respective changes and amendments to regulatory requirements and laws and accounting standards to help Directors keep abreast of such developments.

2026 Training Needs

Upon review of the training needs of the Directors for the financial year ending 31 December 2026 and recognising the need to keep abreast with the fast-changing business and regulatory environment, the Board has encouraged its members to attend at least one (1) continuing education programme.

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

(2) BOARD COMPOSITION (CONT'D)

(vi) Annual Assessment of the Board

Intended Outcome 6.0
Stakeholders are able to form an opinion on the overall effectiveness of the Board and individual Directors.

In compliance with Practice 6.1 of the MCCG, on behalf of the Board, the Nomination Committee conducted the following assessments annually and subsequently reported the respective results to the Board for notation:-

(a) Directors' self-assessment;

(b) Evaluation on the effectiveness of the Board of Directors and the Committees of the Board; and

(c) Annual Assessment of Independence.

(3) Remuneration

Intended Outcome 7.0
The level and composition of remuneration of Directors and senior management take into account the Company's desire to attract and retain the right talent in the Board and senior management to drive the Company's long-term objectives. **Remuneration policies and decisions are made through a transparent and independent process.**

(i) Remuneration Committee

During the financial year under review, the Remuneration Committee met once and the meeting attendance is as follows:-

Members	Membership/Designation	No. of meetings attended/ held during the financial year under review	%
Rosita Yeo Swat Geok *(Ceased on 25 March 2025)*	Chairperson/ Senior Independent Non-Executive Director	1/1	100
Lau Lee Jan *(Re-designated from a member to the Chairperson on 25 March 2025)*	Chairperson/ Independent Non-Executive Director	1/1	100
Cheng Soon Mong	Member/ Deputy Managing Director	1/1	100
Ling Lian Ying *(Appointed on 25 March 2025)*	Member/ Independent Non-Executive Director	N/A	N/A

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

(3) Remuneration (Cont'd)

(i) Remuneration Committee (Cont'd)

The Remuneration Committee has undertaken the following activities during the financial year:-

(a) Reviewed and recommended the remuneration packages for the Executive Directors and Non-Independent Non-Executive Directors for the FYE 2025;
(b) Reviewed and recommended the Directors' fees for the FYE 2025; and
(c) Reviewed and recommended the benefits payable to the Non-Executive Directors pursuant to Section 230(1)(b) of the Companies Act 2016.

The Terms of Reference of the Remuneration Committee is available for viewing at the Group's corporate website at www.whitehorse.my.

(ii) Directors' Remuneration Policy

The Board had on 6 April 2022 adopted the revised policies and procedures to determine the remuneration of Directors and senior management.

This policy will be reviewed biennially by the Remuneration Committee or as and when it is required to ensure the information remains current and updated.

Intended Outcome 8.0
Stakeholders are able to assess whether the remuneration of Directors and senior management is commensurate with their individual performance, taking into consideration the Company's performance.

(iii) Details of each individual Director's remuneration for the FYE 2025

In compliance with Practice 8.1 of the MCCG, there is detailed disclosure on named basis for the remuneration of individual Directors and it is disclosed in the Corporate Governance Report, which can be downloaded from the Group's corporate website at www.whitehorse.my.

(iv) Details of top four (4) senior management's remuneration for the FYE 2025

The Board is of the view that it is inappropriate to disclose the names and detailed remuneration of senior management staff other than the Executive Directors given the competitive human resources environment as such disclosure may give rise to recruitment and talent retention issues.

The disclosure of the remuneration received by the senior management in the bands of RM50,000/- was disclosed in the Corporate Governance Report, which can be downloaded from the Group's corporate website at www.whitehorse.my.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Intended Outcome 9.0
There is an effective and independent Audit Committee. **The Board is able to objectively review the Audit Committee's findings and recommendations.** **The Company's financial statement is a reliable source of information.**

(1) Audit Committee

The membership, a summary of the activities of the Audit Committee and internal audit function and activities are stated in the Audit Committee Report of this Annual Report.

The Chairman of the Audit Committee is Mr. Tai Lam Shin, the Senior Independent Non-Executive Director while Mr. Liao Shen Hua is the Chairman cum Managing Director of the Company.

No appointment of former key audit partners as Audit Committee/ Board Member

Practice 9.2 of the MCCG requires the Audit Committee to have a policy that requires a former key audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the Audit Committee. The Terms of Reference of the Audit Committee has been incorporated the above requirement. The Board had on 17 November 2023 reviewed and approved the revised Terms of Reference of the Audit Committee, and the said Terms of Reference is available for reviewing at the Group's corporate website at www.whitehorse.my.

Assessment of Suitability and Independence of External Auditors

The Audit Committee has adopted policies and procedures to assess the suitability, objectivity and independence of external auditors and that such assessment has been carried out annually.

The outcome of the assessment would form a basis for the Audit Committee in making recommendation to the Board on the re-appointment of the external auditors for the ensuing year at the Annual General Meeting.

Intended Outcome 10.0
Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives. **The Board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the Company's objectives is mitigated and managed.**

(2) Risk Management and Internal Control Framework

Framework to Manage Risks

The Risk Management Committee was set up in November 2004, comprising members from the Executive Directors and Management representing the key departments.

The Risk Management Committee has established Risk Management Procedure to manage the Company's level of risk tolerance and actively identity, assess and monitor key business to safeguard shareholders' investments.

The Statement on Risk Management and Internal Control of the Group as set out in this Annual Report provides an overview of the state and features of risk management and internal controls within the Group, in compliance with Practice 10.2 of the MCCG.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

Intended Outcome 11.0
Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Internal Audit Function

The internal audit function is independent of the operations of the Group and provides reasonable assurance that the Group's system of internal control is satisfactory and operates effectively. The internal auditors adopt a risk-based approach towards the planning and conduct of audits, which are consistent with the Group's framework in designing, implementing and monitoring its internal control system. An Internal Audit Planning Memorandum, setting out the internal audit work expected to be carried out for a period of 1 year, is tabled to the Audit Committee at the beginning of the year.

The Company has its own internal audit function to identify and assess the principal risks and to review the adequacy and effectiveness of the internal controls of the Group. Areas for improvement were highlighted and the implementation of recommendations was monitored. None of the internal control weaknesses have resulted in any material losses, contingencies or uncertainties that would require disclosure in the Annual Report.

The in-house Internal Auditors communicate regularly with and report directly to the Audit Committee. For the FYE 2025, the in-house Internal Auditors met up twice with the Audit Committee.

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

(1) Engagement with Stakeholders

Intended Outcome 12.0
There is continuous communication between the Company and stakeholders to facilitate mutual understanding of each other's objectives and expectations. **Stakeholders are able to make informed decisions with respect to the business of the Company, its policies on governance, the environment and social responsibility.**

In compliance with Practice 12.1 of the MCCG, the Board ensures that there is effective, transparent and regular communication with its stakeholders through a variety of communication channels as follows:-

(a) Shareholders' Communication and Investor Relations

The Company is committed to on-going communication across its entire shareholder base, whether institutional investors, private or employee shareholders. This is achieved principally through annual and quarterly reports and the AGM and timely dissemination of information on significant company developments and price sensitive information in accordance with the Main LR of Bursa Malaysia Securities. All the Directors, save for two (2) who were unable to attend, were present physically and remotely at the Twenty-Seventh AGM of the Company held on 28 May 2025 to engage with the shareholders personally and proactively.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

(1) Engagement with Stakeholders (Cont'd)

(b) Leverage on Information Technology for Effective Dissemination of Information

The Company's website incorporates an Investor Relations section which provides all relevant information on the Company and is accessible to the public. This Investor Relations section enhances the Investor Relations function by including all announcements made by the Company, a summary of key matters discussed at the AGM, Annual Reports as well as the financial information of the Company.

The announcement of the quarterly financial results is also made via Bursa LINK immediately after the Board's approval. The Board discloses to the public all material information necessary for informed investment and takes reasonable steps to ensure that all shareholders enjoy equal access to such information.

(c) Downloadable "Tiles Handbook"

The Board noted the Group has developed a unique "Tiles Handbook", which is downloadable from the Company's website at http://www.whitehorse.my/. The said Handbook focuses on the various aspects of ceramic tiles such as characteristics of the tiles, tips for choosing appropriate tiles prior to purchase, types of checks to be made before laying the tiles, methods of laying the tiles as well as care and maintenance of the tiles.

(2) Conduct of General Meetings

Intended Outcome 13.0
Shareholders are able to participates, engage the Board and senior management effectively and make informed voting decisions at General Meetings.

(i) Notice of Annual General Meeting

The Notice of the Twenty-Seventh AGM together with the Annual Report were despatched to shareholders at least twenty-eight (28) days prior to the meeting date as a good corporate governance practice, and the same will continue to apply for forthcoming Twenty-Eighth AGM.

(ii) Attendance of Directors at General Meetings

All the members of the Board will be present to provide better opportunity for the shareholders to effectively engage with each Board member.

KEY FOCUS AREAS AND FUTURE PRIORITIES

Looking ahead to financial year ending 2026, the Board and its respective committees will:-

- Focus on major strategic issues to ensure sustainability and growth;
- Continue to monitor succession planning for the senior leadership team, to ensure a healthy pipeline of talent is emerging for future senior executive management;
- Consider other variety of approaches and independent sources to identify suitable candidate for appointment of Directors, should the need arise; and
- Continue to review the balance, experience and skills of the Board.

CONCLUSION

The Board is satisfied that, it complies substantially with the practices of the MCCG during the FYE 2025 and up to the LPD.

This Statement and the Corporate Governance Report are made in accordance with the resolution passed by the Board on 15 April 2026.

ADDITIONAL **COMPLIANCE INFORMATION**

1. UTILISATION OF PROCEEDS

The Company did not raise any funds through any corporate proposal during the financial year ended 31 December 2025.

2. AUDIT AND NON-AUDIT SERVICES

During the financial year, the external auditors or their affiliated companies, have rendered certain audit and non-audit services to the Company and Group, a breakdown of which is listed below for information:-

	Company (RM)	Group (RM)
Audit services rendered		
Statutory audit	60,000	344,000
Subtotal	60,000	344,000
Non-audit services rendered		
Messrs. Crowe Malaysia PLT Review of Statement on Risk Management and Internal Control	6,000	6,000
Messrs. Crowe KL Tax Sdn. Bhd. Transfer Pricing Documentation Update	Nil	29,160
Subtotal	6,000	35,160
Total	**66,000**	**379,160**

3. MATERIAL CONTRACTS INVOLVING THE INTERESTS OF THE DIRECTORS, CHIEF EXECUTIVE OR MAJOR SHAREHOLDERS

There were no material contracts entered into by the Company and its subsidiaries involving the interests of Directors, Chief Executive who is not a Director and/or major shareholders, either still subsisting at the end of the financial year ended 31 December 2025 or entered into since the end of the previous financial year.

ADDITIONAL COMPLIANCE INFORMATION (cont'd)

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

At the Twenty-Seventh Annual General Meeting of the Company held on 28 May 2025, the Company had obtained a general mandate from its shareholders ("**Shareholders' Mandate**") for recurrent related party transactions of revenue and trading nature ("**RRPT**").

The breakdown of the aggregate value of the RRPT conducted during the financial year ended 31 December 2025 pursuant to the Shareholders' Mandate, is set out below:-

Related Party	Transacting Party	Nature of Transaction	Aggregate value of transaction from 1 January 2025 to 31 December 2025 (RM)
Teobros Ceramica Sdn. Bhd. ("**TCSB**")	Teo Kim Lap Teo Kim Tay Teo Swee Teng *(They are also directors and major shareholders in TCSB)* Teo Boon Hoo *(He is a major shareholder in TCSB and is a brother to Teo Kim Lap, Teo Kim Tay and Teo Swee Teng)* (via the transaction in TCSB)	(a) Sales of ceramic tiles including glazed and homogeneous tiles by White Horse Ceramic Industries Sdn. Bhd. ("**WHC**") to TCSB	17,669,944
		(b) Sales of ceramic tiles including glazed and homogeneous tiles by White Horse Marketing Sdn. Bhd. ("**WHM**") to TCSB	94,533
		(c) Sales of ceramic tiles including glazed and homogeneous tiles by TCSB to WHB	(14,160)

4. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("RRPT") (CONT'D)

Related Party	Transacting Party	Nature of Transaction	Aggregate value of transaction from 1 January 2025 to 31 December 2025 (RM)
White Horse Ceramic Co., Ltd ("**WHCL**")	Liao Shen Hua *(He is also a director and major shareholder of WHCL) (via transaction in WHCL)* Liao Shen Yao Liao Shen Chun Liao, Hung-Chang Liao Chen Mei Hsiu Liao Chia Feng Liao Chia Ning Liao Chung Yi *(Liao Shen Hua, Liao Shen Yao and Liao Shen Chun are siblings and cousin of Mr. Liao, Hung-Chang.* *Liao Chen Mei Hsiu is the mother of Liao, Hung-Chang.* *Liao Chia Feng, Liao Chia Ning, Liao Chung Yi are siblings of Mr. Liao, Hung-Chang)*	(a) Sales of raw materials, machines, consumable supplies, ceramic tiles including glazed and homogeneous tiles and other related products by White Horse Berhad ("**WHB**") Group to WHCL	4,051,555
		(b) Payment of user licensing, hardware and software maintenance and miscellaneous fee for Enterprise Resource Planning System	909,582
		(c) Sales of ceramic tiles including glazed and homogeneous tiles and other related products by WHCL to WHB Group.	–
		(d) Trademark Licence fee payable by WHC to WHCL	106,013
Yap Chai Eng	Teo Kim Tay *(spouse of Madam Yap Chai Eng)*	Rental payable by WHM to Madam Yap Chai Eng	25,146

AUDIT COMMITTEE **REPORT**

The Board of Directors of White Horse Berhad ("**White Horse**" or "**the Company**") is pleased to present the Audit Committee ("**AC**") Report which provides insights as to the manner the Audit Committee discharged its functions for the Group for the financial year ended 31 December 2025 ("**FYE 2025**"), in compliance with Paragraph 15.15(1) of the Main Market Listing Requirements ("**Main LR**") of Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**") and Malaysian Code on Corporate Governance ("**MCCG**").

Composition

The AC comprises three (3) members, which consists of two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. This complies with Paragraphs 15.09(1)(a) and (b) and 15.09(2) of the Main LR of Bursa Malaysia Securities.

The current composition of the Audit Committee is as follows:

Name	Designation	Directorship
Tai Lam Shin	Chairman	Senior Independent Non-Executive Director
Liao, Hung-Chang	Member	Non-Independent Non-Executive Director
Lau Lee Jan	Member	Independent Non-Executive Director

AC Chairman

Mr. Tai Lam Shin is a Fellow of the Chartered Association of Certified Accountants (FCCA) in United Kingdom and is a member of the Chartered Accountant of Malaysian Institute of Accountants (MIA). This complies with Paragraph 15.09(1)(c) of the Main LR of Bursa Malaysia Securities. In addition, Mr. Tai Lam Shin is the Senior Independent Non-Executive Director which complies with Paragraph 15.10 of the Main LR of Bursa Malaysia Securities.

In compliance with Practice 9.1 of the MCCG, the Chairman of the AC is not the Chairman of the Board.

Review of Term of Office and Performance

For the FYE 2025, the Nomination Committee ("**NC**") has reviewed the term of office and performance of the AC and each of its members annually. Upon review, the NC noted the AC and its members have carried out their duties in accordance with the Terms of Reference of AC, thereby complying with Paragraph 15.20 of the Main LR of Bursa Malaysia Securities.

Formal assessment on the External Auditors

In compliance with Practice 9.3 of the MCCG, the AC has established policies and procedures to assess the suitability, objectivity and independence of the External Auditors on annual basis to safeguard the quality and reliability of Audited Financial Statements, prior to making their recommendation to the Board whether to seek shareholders' approval at next Annual General Meeting ("**AGM**") for the re-appointment of External Auditors for the ensuing year.

Upon completion of its assessment, the AC was satisfied with Messrs. Crowe Malaysia PLT's technical competency i.e. effectiveness, suitability and independence during the financial year under review and recommended to the Board the re-appointment of Messrs. Crowe Malaysia PLT as external auditors for the financial year ending 31 December 2026. The Board has in turn, recommended the same for shareholders' approval at the forthcoming AGM of the Company.

Terms of Reference ("TOR")

The latest TOR of the AC was revised on 17 November 2023 and it had expanded the role of AC to review the conflict of interest situations.

The updated TOR of the AC is available on the Company's website at www.whitehorse.my.

Meetings

The AC held a total of four (4) meetings during the FYE 2025. The details of attendance of the AC Meetings during the financial year were as below:-

Name	No. of Meetings attended	Percentage of Attendance (%)
Tai Lam Shin	4/4	100
Liao, Hung-Chang	4/4	100
Ms. Lau Lee Jan *(appointed on 25 March 2025)*	3/3	100
Rosita Yeo Swat Geok *(ceased on 25 March 2025)*	1/1	100

For the FYE 2025, the AC Meetings were held as follows:-

No.	AC Meeting Date	Private session with the External Auditors without Executive Directors and Management
(1)	26 February 2025	–
(2)	28 May 2025	√
(3)	21 August 2025	–
(4)	20 November 2025	√

Private Sessions

The AC shall be able to convene meetings with the External Auditors without the presence of the Executive Directors and Management ("**Private Session**"). For the FYE 2025, two (2) private sessions were held. At the Private Session, the External Auditors were encouraged to raise with the AC any matters they considered important to bring to the AC's attention. The lead audit engagement partner of the External Auditors responsible for the Group has attended the Private Session for the FYE 2025.

At the Private Sessions, the AC Chairman sought information on the communication flow between the External Auditors and the Management which was necessary to allow unrestricted access to information for the External Auditors to effectively perform their duties. For the FYE 2025, the External Auditors confirmed to the AC that there were neither restrictive nor non-co-operative behaviour exhibited by the Management during the course of their audit.

AUDIT COMMITTEE REPORT
(cont'd)

AC Meeting Proceedings

Notices of AC Meetings and meeting papers were distributed to the AC at least one (1) week in advance prior to the meeting to enable the AC members to peruse and provide their feedbacks/comments at the meeting.

All deliberations during the AC Meetings were duly minuted. Minutes of AC Meetings were tabled for confirmation at every succeeding AC meeting.

The AC Chairman presented the AC's recommendations together with the respective rationale to the Board for approval of the annual audited financial statements and the unaudited quarterly financial results. As and when necessary, the AC Chairman would convey to the Board matters of significant concern raised by the Internal and/or External Auditors.

Mr. Kwan Kim Fook, the Regional Financial Controller normally attends AC Meetings. Other Board Members and/or employees would attend the AC Meetings upon the invitation of the AC.

Summary of Works Undertaken by the AC

The AC has undertaken the following works during the FYE 2025:-

(a) Oversight of Financial Reporting

(i) Reviewed the unaudited quarterly financial results for the quarters ended 31 December 2024, 31 March 2025, 30 June 2025, 30 September 2025 and 31 December 2025, respectively and recommended the same for the Board's approval.

(ii) Reviewed the draft audited financial statements for the FYE 2025 and recommended the same for the Board's approval.

(iii) Reviewed the Group's compliance with the accounting standards and relevant regulatory requirements.

(b) Oversight of External Auditors

(i) Reviewed the suitability and independence of the External Auditors vide a formalised "Assessment on External Auditors" and upon reviewed and being satisfied with the results of the said Assessment, the same has been recommended to the Board for approval.

(ii) Reviewed the External Auditors' Audit Plan for FYE 2025 and Management's response.

(c) Oversight of Internal Audit Department ("IAD") and Function

(i) Reviewed and adopted an Internal Audit Plan for FYE 2025.

(ii) Reviewed and approved the internal audit reports for FYE 2025.

(iii) Reviewed the effectiveness of internal audit processes as well as adequacy of scope, functions, competency and resources of the firm of internal auditors and that it has the necessary authority to carry out its work.

(iv) Reviewed the internal audit program and results of the internal audit process and, where necessary, ensure that appropriate actions are taken on the recommendations of the internal audit function.

Summary of Works Undertaken by the AC (Cont'd)

The AC has undertaken the following works during the FYE 2025:- (Cont'd)

(c) Oversight of Internal Audit Department ("IAD") and Function (Cont'd)

(v) Reviewed the major findings of the internal audit investigations and management's response, and ensure that appropriate actions are taken on the recommendations/suggestions of the internal audit function.

(vi) Carried out private meeting with the Internal Auditor without the presence of the Executive Directors and Management of the Group.

(vii) Reviewed the effectiveness of the internal audit function vide a formalised "Assessment on Internal Auditors".

(d) Review of Related Party Transactions ("RPT")

(i) Reviewed the quarterly recurrent RPT Report, prepared by the IAD on the disclosures relating to RPT or conflict of interest situations that arose, persist within the Group, including any transaction, procedure or course of conduct that raises questions of management integrity, and the measures taken to resolve, eliminate or mitigate such conflicts, if any and ensured compliance with provisions of the Main LR of Bursa Malaysia Securities.

(ii) Issuance of Statement of AC for inclusion in the draft Circular to Shareholders in relation to the Proposed Renewal of Shareholders' Mandate for entering into Recurrent RPTs to confirm the review of the terms of the Proposed Shareholders' Mandate and its satisfaction with the review procedures set out for recurrent RPTs.

(iii) Reviewed the draft Circular to Shareholders in relation to the Proposed Renewal of Shareholders' Mandate for entering into recurrent RPTs.

(e) Oversight of Risk Management Matters

(i) Reviewed the principal risks identified by the Management and IAD and ensuring the implementation of appropriate internal controls and mitigation measures.

(ii) Reviewed the AC Report and Statement on Risk Management and Internal Control to be included in the Annual Report 2025.

Conclusion made on Review of Recurrent RPTs for FYE 2025

From its review of RPTs entered into by the Company and its group of companies for the FYE 2025, the AC has concluded that the RPTs were conducted at arm's length basis and on normal commercial terms consistent with the Company's usual business practices and policies.

For FYE 2025, the AC was of the opinion that the Group has in place adequate procedures and processes to monitor, track and identify recurrent RPT in a timely and orderly manner.

The Recurrent Related Party Transactions of revenue and trading nature incurred by the Group for the FYE 2025 did not exceed the threshold prescribed under paragraph 10.09 (1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

AUDIT COMMITTEE REPORT
(cont'd)

Internal Audit Function

In-house IAD

The Company has an in-house IAD which report directly to the AC and assists the AC in discharging its functions and duties and is independent of the activities and operations that it audits. Its primary responsibility is to undertake regular and systematic reviews of the business operations, processes and procedures as well as compliances in order to provide independent and objective assurance that the Group's overall system of internal control and governance process continues to operate adequately and effectively.

All internal audits carried out are guided by International Standards for the Professional Practice of Internal Auditing promulgated by the Institute of Internal Auditors, a globally recognised body for internal auditors.

The scope of internal audit covers the periodic audits of key departments, branches and overseas subsidiaries within the Group to test on the appropriateness of control design and implementation as well as compliance with existing policies and procedures.

The IAD performs periodic audits of the Company and subsidiaries within the Group based on a risk-based approach in developing its audit plan which addresses all the core auditable areas of the Group based on their risk profile. The audit focuses on areas with high risk and potential inadequate controls to ensure that an adequate action plan is in place to improve the controls. For those areas with high risk and inadequate controls, the audit ascertains that the risks are effectively mitigated by the controls.

Other works undertaken by the IAD during the financial year include:-
- Ascertained the extend of compliance of established policies, procedures and statutory requirements;
- Reviewed the operation flow within the Group;
- Improvement measure is recommended to strengthen controls;
- Presented audit findings and discussed corrective actions to be taken in closing meeting with Management and in the quarterly AC Meetings;
- Follow up reviews on previous audit findings and recommendations are performed to assess the status of implementation and the results of such reviews are reported to the AC on regular basic, as well as any residual risks assessment after follow-up closures; and
- Presented the audit plan for the FYE 2025 to the AC.

Profile of the Head of IAD is set out as follows:-

Year of Joined	:	2005
Principal Engagement Lead	:	Mr. Nicol Chia
Qualifications	:	- Certified Accounting Technician (CAT) from the Association of Chartered Certified Accountants - Associate Member of Institute of Internal Auditors Malaysia - ESG Certificate: Internal Auditing for Sustainable Organisations
Experiences	:	More than 21 years of experience in finance and accounting and internal audit functions
Number of resources	:	There are a total of four (4) staffs in IAD.

Internal Audit Function (Cont'd)

(1) IAD Audit Assignments for FYE 2025

Given the diverse nature of the Group's subsidiaries, the IAD has segregated their audit activities into three (3) main categories:-

(a) Departmental Audit Assignments;
(b) Malaysian Branches Audit Assignments; and
(c) Overseas Subsidiaries Audit Assignments.

During the FYE 2025, the key activities carried out by Group Internal Audit included performed periodic audits of Group's subsidiaries, regional branches and head office department operations within the Group to test appropriateness of control design and implementation as well as compliance with existing policies and procedures. This included the conduct of the following audits:-

- Sales and marketing activities covering order processing management, pricing management, distributor management, sales returns management, customer rebate management, customer master file management, credit control management, debts collections management, budget planning and marketing spend;
- Production operations covering raw, packaging, work-in-progress materials, spare parts and finished goods management, quality assurance control management, repair and maintenance of plant facilities as well as plant safety and security;
- Human resources administration, payroll processing, training and staff development as well as building facilities and security;
- Procurement activities covering pre-qualification, sourcing, appointment, performance appraisal of suppliers, monitoring of purchase orders, contract management and vendor master file management;
- Information technology covering access management, IT operations (backup, disaster recovery and incident management) and network security;
- Regional branches operations covering implementation of policies on approving authority for its operating expenditure, finished goods management, logistic as well as warehouse security and safety; and
- Governance practices covering implementation of Group Policies and risk management process.

Category of Audit Activities	Audit area/ entity	Audit Period
Department	• Customer Service	December 2023 to September 2025
	• Management Information System	October 2023 to June 2025
	• Purchasing	October 2023 to July 2025
	• Warehouse	February 2023 to August 2025

AUDIT COMMITTEE REPORT
(cont'd)

Internal Audit Function (Cont'd)

(1) <u>IAD Audit Assignments for FYE 2025 (Cont'd)</u>

Category of Audit Activities	Audit area/ entity	Audit Period
Malaysian Branches Audit Assignments	• Batu Pahat	January 2024 to January 2025
	• Kuala Lumpur	March 2025 to December 2024
	• Johor Bahru	October 2024 to June 2025 July 2025 to November 2025
	• Butterworth	July 2024 to April 2025 May 2025 to October 2025
	• Kota Bharu	August 2024 to August 2025
	• Alor Setar	August 2024 to April 2025
	• Ipoh	August 2024 to April 2025
	• Kuching	April 2024 to January 2025
	• Klang	November 2024 to June 2025
	• Kuantan	December 2024 to March 2025 April 2025 to July 2025
Overseas Subsidiaries Audit Assignments	• Thailand	July 2024 to February 2025
	• Singapore	April 2024 to February 2025 March 2025 to September 2025
	• Philippines	October 2024 to April 2025 May 2025 to August 2025
	• China	August 2024 to August 2025

For FYE 2025, representatives from the IAD attended two (2) AC Meetings to table their findings and reports.

Internal Audit Review and Assurance

For the FYE 2025, IAD has completed 100.0% of planned schedule (FYE 2024: 95.8%) in accordance with their risk-based Internal Audit Schedule for FYE 2025.

The internal audits performed met the objective of highlighting to the AC the audit findings which required follow-up action by the Management, any outstanding audit issues which required corrective actions to be taken to ensure an adequate and effective internal control system within the Group, as well as any weaknesses in the Group's internal control system. It ensured that those weaknesses were appropriately addressed and that recommendations from the internal audit reports and corrective actions on reported weaknesses were taken appropriately within the required timeframe by the Management.

For the FYE 2025, the IAD engagement team personnel, including the Principal Engagement Team Leader, have affirmed to the AC that in relation to the Company/Group, they were free from any relationships or conflicts of interest, which could impair their objectivity and independency.

Internal Audit Function (Cont'd)

(2) <u>Internal Audit Charter</u>

The AC has adopted an Internal Audit Charter in order to formalise the remit of the IAD and the Internal Audit function as well as to regulate the process to review the adequacy of scope, functions, competency and resources of the internal audit function.

The Internal Audit Charter comprises the following items:-

(i) In-House Internal Audit Charter;
(ii) Terms of Reference for in-house internal audit function;
(iii) Authority;
(iv) Reporting;
(v) Objectivity and independence;
(vi) Objectives and scope of work;
(vii) Internal audit function administration;
(viii) Oversight functions of the AC in relation to internal audit functions; and
(ix) Review of Internal Audit Charter.

The Internal Audit Charter was adopted by the Board on 26 February 2016 and subsequently reviewed by the Board on 20 November 2018 and 1 July 2023.

(3) <u>Internal Audit Function Review</u>

On a yearly basis, the AC would conduct an internal audit function review to review the adequacy and performance of the internal audit function and its comprehensive coverage of the Group's activities ("**the IA Review**").

For the FYE 2025, the IA Review has been conducted by the AC on 20 November 2025. The AC has conducted the IA Review based on the following criteria:-
- Understanding;
- Charter and structure;
- Skills and experiences;
- Communication; and
- Performance.

Upon review, the AC was satisfied with the performance and the conduct of IAD for the FYE 2025.

(4) <u>Operational costs incurred by IAD for the FYE 2025</u>

The operational cost incurred by the IAD for FYE 2025 amounted to RM610,396.91 (2024: RM556,124.91).

This AC Report is made in accordance with the Resolution passed by the Directors at the Board of Directors' Meeting held on 27 February 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Pursuant to Paragraph 15.26 (b) of Bursa Malaysia Securities Berhad ("Bursa Malaysia Securities")'s Main Market Listing Requirements ("MMLR"), the Board of Directors ("the Board") of White Horse Berhad is pleased to provide its Statement on Risk Management and Internal Control of the Group for the financial year ended 31 December 2025 ("the Statement"), which has been prepared in accordance with the Statement on Risk Management and Internal Control: Guidelines for Directors of Public Listed Companies (SORMIC Guide 2025) on Internal Control with the support and endorsement of the Bursa Malaysia Securities and Part II of Principle B, Intended Outcome 10.0, Practices 10.1 and 10.2 read together with Guidance 10.1 and 10.2 as set out in the Malaysian Code on Corporate Governance 2021 which relate to risk management and internal control framework.

RESPONSIBILTY OF THE BOARD

The Group's Corporate objectives are to sustain existing operations and turnaround to profitability by optimal utilisation of its available resources whilst meeting the needs of customers, employees and business partners, to identify and secure assets for long-term growth.

The Board acknowledges its overall responsibilities to maintain a sound system of internal control and effective risk management to safeguard shareholders' investment and the Group assets, and for reviewing its adequacy and integrity.

The Board has a current internal control system which identifies, evaluates and manages significant risks encountered by the Group.

In view of the limitations that are inherent in any system of internal control, this system is designed to manage, rather than eliminate the risk of failure to achieve corporate objectives. Accordingly, the system could provide only reasonable but not absolute assurance against any material misstatement, operational failures, fraud or loss.

The Board is assisted by the Audit Committee ("**AC**") and Risk Management Committee to review the adequacy and effectiveness of the system of internal controls and to ensure that a mix of techniques is used to obtain the level of assurance required by the Board.

The Board has received assurance from the Group Managing Director and the Deputy Group Managing Director that, to the best of their knowledge, the Group's risk management and internal control system will operate adequately and effectively, in all material aspects, based on the risk management and internal control system.

RISK MANAGEMENT FRAMEWORK

The Group has in place an on-going process for identifying, evaluating, monitoring and managing significant risks that may affect the achievement of business objectives, throughout the year under review. This process is reviewed by the Board via the AC; while Management and Heads of Divisions are delegated the responsibility to manage risks related to their respective division units. The process requires the Management and Head of Division to comprehensively identify and assess the relevant types of risks in terms of likelihood and magnitude of impact, as well as to identify and evaluate the adequacy and effectiveness of applying the mechanisms to manage and mitigate these risks. Key risks relating to the Group's operations are deliberated at the business units' and Company's monthly meetings attended by key management personnel and significant risks are communicated to the Board at their scheduled meetings.

The Board and management practice proactive significant risks identification on a yearly basis or earlier as appropriate, particularly for any major proposed transactions, changes in nature of activities and/or operating environment, or venturing into new operating environment which may entail different risks, and put in place the appropriate risk response strategies and controls until those risks are managed to, and maintained at, a level acceptable to the Board.

RISK MANAGEMENT FRAMEWORK (CONT'D)

In line with evolving regulatory expectations and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Group has incorporated Environmental, Social and Governance ("**ESG**") considerations into its risk identification and assessment processes.

Sustainability-related risks, including environmental compliance, occupational health and safety, supply chain management, human capital management, anti-corruption and data privacy and security, are assessed as part of the Group's enterprise risk management framework.

Where such risks are assessed to be significant, appropriate mitigation measures and internal control mechanisms are implemented and monitored to ensure that they remain within the risk tolerance levels approved by the Board.

INDEPENDENCE OF AUDIT COMMITTEE

The Audit Committee comprises mainly of Independent Non-Executive Directors who each has the relevant experience and qualification to perform their duties effectively. The Audit Committee has full access to both the Internal as well as External Auditors.

The Audit Committee, on behalf of the Board, considers the effectiveness of the operation of internal control procedures in the Group during the financial year. The Audit Committee reviews internal control issues identified by the internal auditors, the external auditors and the management, and evaluates the adequacy and effectiveness of the Group's risk management and internal control system. It also conducts a review of the internal audit functions with emphasis on the scope of audits, quality and independence of the Internal Audit Department.

INTERNAL AUDIT DEPARTMENT

The Board acknowledges the importance of internal audit. The Group Internal Auditors perform periodic audits of the Company and subsidiaries within the Group based on a risk-based approach in developing its audit plan which addresses all the core auditable areas of the Group based on their risk profile. The audit focuses on areas with high risk and potential inadequate controls to ensure that an adequate action plan is in place to improve the controls. For those areas with high risk and inadequate controls, the audit ascertains that the risks are effectively mitigated by the controls.

All audit findings, recommendations and Management's actions are rigorously deliberated at the AC meetings before being reported to the Board. Quarterly reports to the AC track the progress towards completion of all corrective actions taken on issues highlighted by the Group Internal Auditors.

Based on the internal audit reviews conducted, none of the audit issues noted have resulted in any material control deficiencies. Details of the activities of the internal audit function are provided in the AC Report of this Annual Report.

Group Internal Audit did not have any direct operational responsibility or authority over any of the activities it audited or had engaged in any activity that might impair the Internal Auditor's judgement. All the Internal Auditors had confirmed via an annual declaration that they were free from any relationship or conflict of interest which could impair their objectivity and independence.

The Group Internal Audit had adopted and complied with the International Standards for the Professional Practice of Internal Auditing ("**IIA Standards**") issued by the International Internal Audit Standards Board. The department maintained a quality assurance and improvement program to evaluate the internal audit activity's conformance with the IIA Standards and the Code of Ethics. The quality assurance and improvement program included both annual Internal Self-Assessment and an External Assessment conduct by a qualified independent consulting firm, appointed once every 5 to 8 years.

OTHER KEY FEATURES OF THE INTERNAL CONTROLS

The monitoring, review and reporting arrangements in place give reasonable assurance that the structure of controls and their implementation are appropriate to the Group's operations and that risks are at an acceptable level throughout the Group's businesses. Such arrangements, however, do not eliminate the possibility of human error or deliberate circumvention of control procedures by employees and others.

The Board is of the view that the system of internal controls in place for the year under review and up to the date of issuance of the annual report is sound and sufficient to safeguard the shareholders' investment, the interest of customers, regulators, employees and the Group's assets.

The other key elements of the Group's internal control system are described below:-

i) The group has an organizational structure which clearly defines the lines of responsibility and delegation of authority. Accordingly, management at various administrative and operational levels will function in accordance with the policies and procedures established by the Board for the Group as a whole.

ii) Standard Operating Procedure ("**SOP**") have been documented and formalized for the key business processes to ensure uniformity and controls identified have been consistently applied within the Group, which are constantly reviewed for improvement to reflect changes in business structures and processes.

iii) The Board and the AC meet every quarter to discuss matters raised by Management and Internal Auditors on business and operational matters including potential risks and control issues. The Group Managing Director also reports to the Board on significant changes in business and external environment. Monthly financial reports which include key financial information of major subsidiaries are submitted to the Board by the Regional Financial Controller.

iv) Regular internal audits are carried out to review the adequacy and effectiveness of the internal control system based on a detailed annual audit plan approved by the Audit Committee. The internal audit department recommends on areas for improvement and conducts follow-up reviews to determine the extent to which its recommendation has been implemented.

v) The Group has a policy on approving authority for its operating and capital expenditure, investments options are subject to review and approval from the Board.

vi) Budgetary control is applied to every department and division in the Group and actual performance is closely monitored against budgets to identify significant variances. Discussions are held regularly between the Management and the Head of Division to ensure the budgets are attainable and realistic.

vii) Monthly management meetings are held to provide a forum where management undertakes overall responsibility for periodic reviews to identify, discuss and resolve key operational issues, to further improve its effectiveness.

viii) Emphasis is placed on enhancing the quality and ability of employees through a wide variety of training programs and workshops to enhance their knowledge and expand the employees' competency level in executing daily functions. Relevant training and courses have been provided to employees across all functions to maintain a high level of competency.

ix) The Group has implemented competitive incentives and improves welfares to attract and retain human resources. The Group has diversified its sources of labour. At the same time, efforts are also being made to improve productivity, which also partially mitigates the increasing cost of human resources.

OTHER KEY FEATURES OF THE INTERNAL CONTROLS (CONT'D)

The other key elements of the Group's internal control system are described below:- (Cont'd)

x) A Code of Ethics for all employees which defines the ethical standards and conduct at work is communicated to all employees upon their employment. Roles and responsibilities of employees are clearly defined in formal job descriptions.

xi) The Group emphasises continuous effort in maintaining the quality of its products. The Directors ensure that safety and health regulations, environment controls and all others legislations in connection with the industry have been considered and complied with.

xii) The Board provides oversight over sustainability-related governance matters and ensures that relevant regulatory and compliance risks, including environmental and social compliance obligations, are appropriately addressed within the Group's internal control environment.

xiii) Management is responsible for implementing and maintaining internal controls to manage ESG-related compliance risks, and periodic updates are provided to the Board where necessary.

xiv) Sufficient insurance coverage on major assets is in place to ensure the Group's assets are adequately covered against risks that can result in material losses, and it is reviewed regularly to ensure adequate insurance coverage to protect the Group from potential claims and loss.

xv) A whistle-blowing policy and procedures is established to provide appropriate communication and feedback channels which facilitate whistleblowing in a transparent and confidential manner to enable employees and stakeholders to raise genuine concerns about possible improprieties, improper conduct or other malpractices within the Group in an appropriate way.

xvi) A comprehensive data protection policy is established to safeguard against privacy breaches. This includes secure data handling procedures, regular risk assessments and compliance with data protection regulations, such as the Personal Data Protection Act ("PDPA"). Regular training and advocacy on data protection and cybersecurity is provided to employees to mitigate risks of data breaches and ensure all personal and sensitive information is securely managed.

xvii) The Group operates on an Enterprise Resource Planning ("ERP") system which integrates various aspects of the Group's operations except overseas subsidiaries. The ERP system provides management with data, analysis, variations, exceptions and others input relevant to the Group's performance. Employees within the Group are guided by the Management Information System policy, Access Management Security Policy and End User policy.

xviii) The Group has adopted an Anti-Bribery and Anti-Corruption Policy in line with the enforcement of the new provision, Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018) to deal with improper solicitation, bribery and other corrupt activities and issues that may arise in the course of business in order to prevent acts of bribery and corruption. In adherence to this Policy, the Group has adopted a zero tolerance approach to all forms of corruption and bribery. The Group is committed to conduct its business with the highest level of integrity and ethics and to comply with applicable laws, rules and regulations on anti-bribery and anti-corruption. The Anti-Bribery and Corruption Policy is available at the Group's website www.whitehorse.my.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd)

OTHERS MATTERS

All Recurrent Related Parties Transactions are dealt with in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Audit Committee and the Board review the Recurrent Related Parties Transactions at the respective meetings of the Audit Committee and the Board.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by paragraph 15.23 of the Bursa Malaysia Securities MMLR, the external auditors have reviewed the Statement for inclusion in the Annual Report for the financial year ended 31 December 2025. Their review is performed in accordance with the Audit and Assurance Practice Guide ("AAPG") 3: Guidance for auditors on engagements to report on the Statement on Risk Management and Internal Control issued by the Malaysian Institute of Accountants. The external auditors' procedures have been conducted to assess whether the Statement is supported by the documentation prepared by or for the Directors and that it is an appropriate reflection of the process adopted by the Directors in reviewing the adequacy and integrity of the risk management and internal control system of the Group.

AAPG 3 does not require the External Auditors to consider whether this Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control systems including the assessment and opinion by the Directors and management thereon. The External Auditors do not assume responsibility to any person other than the Board in respect of any aspect of this Statement.

The Board acknowledges that sustainability-related risks may evolve over time due to regulatory developments and stakeholder expectations. The Group will continue to enhance its risk management and internal control systems to address emerging ESG-related risks as part of its overall governance framework.

Further details on the Group's sustainability practices and disclosures are set out separately in the Sustainability Statement of this Annual Report.

CONCLUSION

The Board is committed towards operating and maintaining a sound system of internal control and recognizes that the system must continuously evolve to support the type of business and size of operations of the Group. As such, the Board will, when necessary, put in place appropriate action plans to rectify any potential weaknesses or further enhance the system of internal control. There were no material losses incurred during the financial year as a result of weaknesses in internal control.

For the financial year under review and up to the date of approval of the statement, based on inquiry, information and assurances provided by the Group Managing Director and Deputy Group Managing Director, the Board is satisfied that the Group's risk management and internal control system is operating adequately and effectively in all materials aspects. Measures are in place and continually being taken to ensure the ongoing adequacy and effectiveness of risk management and internal control to safeguard the Group's assets and enhance shareholders' investment.

The statement is made in accordance with a resolution passed by the Directors at the Board of Directors' Meeting held on 27 February 2026.

STATEMENT OF **DIRECTORS' RESPONSIBILITY**
FOR PREPARING THE FINANCIAL STATEMENTS

The Directors are responsible for ensuring that the annual financial statements of the Group and of the Company are drawn up in accordance with the applicable approved Malaysian Financial Reporting Standards (MFRS), International Financial Reporting Standards (IFRS) and the provisions of the Companies Act 2016 and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The annual financial statements are prepared with reasonable accuracy from the accounting records of the Group and of the Company so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and their financial performance and cash flows for the financial year ended.

In the preparation of the annual financial statements, the Directors have also:-

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

The Directors are also responsible for:-

- Ensuring that the Group and the Company keep proper accounting and other records to enable the explanation of transactions and preparation of financial statements; and
- Taking the necessary steps to ensure appropriate systems and internal controls are in place to safeguard the assets of the Group and of the Company, as well as to prevent and detect fraud and any other irregularities.

The Directors confirmed that they have complied with the above requirements for the annual financial statements for the financial year ended 31 December 2025.

This statement of Directors' responsibility for preparing the financial statements is made in accordance with a resolution passed by the Directors on 15 April 2026.

FINANCIAL **STATEMENTS**

DIRECTORS' REPORT

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 2025.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and the provision of management services.

The information on the name, place of incorporation, principal activities, and percentage of issued share capital held by the holding company in each subsidiary company are set out in the "Subsidiaries" section of this report.

RESULTS

	The Group RM'000	The Company RM'000
Loss after taxation for the financial year	(7,327)	(224)

DIVIDENDS

No dividend was recommended by the directors for the financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

(a) there were no changes in the issued and paid-up share capital of the Company; and

(b) there were no issues of debentures by the Company.

TREASURY SHARES

As at 31 December 2025, the Company held as treasury shares a total of 19,474,400 of its 240,000,000 issued and fully paid-up ordinary shares. The treasury shares are held at a carrying amount of RM24,314,843. The details of the treasury shares are disclosed in Note 16 to the financial statements.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that there are no known bad debts and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, 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 which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

(a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or

(b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability of the Group and of the Company 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 their obligations when they fall due.

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:-

Teo Swee Teng
Cheng Soon Mong
Lau Lee Jan
Liao Hung Chang
Liao Shen Hua
Liao Shen Yao
Tai Lam Shin
Teo Kim Lap
Teo Kim Tay
Ling Lian Ying (Appointed on 25.3.2025)
Rosita Yeo Swat Geok (Resigned on 25.3.2025)

The names of directors of the Company's subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, are as follows:-

Chang Huai Wei
Chen Hen Jui

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of the Company and its related corporations during the financial year are as follows:-

	← Number of Ordinary Shares →			
The Company	**At 1.1.2025**	**Bought**	**Sold**	**At 31.12.2025**
Direct Interests				
Cheng Soon Mong	4,877,735	–	–	4,877,735
Liao Hung Chang	8,391,430	–	–	8,391,430
Liao Shen Hua	3,737,824	–	–	3,737,824
Liao Shen Yao	3,306,897	–	(3,306,897)	–
Teo Kim Lap	11,083,027	–	–	11,083,027
Teo Kim Tay	12,409,015	–	–	12,409,015
Teo Swee Teng	11,073,593	–	–	11,073,593

DIRECTORS' REPORT
(cont'd)

DIRECTORS' INTERESTS (CONT'D)

	Number of Ordinary Shares			
The Company	**At 1.1.2025**	**Bought**	**Sold**	**At 31.12.2025**
Indirect Interests				
Cheng Soon Mong ^	1,193,004	–	–	1,193,004
Liao Shen Hua ^	8,510,000	–	–	8,510,000
Liao Shen Yao ^	8,340,000	3,306,897	–	11,646,897
Liao Hung Chang *	4,534,896	–	–	4,534,896
Teo Kim Lap ^	1,300,000	–	–	1,300,000
Teo Swee Teng ^	1,843,000	–	–	1,843,000

* Deemed interested by virtue of his direct substantial shareholdings in Ding Qiao Investment Co., Ltd. and Ding Ya Investment Co., Ltd.

^ Deemed interested through his family members' shareholdings in the Company.

The other directors holding office at the end of the financial year had no interest in shares of the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" section of this report) 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 except for any benefits which may be deemed to arise from the following transactions:-

	The Group RM'000
Companies in which certain directors have financial interests	
Sales of goods to:	
- Teobros Ceramica Sdn. Bhd.	(17,765)
- White Horse Ceramic Co., Ltd.	(3,273)
Sales of raw materials, consumable supplies and products to White Horse Ceramic Co., Ltd.	(779)
Purchase of goods from Teobros Ceramica Sdn. Bhd.	14

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

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:-

	From the Company RM'000	From the Subsidiaries RM'000	Total RM'000
Fees	151	560	711
Salaries, bonuses and other benefits	8	1,405	1,413
Contributions to defined contribution benefits	–	102	102
Estimated money value of benefits-in-kind	–	43	43
	159	2,110	2,269

INDEMNITY AND INSURANCE COST

During the financial year, the amount of insurance effected for the directors of the Company and its subsidiaries was RM10,000,000 (2024 – RM10,000,000). No indemnity was given to or insurance effected for the auditors of the Company.

SUBSIDIARIES

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

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent	Principal Activities
Subsidiaries of the Company			
White Horse Ceramic Industries Sdn. Bhd.	Malaysia	100%	Manufacture and distribution of ceramic and homogeneous tiles, as well as related support services activities incidental to transportation
White Horse Marketing Sdn. Bhd.	Malaysia	100%	Distribution of ceramic and homogeneous tiles
White Horse Ceramic Industries (Vietnam) Co., Ltd.	Vietnam	100%	Distribution of ceramic and homogeneous tiles
Subsidiaries of White Horse Ceramic Industries Sdn. Bhd.			
White Horse Ceramic (S) Pte. Ltd.	Singapore	100%	Distribution of ceramic and homogeneous tiles
White Horse Ceramic (Phil.), Inc.	Philippines	100%	Distribution of ceramic and homogeneous tiles

DIRECTORS' REPORT
(cont'd)

SUBSIDIARIES (CONT'D)

(a) The details of the Company's subsidiaries are as follows (Cont'd):-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent	Principal Activities
Subsidiaries of White Horse Ceramic Industries Sdn. Bhd. (Cont'd)			
White Horse Ceramic (Thailand) Ltd.	Thailand	100%	Distribution of ceramic and homogeneous tiles
PT. WH Ceramic Indonesia	Indonesia	100%	Distribution of ceramic and homogeneous tiles
Grand Mark International Co., Ltd.	People's Republic of China	100%	Distribution of ceramic, building materials and hardware

(b) The available auditors' reports on the financial statements of the subsidiaries did not contain any qualification other than PT. WH Ceramic Indonesia, which was placed under Members' Voluntary Liquidation in year 2020 and not required to be audited under the laws of the country of incorporation.

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration for the financial year are as follows:-

	The Group RM'000	The Company RM'000
Audit fees	220	60
Non-audit fees	6	6
	226	66

Signed in accordance with a resolution of the directors dated 15 April 2026

Teo Swee Teng

Cheng Soon Mong

STATEMENT BY **DIRECTORS**
PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Teo Swee Teng and Cheng Soon Mong, being two of the directors of White Horse Berhad, state that, in the opinion of the directors, the financial statements set out on pages 82 to 134 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2025 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 15 April 2026

Teo Swee Teng **Cheng Soon Mong**

STATUTORY **DECLARATION**
PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, Cheng Soon Mong, being the director primarily responsible for the financial management of White Horse Berhad, do solemnly and sincerely declare that the financial statements set out on pages 82 to 134 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 abovementioned
Cheng Soon Mong,
at Melaka
in the State of Melaka
on this 15 April 2026

Cheng Soon Mong

Before me
M110
P. PAVALLAI A/P RAMASAMY

Commissioner for Oaths

INDEPENDENT **AUDITORS' REPORT**

TO THE MEMBERS OF WHITE HORSE BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of White Horse Berhad, which comprise the statements of financial position as at 31 December 2025 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 financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 82 to 134.

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

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

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

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Key Audit Matters (Cont'd)

Adequacy of Inventory Written Down Refer to Notes 4.6 and 10 to the financial statements	
Key audit matter	**How our audit addressed the key audit matter**
As at 31 December 2025, the carrying amount of inventories was RM165.1 million, representing 24.6% of total assets of the Group and is also the largest component in current assets. Included in inventories were RM69.8 million of various categories of inventories stated at net realisable value ("NRV"); The Group constantly develops new products/designs to cater for consumers' changing preference for tile designs. The demand for a particular tile design will naturally slow down after a certain period and that may affect the NRV of the finished goods; The abovementioned is also disclosed in Note 4.1(c) to the financial statements as one of the key assumptions used by management under the section of Key Sources of Estimation Uncertainty; and For the financial year ended 31 December 2025, the Group recognised a net inventory write-down of RM1.9 million, after considering reversals and additional write-downs during the year. The accumulated inventory write-down as at 31 December 2025 amounted to RM39.8 million.	We focused on this area because the inventories balance is significant to the statements of financial position and the inventory written down requires a high level of judgement based on management's experience. We have performed the following audit procedures in relation to adequacy of inventory written down: • Performed tests on inventories ageing report by selecting samples and checked to the date of stock-in (purchase date) to the appropriate age band; • Assessed the adequacy of inventories written down and whether the write-down policy is adhered to; and • Performed net realisable value test on the inventories. We also assessed the basis used by management in estimating the selling price, less estimated costs necessary to make the sale of these inventories by comparing to recently transacted prices.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF WHITE HORSE BERHAD
(cont'd)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Key Audit Matters (Cont'd)

Impairment Assessment of Property, Plant and Equipment ("PPE") and Right-of-Use Assets ("ROU") of the Group's Malaysia Operations ("Malaysia CGU") Refer to Notes 4.4, 4.5, 6 and 7 to the financial statements	
Key audit matter	**How our audit addressed the key audit matter**
As at 31 December 2025, the Group has PPE and ROU related to its Malaysia CGU with carrying amounts of RM176.4 million and RM60.5 million respectively representing approximately 36.3% of the Group's total assets; The Malaysia CGU has been incurring losses since financial year 2018. These resulted in indications that the carrying amounts of PPE and ROU may be impaired. Accordingly, the estimated recoverable amounts of the PPE and ROU are determined based on the higher of its fair value less costs of disposal ("FV") and its value-in-use ("VIU"); VIU is calculated using cash flows projections and discounting them at an appropriate rate. The FV on the PPE and ROU were based on valuation by independent professional valuers; The abovementioned is also disclosed in Note 4.1(b) to the financial statements as one of the key assumptions used by management under the section of *Key Sources of Estimation Uncertainty*; As of the end of the reporting period, impairment loss of RM5.0 million has been recognised in profit or loss of the Group, which represents an impairment loss of PPE. The accumulated impairment losses on PPE and ROU as at 31 December 2025 of the Group are RM18.5 million and RM5.4 million respectively; and The recoverable amount of the Group's PPE and ROU is highly sensitive to key assumptions applied in respect of future revenue growth rate and gross margin used in the cash flows projections. A small change in the assumption can have a significant impact on the estimation of the recoverable amount.	We identified the impairment review of PPE and ROU as a key audit matter as these two items collectively represent the largest component in the Group's statements of financial position and the use of significant judgement in determining the recoverable amounts. We have performed the following audit procedures to address this area of audit focus: • Obtained the future cash flow projections and the assumptions used by the management for the purpose of these projections together with calculations for deriving the VIU of the relevant CGU and the residual values of the PPE and ROU; • Evaluated the key assumptions applied such as revenue growth and compared to those in the previous financial years; • Performed a sensitivity analysis by changing certain key assumptions used in the VIU calculation and assessed the impact of the recoverable amounts of the PPE and ROU; • Assessed whether the discount rate (weighted average cost of capital) used to determine the present value of the future cash flows reflects the return that investors would require if they were to choose an investment that would generate cash flows of amounts, timing and risk profile comparable to those that the entity expects to derive; and • Evaluated the objectivity and competency of the independent professional valuers and the methodology and key assumptions used by the valuers in the valuation based on our knowledge of the industry and checked the comparability of the input data used to current industry data.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

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 annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF WHITE HORSE BERHAD
(cont'd)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

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 (Cont'd):

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 5 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Tan Guan Seng
03387/08/2026 J
Chartered Accountant

Melaka

15 April 2026

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

		The Group		The Company	
		2025	2024	2025	2024
	Note	RM'000	RM'000	RM'000	RM'000
ASSETS					
NON-CURRENT ASSETS					
Investments in subsidiaries	5	–	–	212,333	212,333
Property, plant and equipment	6	179,232	198,060	–	–
Right-of-use assets	7	66,800	73,576	–	–
Goodwill	8	677	677	–	–
Deferred tax assets	9	30	–	–	–
		246,739	272,313	212,333	212,333
CURRENT ASSETS					
Inventories	10	165,097	182,499	–	–
Right of return assets		16	109	–	–
Trade and other receivables	11	78,825	94,516	1,330	1,648
Other current assets	12	10,221	12,861	76	76
Current tax assets		169	1,224	70	81
Fixed deposits with licensed banks	13	122,072	111,836	7,800	7,800
Cash and bank balances	14	47,714	44,430	446	340
		424,114	447,475	9,722	9,945
TOTAL ASSETS		670,853	719,788	222,055	222,278

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

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025
(cont'd)

	Note	The Group 2025 RM'000	The Group 2024 RM'000	The Company 2025 RM'000	The Company 2024 RM'000
EQUITY AND LIABILITIES					
EQUITY					
Share capital	15	246,936	246,936	246,936	246,936
Treasury shares	16	(24,315)	(24,315)	(24,315)	(24,315)
Retained profits/ (Accumulated losses)		316,483	323,810	(707)	(483)
Foreign currency translation reserve	17	9,773	19,200	–	–
TOTAL EQUITY		548,877	565,631	221,914	222,138
NON-CURRENT LIABILITIES					
Other payables	20	319	316	–	–
Long-term borrowings	21	14,429	19,381	–	–
Deferred tax liabilities	9	–	254	–	–
		14,748	19,951	–	–
CURRENT LIABILITIES					
Trade and other payables	20	52,174	62,823	141	140
Refund liabilities		445	543	–	–
Short-term borrowings	22	53,920	70,016	–	–
Current tax liabilities		689	824	–	–
		107,228	134,206	141	140
TOTAL LIABILITIES		121,976	154,157	141	140
TOTAL EQUITY AND LIABILITIES		670,853	719,788	222,055	222,278

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	The Group 2025 RM'000	The Group 2024 RM'000	The Company 2025 RM'000	The Company 2024 RM'000
REVENUE	23	380,537	438,482	–	–
COST OF SALES		(315,365)	(360,686)	–	–
GROSS PROFIT		65,172	77,796	–	–
OTHER INCOME		14,178	7,253	201	210
		79,350	85,049	201	210
ADMINISTRATIVE EXPENSES		(55,785)	(61,982)	(425)	(462)
SELLING AND DISTRIBUTION EXPENSES		(21,344)	(23,917)	–	–
FINANCE COSTS		(4,353)	(5,207)	–	–
NET REVERSAL/(ALLOWANCE) OF IMPAIRMENT LOSSES ON FINANCIAL ASSETS	24	1,346	(2,264)	–	–
OTHER EXPENSES		(5,000)	–	–	–
LOSS BEFORE TAXATION	25	(5,786)	(8,321)	(224)	(252)
INCOME TAX EXPENSE	27	(1,541)	(2,538)	–	–
LOSS AFTER TAXATION		(7,327)	(10,859)	(224)	(252)
OTHER COMPREHENSIVE INCOME					
Item that Will be Reclassified Subsequently to Profit or Loss					
Foreign currency translation differences		(9,427)	(8,744)	–	–
TOTAL COMPREHENSIVE EXPENSES FOR THE FINANCIAL YEAR		(16,754)	(19,603)	(224)	(252)
LOSS PER SHARE (SEN)					
Basic/Diluted	28	(3.3)	(4.9)		

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

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

The Group	Share Capital RM'000	Treasury Shares RM'000	Non-distributable Foreign Exchange Translation Reserve RM'000	Distributable Retained Profits RM'000	Total Equity RM'000
Balance at 1.1.2025	246,936	(24,315)	19,200	323,810	565,631
Loss after taxation for the financial year	–	–	–	(7,327)	(7,327)
Other comprehensive income for the financial year: - Foreign currency translation differences	–	–	(9,427)	–	(9,427)
Total comprehensive expenses for the financial year	–	–	(9,427)	(7,327)	(16,754)
Balance at 31.12.2025	246,936	(24,315)	9,773	316,483	548,877
Balance at 1.1.2024	246,936	(24,315)	27,944	334,669	585,234
Loss after taxation for the financial year	–	–	–	(10,859)	(10,859)
Other comprehensive income for the financial year: - Foreign currency translation differences	–	–	(8,744)	–	(8,744)
Total comprehensive expenses for the financial year	–	–	(8,744)	(10,859)	(19,603)
Balance at 31.12.2024	246,936	(24,315)	19,200	323,810	565,631

The Company	Share Capital RM'000	Treasury Shares RM'000	Accumulated Losses RM'000	Total Equity RM'000
Balance at 1.1.2024	246,936	(24,315)	(231)	222,390
Loss after taxation/Total comprehensive expenses for the financial year	–	–	(252)	(252)
Balance at 31.12.2024/1.1.2025	246,936	(24,315)	(483)	222,138
Loss after taxation/Total comprehensive expenses for the financial year	–	–	(224)	(224)
Balance at 31.12.2025	246,936	(24,315)	(707)	221,914

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

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

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES				
Loss before taxation	(5,786)	(8,321)	(224)	(252)
Adjustments for:-				
Depreciation of property, plant and equipment	11,416	11,979	–	–
Depreciation of right-of-use assets	6,770	5,117	–	–
Gain on disposal of property, plant and equipment	(7,435)	(252)	–	–
Gain on disposal of right-of-use assets	(779)	–	–	–
Interest expense on lease liabilities	501	243	–	–
Interest income	(4,325)	(4,628)	(201)	(210)
Inventories written down	4,679	4,021	–	–
Finance costs	3,852	4,964	–	–
Property, plant and equipment written off	11	3,955	–	–
Impairment loss on trade receivables	194	2,298	–	–
Impairment loss on other receivables	–	30	–	–
Impairment loss on property, plant and equipment	5,000	–	–	–
Unrealised gain on foreign exchange	(234)	(407)	–	–
Reversal of inventories previously written down	(2,821)	(3,778)	–	–
Reversal of impairment loss on trade receivables	(1,525)	(64)	–	–
Reversal of impairment loss on other receivables	(15)	–	–	–
Operating profit/(loss) before working capital changes	9,503	15,157	(425)	(462)
Decrease/(Increase) in receivables	13,665	(3,180)	–	(9)
Decrease in other current assets	2,631	438	–	–
Decrease in inventories and right of return assets	15,637	8,358	–	–
(Decrease)/Increase in payables and refund liabilities	(10,995)	(1,679)	1	–
CASH FROM/(FOR) OPERATIONS	30,441	19,094	(424)	(471)
Income tax paid	(894)	(2,102)	(34)	(42)
Income tax refund	–	–	45	39
NET CASH FROM/(FOR) OPERATING ACTIVITIES	29,547	16,992	(413)	(474)

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

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(cont'd)

	Note	The Group 2025 RM'000	The Group 2024 RM'000	The Company 2025 RM'000	The Company 2024 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest income received		4,325	4,628	201	210
Net repayment from a subsidiary		–	–	318	362
Purchase of property, plant and equipment	29(a)	(9,507)	(4,297)	–	–
Proceeds from disposal of property, plant and equipment		21,575	429	–	–
Proceeds from disposal of right-of-use assets		1,660	–	–	–
Withdrawal of fixed deposits with tenure more than 3 months		6,220	4,000	–	–
NET CASH FROM INVESTING ACTIVITIES		24,273	4,760	519	572
CASH FLOWS FOR FINANCING ACTIVITIES					
Interest paid	29(b)	(4,353)	(5,207)	–	–
Repayments of lease liabilities	29(b)	(5,179)	(3,123)	–	–
Repayment of term loan	29(b)	(1,833)	(1,749)	–	–
Net repayment of bankers' acceptances	29(b)	(7,623)	(8,295)	–	–
Net repayment of revolving credits	29(b)	(6,030)	(6,030)	–	–
Advances from/(Net repayment) to companies in which certain directors have financial interests	29(b)	324	(261)	–	–
NET CASH FOR FINANCING ACTIVITIES		(24,694)	(24,665)	–	–
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		29,126	(2,913)	106	98
EFFECTS OF FOREIGN EXCHANGE TRANSLATION		(9,386)	(8,201)	–	–
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		91,603	102,717	8,140	8,042
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	29(d)	111,343	91,603	8,246	8,140

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

NOTES TO THE **FINANCIAL STATEMENTS**
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office and principal place of business are as follows:-

Registered office	:	PLO 464, Jalan Gangsa Pasir Gudang Industrial Estate 81700 Pasir Gudang Johor
Principal place of business	:	PLO 464, Jalan Gangsa Pasir Gudang Industrial Estate 81700 Pasir Gudang Johor

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as "the Group".

The financial statements of the Company and of the Group are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency and has been rounded to the nearest thousand, unless otherwise stated.

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

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and the provision of management services. The principal activities of the subsidiaries are set out in Note 5 to the financial statements.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

3.1 During the current financial year, the Group and the Company have adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including the Consequential Amendments)
Amendments to MFRS 121: Lack of Exchangeability

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company.

3. BASIS OF PREPARATION (CONT'D)

3.2 The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	**Effective Date**
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121: Translation to a Hyperinflationary Presentation Currency	1 January 2027
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application except as follows:-

MFRS 18 Presentation and Disclosure of Financial Statements

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: "operating", "investing" and "financing" and introduces 2 new subtotals: "operating profit or loss" and "profit or loss before financing and income tax". In addition, MFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and their accompanying notes. The statement of financial position and the statement of cash flows will also be affected. The potential impact of the new standard on the financial statements of the Group and of the Company has yet to be assessed.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(cont'd)

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives, and related depreciation charges for property, plant, and equipment are based on commercial factors that could change significantly due to technical innovations and competitors' actions in response to market conditions. The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in expected usage levels and technological development could affect the economic useful lives and residual values of these assets; therefore, future depreciation charges could be revised. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 6 to the financial statements.

(b) Impairment of Property, Plant and Equipment and Right-of-use Assets

The Group determines whether an item of its property, plant and equipment and right-of-use assets is impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as the market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amounts of property, plant and equipment and right-of-use assets as at the reporting date are disclosed in Notes 6 and 7 to the financial statements respectively.

(c) Write-down of Inventories

Management periodically reviews damaged, obsolete, and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 10 to the financial statements.

(d) Impairment of Trade Receivables

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. The Group develops expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative, reasonable and supportable, forward-looking information, where applicable. If the expectation is different from the estimation, such difference will impact the carrying value of trade receivables. The carrying amount of trade receivables as at the reporting date is disclosed in Note 11 to the financial statements.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(e) Impairment of Cost of Investment in a Subsidiary of the Company

The Company assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

(f) Estimating Variable Consideration for Returns, Rebates and Discounts

The Group estimates variable considerations to be included in the transaction price for the sale of goods with rights of return, rebates and discounts.

The Group developed a statistical model for forecasting sales returns, rebates and discounts. The model used the historical data of each product to come up with expected percentages. These percentages are applied to determine the expected value of the variable consideration. Any significant changes in experience as compared to historical pattern will impact the expected percentages estimated by the Group.

The Group updates its assessment of expected returns, rebates and discounts annually and the refund liabilities are adjusted accordingly. Estimates of expected returns, rebates and discounts are sensitive to changes in circumstances and the Group's past experience may not be representative of customers' actual returns, rebates and discounts in the future.

(g) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognise tax liabilities based on their understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made.

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group and of the Company which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

Lease Terms

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances, including the past practice and any costs that will be incurred to change the asset if an option to extend is not exercised. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.2 FINANCIAL INSTRUMENTS

(a) Financial Assets

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without a significant financing component which are measured at the transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

(b) Financial Liabilities

Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

(c) Equity

Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

Treasury Shares

Treasury shares are recorded on initial recognition at the consideration paid less directly attributable transaction costs incurred. The treasury shares are not remeasured subsequently.

No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the treasury shares. If such shares are issued by resale, any difference between the sales consideration received and the carrying amount of the treasury shares is recognised in equity. Where treasury shares are cancelled, their carrying amounts are shown as a movement in retained profits.

(d) Financial Guarantee Contracts

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to the initial recognition, the financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Company, as the issuer, is required to reimburse the holder for the associated loss, the reimbursement is recognised as a liability and measured at the higher of the amount of loss allowance determined using the expected credit loss model and the amount of financial guarantee initially recognised less cumulative amortisation.

4.3 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries, which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.4 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost.

Subsequent to the initial recognition, all property, plant and equipment, other than freehold land, are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is not depreciated. Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation periods are:-

Buildings	3 to 96 years
Other assets	3 to 10 years
Plant and machinery	5 to 12 years

Capital work-in-progress represent factory buildings under construction. They are not depreciated until such time when the asset is available for use.

4.5 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Short-term Leases and Leases of Low-value Assets

The Group applies the "short-term lease" and "lease of low-value assets" recognition exemption. For these leases, the Group recognises the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

(b) Right-of-use Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

(c) Lease Liabilities

Lease liabilities are initially measured at the present value of lease payments that are not paid at the commencement date, discounted using the entity's incremental borrowing rate. Subsequent to initial recognition, lease liabilities are measured at amortised cost and adjusted for any lease reassessments or modifications.

4.6 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost method and comprises all costs of purchase, production costs plus other costs incurred in bringing the inventories to their present location and condition.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.7 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company is in the business of investment holding and the provision of management services, while the Group is in the business of manufacturing and distributing of ceramic and homogeneous tiles, as well as related support services activities incidental to transportation. Revenue is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group and the Company expect to be entitled in exchange for those goods or services. The Group and the Company have generally concluded that it is the principal in its revenue arrangements.

(a) Sale of Goods

Revenue from sale of tiles is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The normal credit terms range from 30 to 180 days upon delivery. Other credit terms are assessed and approved on a case-by-case basis.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties). In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Variable Consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

<u>Right of Return</u>

The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in MFRS 15 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group recognises a refund liability. A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

<u>Rebates and Discounts</u>

The Group provides retrospective volume rebates, early payment rebates and other discounts to customers. Rebates and discounts are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates and discounts, the Group applies the expected value method.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.7 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONT'D)

(b) Assets and Liabilities Arising from Rights of Return

(i) Right of Return Assets

Right of return asset represents the Group's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Group updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

(ii) Refund Liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of the financial year.

5. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2025 RM'000	**2024 RM'000**
Unquoted shares, at cost	244,076	244,076
Accumulated impairment losses	(31,743)	(31,743)
	212,333	212,333

The details of the subsidiaries are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2025	2024	Principal Activities
Subsidiaries of the Company				
White Horse Ceramic Industries Sdn. Bhd.	Malaysia	100%	100%	Manufacture and distribution of ceramic and homogeneous tiles, as well as related support services activities incidental to transportation
White Horse Marketing Sdn. Bhd.	Malaysia	100%	100%	Distribution of ceramic and homogeneous tiles
White Horse Ceramic Industries (Vietnam) Co., Ltd. *	Vietnam	100%	100%	Distribution of ceramic and homogeneous tiles

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(cont'd)

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows (Cont'd):-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2025	2024	Principal Activities
Subsidiaries of White Horse Ceramic Industries Sdn. Bhd.				
White Horse Ceramic (S) Pte. Ltd.^	Singapore	100%	100%	Distribution of ceramic and homogeneous tiles
White Horse Ceramic (Phil.), Inc.^	Philippines	100%	100%	Distribution of ceramic and homogeneous tiles
White Horse Ceramic (Thailand) Ltd.^	Thailand	100%	100%	Distribution of ceramic and homogeneous tiles
PT. WH Ceramic Indonesia#	Indonesia	100%	100%	Distribution of ceramic and homogeneous tiles
Grand Mark International Co., Ltd.*	People's Republic of China	100%	100%	Distribution of ceramic, building materials and hardware

* *These subsidiaries were audited by member firms of Crowe Global of which Crowe Malaysia PLT is a member.*

^ *These subsidiaries were audited by other firms of chartered accountants.*

\# *The subsidiary is under Members' Voluntary Liquidation in year 2020 and not required to be audited under the laws of the country of incorporation.*

6. PROPERTY, PLANT AND EQUIPMENT

The Group	At 1.1.2025 RM'000	Additions (Note 29(a)) RM'000	Disposals RM'000	Write Off (Note 25) RM'000	Depreciation Charges (Note 25) RM'000	Impairment Loss (Note 25) RM'000	Exchange Differences RM'000	At 31.12.2025 RM'000
2025								
Carrying Amount								
Freehold land	26,265	–	–	–	–	–	–	26,265
Buildings	145,943	8,632	(14,086)	(4)	(5,256)	–	(205)	135,024
Other assets	5,365	2,561	(49)	(4)	(1,647)	–	(78)	6,148
Plant and machinery	20,430	830	(5)	(3)	(4,513)	(5,000)	(1)	11,738
Capital work-in-progress	57	–	–	–	–	–	–	57
	198,060	12,023	(14,140)	(11)	(11,416)	(5,000)	(284)	179,232

The Group	At 1.1.2024 RM'000	Additions (Note 29(a)) RM'000	Disposals RM'000	Write Off (Note 25) RM'000	Depreciation Charges (Note 25) RM'000	Exchange Differences RM'000	At 31.12.2024 RM'000
2024							
Carrying Amount							
Freehold land	26,265	–	–	–	–	–	26,265
Buildings	153,767	1,442	(1)	(3,850)	(5,252)	(163)	145,943
Other assets	4,624	2,517	(77)	(97)	(1,527)	(75)	5,365
Plant and machinery	25,401	338	(99)	(8)	(5,200)	(2)	20,430
Capital work-in-progress	57	–	–	–	–	–	57
	210,114	4,297	(177)	(3,955)	(11,979)	(240)	198,060

6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	At Cost RM'000	Accumulated Depreciation RM'000	Accumulated Impairment Losses RM'000	Carrying Amount RM'000
2025				
Freehold land	26,265	–	–	26,265
Buildings	243,827	(108,803)	–	135,024
Other assets	44,308	(38,160)	–	6,148
Plant and machinery	592,459	(562,221)	(18,500)	11,738
Capital work-in-progress	57	–	–	57
	906,916	(709,184)	(18,500)	179,232

The Group	At Cost RM'000	Accumulated Depreciation RM'000	Accumulated Impairment Losses RM'000	Carrying Amount RM'000
2024				
Freehold land	26,265	–	–	26,265
Buildings	256,091	(110,148)	–	145,943
Other assets	44,081	(38,716)	–	5,365
Plant and machinery	592,479	(558,549)	(13,500)	20,430
Capital work-in-progress	57	–	–	57
	918,973	(707,413)	(13,500)	198,060

(a) Other assets comprise office equipment, furniture, fixtures, computers, renovation and motor vehicles.

(b) Certain buildings of the Group amounted to RM22,840,000 (2024 – RM23,950,000) have been pledged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 19(a)(i) to the financial statements.

(c) Certain freehold land and buildings of the Group amounted to RM33,312,000 (2024 – RM33,729,000) have been pledged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 22(a) to the financial statements.

(d) Property, plant and equipment are subject to negative pledge in relation to the banking facilities granted to the Group as disclosed in Note 22(b) to the financial statements.

(e) During the current financial year, the Group has reviewed the recoverable amount of its production equipment in the Malaysia segment because the business of distributing of ceramic and homogeneous tiles had been persistently making losses. An impairment loss of RM5,000,000, representing the write-down of the production equipment to its recoverable amount, was recognised as other expenses in profit or loss and is disclosed in Note 25 to the financial statements. The recoverable was determined using the value in use approach and the pre-tax discount rate used was 6.79%.

7. RIGHT-OF-USE ASSETS

The Group	At 1.1.2025 RM'000	Additions (Note 29(a)) RM'000	Disposal RM'000	Modification of Lease Liabilities (Note 18) RM'000	Depreciation Charges (Note 25) RM'000	Exchange Differences RM'000	At 31.12.2025 RM'000
2025							
Carrying Amount							
Leasehold land	62,837	–	(881)	–	(1,925)	(3)	60,028
Hostel	28	72	–	43	(54)	(3)	86
Office	20	–	–	34	(34)	(2)	18
Showroom	874	–	–	331	(703)	(11)	491
Warehouse	9,431	863	–	(209)	(3,630)	(297)	6,158
Equipment	386	59	–	–	(424)	(2)	19
	73,576	994	(881)	199	(6,770)	(318)	66,800

The Group	At 1.1.2024 RM'000	Additions (Note 29(a)) RM'000	Modification of Lease Liabilities (Note 18) RM'000	Depreciation Charges (Note 25) RM'000	Derecognition Due to Lease Termination RM'000	Exchange Differences RM'000	At 31.12.2024 RM'000
2024							
Carrying Amount							
Leasehold land	64,978	–	–	(2,125)	–	(16)	62,837
Hostel	83	–	–	(54)	–	(1)	28
Office	44	–	38	(42)	(18)	(2)	20
Showroom	631	1,062	–	(771)	–	(48)	874
Warehouse	862	9,214	1,039	(1,358)	–	(326)	9,431
Equipment	466	63	626	(767)	–	(2)	386
	67,064	10,339	1,703	(5,117)	(18)	(395)	73,576

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(cont'd)

7. RIGHT-OF-USE ASSETS (CONT'D)

(a) The Group leases various leasehold land, hostel, office, showroom, warehouse and equipment of which the leasing activities are summarised below:-

(i)	Leasehold land	The Group has entered into non-cancellable operating lease agreements for the use of land. The leases are for a period from 22 to 908 years.
(ii)	Hostel, office, showroom and warehouse	The Group leased a number of hostel, office, showroom and warehouse that run between 1 and 3 (2024 – 1 and 3) years with an option to renew the lease after that date.
(iii)	Equipment	The Group leased a number of equipment for a period of 1 (2024 – 1 to 2) years with no option to renew the lease after that date.

(b) A leasehold land of the Group amounted to RM16,028,000 (2024 – RM16,630,000) has been pledged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 19(a)(i) to the financial statements.

(c) Leasehold land is subject to negative pledge in relation to the banking facilities granted to the Group as disclosed in Note 22(b) to the financial statements.

8. GOODWILL

	The Group	
	2025 RM'000	2024 RM'000
Cost:-		
At 1 January/31 December	677	677

The carrying amount of goodwill is allocated to the cash generating unit of White Horse Ceramic (S) Pte. Ltd.

9. DEFERRED TAX (ASSETS)/LIABILITIES

The Group	At 1.1.2025 RM'000	Recognised in Profit or Loss (Note 27) RM'000	Exchange Differences RM'000	At 31.12.2025 RM'000
2025				
Deferred Tax Liabilities				
Property, plant and equipment	3,639	(24)	(11)	3,604
Deferred Tax Assets				
Provisions and others	(3,385)	(249)	–	(3,634)
	254	(273)	(11)	(30)

9. DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D)

The Group	At 1.1.2024 RM'000	Recognised in Profit or Loss (Note 27) RM'000	Exchange Differences RM'000	At 31.12.2024 RM'000
2024				
Deferred Tax Liabilities				
Property, plant and equipment	3,481	169	(11)	3,639
Deferred Tax Assets				
Provisions and others	(3,841)	488	(32)	(3,385)
	(360)	657	(43)	254

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset in the table above. The following is the analysis of the deferred tax balances for financial reporting purposes:-

	The Group 2025 RM'000	The Group 2024 RM'000
Deferred tax assets	(322)	(245)
Deferred tax liabilities	292	499
	(30)	254

Subject to agreement with the tax authorities, at the end of the reporting period, unabsorbed business losses, unutilised capital allowances and unutilised reinvestment allowances of the Group are as follows:-

	The Group 2025 RM'000	The Group 2024 RM'000
Unabsorbed business losses		
- expires year of assessment 2028	5,602	5,602
- expires year of assessment 2029	14,269	14,269
- expires year of assessment 2030	10,646	10,646
- expires year of assessment 2031	7,476	7,476
- expires year of assessment 2032	5,989	5,989
- expires year of assessment 2033	8,819	8,819
- expires year of assessment 2034	4,515	4,515
- expires year of assessment 2035	5,585	–
	62,901	57,316
Unutilised capital allowances	48,552	44,626
Unutilised reinvestment allowances		
- expires year of assessment 2025	–	4,042
	111,453	105,984

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(cont'd)

9. DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D)

No deferred tax assets are recognised in respect of the following items:-

	The Group	
	2025 RM'000	2024 RM'000
Unabsorbed business losses	62,901	57,316
Unutilised capital allowances	15,423	16,095
Unutilised reinvestment allowances	–	4,042
Other temporary differences	23,029	13,455
	101,353	90,908

Certain comparative figures have been restated to reflect the revised tax losses carry-forward and other temporary differences available to the Company.

Based on the current legislation, the unused tax losses up to the year of assessment 2018 can be carried forward until the year of assessment 2028 and the unused tax losses for 2019 onwards are allowed to be utilised for 10 consecutive years of assessment immediately following that year of assessment; whereas, the unabsorbed capital allowances are allowed to be carried forward indefinitely.

10. INVENTORIES

	The Group	
	2025 RM'000	2024 RM'000
At cost:-		
Raw materials	10,556	21,765
Work-in-progress	1,937	1,374
Finished goods	73,059	86,186
Consumable supplies	6,656	7,026
Goods-in-transit	3,099	1,896
	95,307	118,247
At net realisable value:-		
Raw materials	9,243	10,651
Work-in-progress	2,610	4,353
Finished goods	52,941	43,738
Consumable supplies	4,996	5,510
	69,790	64,252
	165,097	182,499

10. INVENTORIES (CONT'D)

	The Group	
	2025 RM'000	2024 RM'000
Recognised in profit or loss:-		
Inventories recognised as cost of sales	313,507	360,443
Inventories written down (Note 25)	4,679	4,021
Reversal of inventories previously written down (Note 25)	(2,821)	(3,778)
Allowance for impairment losses:-		
At 1 January	38,170	38,240
Addition during the financial year	4,679	4,021
Reversal during the financial year	(2,821)	(3,778)
Exchange differences	(244)	(313)
At 31 December	39,784	38,170

11. TRADE AND OTHER RECEIVABLES

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current				
Trade receivables				
Third parties	57,561	65,286	–	–
Due from companies in which certain directors have financial interests:				
- Teobros Ceramica Sdn. Bhd.	14,668	21,552	–	–
- White Horse Ceramic Co., Ltd.	1,857	2,784	–	–
	74,086	89,622	–	–
Less: Allowance for impairment losses	(3,939)	(5,311)	–	–
Trade receivables, net	70,147	84,311	–	–
Other receivables				
Due from a subsidiary	–	–	1,311	1,629
Sundry receivables	3,141	2,548	14	14
Deposits	5,549	7,686	5	5
	8,690	10,234	1,330	1,648
Less: Allowance for impairment losses	(12)	(29)	–	–
	8,678	10,205	1,330	1,648
Total current trade and other receivables	78,825	94,516	1,330	1,648

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(cont'd)

11. TRADE AND OTHER RECEIVABLES (CONT'D)

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Allowance for impairment losses:-				
Trade receivables				
At 1 January	5,311	3,122	–	–
Addition during the financial year (Note 24)	194	2,298	–	–
Reversal during the financial year (Note 24)	(1,525)	(64)	–	–
Exchange differences	(41)	(45)	–	–
At 31 December	3,939	5,311	–	–
Allowance for impairment losses:-				
Other receivables				
At 1 January	29	–	–	–
Addition during the financial year (Note 24)	–	30	–	–
Reversal during the financial year (Note 24)	(15)	–	–	–
Exchange differences	(2)	(1)	–	–
At 31 December	12	29	–	–

(a) The Group's trade credit terms range from 30 to 180 (2024 – 30 to 180) days. Other credit terms are assessed and approved on a case-by-case basis.

(b) The non-trade balance of amount due from a subsidiary is non-interest bearing, unsecured and repayable on demand.

(c) Included in deposits are amount paid for lease extension of a leasehold land totalling RM Nil (2024 – RM2,509,056) and amount paid to supplier for purchase of tiles totalling RM3,911,304 (2024 – RM3,379,693) respectively.

12. OTHER CURRENT ASSETS

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Prepaid operating expenses	8,795	12,414	76	76
Advances to suppliers of raw materials	1,426	447	–	–
	10,221	12,861	76	76

The advances to suppliers of raw materials are unsecured and interest-free. The amount owing will be offset against future purchases from the suppliers.

13. FIXED DEPOSITS WITH LICENSED BANKS

The fixed deposits with licensed banks of the Group and of the Company at the end of the reporting period bore effective interest rates ranging from 2.25% to 4.80% (2024 – 1.68% to 4.60%) per annum and 2.40% (2024 – 2.70%) per annum respectively. The fixed deposits have maturity periods ranging from 13 to 180 (2024 – 11 to 180) days and 28 (2024 – 28) days for the Group and the Company respectively.

14. CASH AND BANK BALANCES

Bank balances of the Group amounting to RM99,000 (2024 – RM254,000) are held under trust by certain managerial staffs of the Group.

15. SHARE CAPITAL

	The Group/The Company			
	2025 ('000)	**2024 ('000)**	**2025 RM'000**	**2024 RM'000**
Issued and Fully Paid-up	**Number of Shares**			
Ordinary shares				
At 1 January/31 December	240,000	240,000	246,936	246,936

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

16. TREASURY SHARES

Of the total 240,000,000 (2024 – 240,000,000) issued and fully paid-up ordinary shares at the end of the reporting period, 19,474,400 (2024 – 19,474,400) ordinary shares are held as treasury shares by the Company. None (2024 – None) of the treasury shares were resold or cancelled during the financial year.

Treasury shares have no rights to voting, receive dividends or participate in any other distribution. Treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purposes including substantial shareholding, take-overs, notices, the requisition of meeting, the quorum for a meeting and the result of a vote on a resolution at a meeting.

17. FOREIGN CURRENCY TRANSLATION RESERVE

The foreign exchange translation reserve arose from the translation of the financial statements of foreign subsidiaries whose functional currencies are different from the Group's presentation currency.

18. LEASE LIABILITIES

	The Group	
	2025 RM'000	2024 RM'000
At 1 January	10,656	2,153
Additions (Note 29(a))	994	10,174
Interest expense recognised in profit or loss	501	243
Modification of lease liabilities (Note 7)	199	1,703
Derecognition due to lease termination	–	(18)
Repayment of principal	(5,179)	(3,123)
Repayment of interest expense	(501)	(243)
Exchange differences	285	(233)
At 31 December	6,955	10,656
Analysed by:-		
Current liabilities (Note 22)	3,889	4,527
Non-current liabilities (Note 21)	3,066	6,129
	6,955	10,656

19. TERM LOAN

	The Group	
	2025 RM'000	2024 RM'000
Current liabilities (Note 22)	1,858	1,802
Non-current liabilities (Note 21)	11,363	13,252
	13,221	15,054

(a) The term loan is secured as follows:-

(i) by a fixed charge over the Group's leasehold land and buildings as disclosed in Notes 6(b) and 7(b) to the financial statements; and

(ii) by corporate guarantee of the Company.

(b) The interest rate profile of the term loan is summarised below:-

	Effective Interest Rate %	2025 RM'000	2024 RM'000
Floating rate term loan	4.95	13,221	15,054

20. TRADE AND OTHER PAYABLES

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-current				
Other payables				
Retirement benefits	319	316	–	–
Current				
Trade payables				
Third parties	28,680	35,596	–	–
Due to companies in which certain directors have financial interests:				
- Teobros Ceramica Sdn. Bhd.	14	81	–	–
- White Horse Ceramic Co., Ltd.	–	1	–	–
	28,694	35,678	–	–
Other payables				
Due to a company in which certain directors have financial interests:				
- White Horse Ceramic Co., Ltd.	324	–	–	–
Accruals and sundry payables	19,208	22,266	141	140
Goods and services tax payable	329	181	–	–
Unpaid balance for acquisition of property, plant and equipment (Note 29(a))	7	–	–	–
Sales tax payable	3,612	4,698	–	–
	23,480	27,145	141	140
Total current trade and other payables	52,174	62,823	141	140

(a) The normal trade credit terms granted to the Group range from 30 to 90 (2024 – 30 to 90) days.

(b) The non-trade balance of amount due to a company in which certain directors have financial interests is non-interest bearing, unsecured and repayable on demand.

21. LONG-TERM BORROWINGS

	The Group	
	2025 RM'000	2024 RM'000
Lease liabilities (Note 18)	3,066	6,129
Term loan (Note 19)	11,363	13,252
	14,429	19,381

22. SHORT-TERM BORROWINGS

	Effective Interest Rate %	The Group 2025 RM'000	2024 RM'000
Bankers' acceptances	4.67 (2024 – 5.07)	22,453	30,693
Lease liabilities (Note 18)	5.47 (2024 – 6.68)	3,889	4,527
Revolving credits	5.23 (2024 – 5.87)	25,720	32,994
Term loan (Note 19)	4.95 (2024 – 5.20)	1,858	1,802
		53,920	70,016

(a) Certain revolving credits totalling RM20,700,000 (2024 – RM27,994,000) are secured by a first party legal charge over the Group's freehold land and buildings as disclosed in Note 6(c) to the financial statements.

(b) The bankers' acceptances are secured against corporate guarantee by the Company and negative pledge of all assets of the Group.

23. REVENUE

	The Group 2025 RM'000	2024 RM'000
Revenue from Contracts with Customers		
Recognised at a point in time		
Sales of goods	380,537	438,482

	The Group 2025 RM'000	2024 RM'000
Type of goods		
Sales of ceramic tiles	117,547	147,609
Sales of homogeneous tiles	214,387	268,501
Others	48,603	22,372
	380,537	438,482
Represented by geographical markets		
Malaysia	322,583	389,167
Others	57,954	49,315
	380,537	438,482

The other information on the disaggregation of revenue is disclosed in Note 32 to the financial statements.

24. NET (REVERSAL)/ALLOWANCE OF IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	The Group	
	2025 RM'000	2024 RM'000
Impairment losses:		
- trade receivables (Note 11 and Note 33.1(b)(iii))	194	2,298
- other receivables (Note 11)	–	30
Reversal of impairment losses:		
- trade receivables (Note 11 and Note 33.1(b)(iii))	(1,525)	(64)
- other receivables (Note 11)	(15)	–
	(1,346)	2,264

25. LOSS BEFORE TAXATION

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Loss before taxation is arrived at after charging/(crediting):-				
Auditors' remuneration:				
- audit fees:				
- auditors of the Company	220	198	60	60
- member firms of the auditors of the Company	28	31	–	–
- other auditors	96	90	–	–
- non-audit fees:				
- auditors of the Company	6	6	6	6
- member firms of the auditors of the Company	29	29	–	–
Depreciation:				
- property, plant and equipment (Note 6)	11,416	11,979	–	–
- right-of-use assets (Note 7)	6,770	5,117	–	–
Employees benefits expense (Note 26)	75,044	77,326	162	186
Impairment loss on property, plant and equipment (Note 6)	5,000	–	–	–
Inventories written down (Note 10)	4,679	4,021	–	–
Reversal of inventories previously written down (Note 10)	(2,821)	(3,778)	–	–
Short-term leases	824	1,181	–	–
Property, plant and equipment written off (Note 6)	11	3,955	–	–

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(cont'd)

25. LOSS BEFORE TAXATION (CONT'D)

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Interest expense on financial liabilities that are not at fair value through profit or loss:				
- bankers' acceptances	1,368	1,759	–	–
- revolving credits	1,770	2,384	–	–
- term loan	714	821	–	–
- lease liabilities	501	243	–	–
Gain on disposal of property, plant and equipment	(7,435)	(252)	–	–
Gain on disposal of right-of-use assets	(779)	–	–	–
Loss/(Gain) on foreign exchange:				
- realised	332	714	–	–
- unrealised	(234)	(407)	–	–
Total interest income on financial assets measured at amortised cost	(4,325)	(4,628)	(201)	(210)
Lease income:				
- property, plant and equipment	(234)	(787)	–	–

26. EMPLOYEES BENEFITS EXPENSE

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Directors' non-fee emoluments (Note 30)	1,515	1,533	8	8
Directors' fees (Note 30)	791	790	151	150
EIS contributions	72	73	–	–
EPF contributions	5,840	5,832	–	–
Other staff related expenses	2,436	3,289	3	28
Salaries, wages and bonus	63,500	64,918	–	–
SOCSO	890	891	–	–
	75,044	77,326	162	186

27. INCOME TAX EXPENSE

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current tax expense:				
- current financial year	1,613	1,881	–	–
- Overprovision in the previous financial year	(123)	–	–	–
	1,490	1,881	–	–
Real property gains tax	324	–	–	–
	1,814	1,881	–	–
Deferred tax expense (Note 9):				
- origination and reversal of temporary differences	(273)	657	–	–
	1,541	2,538	–	–

A reconciliation of income tax expense applicable to the loss before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:-

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Loss before taxation	(5,786)	(8,321)	(224)	(252)
Tax at the Malaysian statutory tax rate of 24% (2024 – 24%)	(1,389)	(1,997)	(54)	(60)
Tax effects of:-				
Non-taxable income	(2,194)	(316)	(51)	(50)
Non-deductible expenses	1,779	3,399	105	110
Deferred tax assets not recognised during the financial year	3,480	1,591	–	–
Utilisation of previously unrecognised unabsorbed capital allowances	(85)	–	–	–
Effects of differential in tax rates of foreign subsidiaries	(195)	(79)	–	–
Overprovision of current tax expenses in the previous financial year	(123)	–	–	–
Real property gains tax	324	–	–	–
Others	(56)	(60)	–	–
Income tax expense for the financial year	1,541	2,538	–	–

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2024 - 24%) of the estimated assessable profit for the financial year. The taxation of other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.

28. LOSS PER SHARE

(a) Basic Loss Per Share

The basic loss per share is calculated by dividing the consolidated loss attributable to owners of the Company by the weighted average number of ordinary shares in issue after adjusting for treasury shares during the financial year.

	The Group	
	2025	**2024**
Loss after taxation attributable to owners of the Company (RM'000)	(7,327)	(10,859)
Weighted average number of ordinary shares in issue ('000)	220,526	220,526
Basic loss per share (sen)	(3.3)	(4.9)

(b) Diluted Loss Per Share

The diluted loss per share is equal to the basic loss per share because there were no potential ordinary shares as at the end of the reporting period.

29. CASH FLOW INFORMATION

(a) The cash disbursed for the purchase of property, plant and equipment and the addition of right-of-use assets is as follows:-

	The Group	
	2025 RM'000	**2024 RM'000**
Property, Plant and Equipment		
Cost of property, plant and equipment purchased (Note 6)	12,023	4,297
Less: Other payables – balances remained unpaid at the financial year end (Note 20)	(7)	–
Less: Deposits made in the previous financial year (Note 11(c))	(2,509)	–
	9,507	4,297
Right-of-use Assets		
Cost of right-of-use assets acquired (Note 7)	994	10,339
Less: Additions of new lease liabilities (Notes 18 and 29(b))	(994)	(10,174)
Less: Provision of restoration costs	–	(165)
	–	–

29. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows:-

The Group	Bankers' Acceptances RM'000	Revolving Credits RM'000	Term Loan RM'000	Lease Liabilities RM'000	Due to a Company in Which Certain Directors Have Financial Interests RM'000	Total RM'000
2025						
At 1 January	30,693	32,994	15,054	10,656	–	89,397
Changes in Financing Cash Flows						
Advances from to a company in which certain directors have financial interests	–	–	–	–	324	324
Net repayment of borrowing principal	(7,623)	(6,030)	(1,833)	(5,179)	–	(20,665)
Repayment of borrowing interests	(1,368)	(1,770)	(714)	(501)	–	(4,353)
	(8,991)	(7,800)	(2,547)	(5,680)	324	(24,694)
Other Changes						
Acquisition of new lease (Note 29(a))	–	–	–	994	–	994
Interest expense recognised in profit or loss (Note 25)	1,368	1,770	714	501	–	4,353
Modification of lease liabilities	–	–	–	199	–	199
Unrealised foreign exchange gain	(617)	(1,244)	–	–	–	(1,861)
Exchange differences	–	–	–	285	–	285
	751	526	714	1,979	–	3,970
At 31 December	22,453	25,720	13,221	6,955	324	68,673

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(cont'd)

29. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):-

The Group	Bankers' Acceptances RM'000	Revolving Credits RM'000	Term Loan RM'000	Lease Liabilities RM'000	Due to a Company in Which Certain Directors Have Financial Interests RM'000	Total RM'000
2024						
At 1 January	38,417	39,814	16,803	2,153	255	97,442
<u>Changes in Financing Cash Flows</u>						
Net repayment to a company in which certain directors have financial interests	–	–	–	–	(261)	(261)
Net repayment of borrowing principal	(8,295)	(6,030)	(1,749)	(3,123)	–	(19,197)
Repayment of borrowing interests	(1,759)	(2,384)	(821)	(243)	–	(5,207)
	(10,054)	(8,414)	(2,570)	(3,366)	(261)	(24,665)
<u>Other Changes</u>						
Acquisition of new lease (Note 29(a))	–	–	–	10,174	–	10,174
Derecognition due to lease termination	–	–	–	(18)	–	(18)
Interest expense recognised in profit or loss (Note 25)	1,759	2,384	821	243	–	5,207
Modification of lease liabilities	–	–	–	1,703	–	1,703
Unrealised foreign exchange (gain)/loss	571	(790)	–	–	6	(213)
Exchange differences	–	–	–	(233)	–	(233)
	2,330	1,594	821	11,869	6	16,620
At 31 December	30,693	32,994	15,054	10,656	–	89,397

29. CASH FLOW INFORMATION (CONT'D)

(c) The total cash outflows for leases as a lessee are as follows:-

	The Group	
	2025 RM'000	2024 RM'000
Payment of short-term leases	824	1,181
Interest paid on lease liabilities	501	243
Payment of lease liabilities	5,179	3,123
	6,504	4,547

(d) The cash and cash equivalents comprise the following:-

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash and bank balances	47,714	44,430	446	340
Fixed deposits with licensed banks	122,072	111,836	7,800	7,800
	169,786	156,266	8,246	8,140
Less: Fixed deposits with tenure of more than 3 months	(58,443)	(64,663)	–	–
	111,343	91,603	8,246	8,140

30. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors and non-executive directors who are the executive directors of the subsidiaries.

The key management personnel compensation during the financial year are as follows:-

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Directors of the Company:				
Executive:				
Salaries, bonus and other emoluments	710	717	–	–
Fees	240	240	–	–
Defined contribution benefits	43	43	–	–
	993	1,000	–	–

30. KEY MANAGEMENT PERSONNEL COMPENSATION (CONT'D)

The key management personnel compensation during the financial year are as follows (Cont'd):-

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Directors of the Company (Cont'd):				
Non-executive:				
Salaries, bonus and other emoluments	703	714	8	8
Fees	471	470	151	150
Defined contribution benefits	59	59	–	–
#	1,233	1,243	159	158
Director of the Subsidiary:				
Fees	80	80	–	–
Total directors' remuneration (Note 26)	2,306	2,323	159	158

The estimated monetary value of benefits-in-kind provided by the Group to the directors of the Company was RM43,000 (2024 – RM43,000).

This includes remuneration of RM1,233,000 (2024 – RM1,243,000) paid to non-executive directors of the Company, who are executive directors of the subsidiaries.

31. RELATED PARTY DISCLOSURES

(a) Subsidiaries

The subsidiaries are disclosed in Note 5 to the financial statements.

(b) Significant Related Party Transactions and Balances

The Group and the Company carried out the following significant transactions with the related parties during the financial year:-

	The Group	
	2025 RM'000	2024 RM'000
Companies in which certain directors have financial interests		
Sales of goods to:		
- Teobros Ceramica Sdn. Bhd.	(17,765)	(27,731)
- White Horse Ceramic Co., Ltd.	(3,273)	(6,021)
Sales of raw materials, consumable supplies and products to White Horse Ceramic Co., Ltd.	(779)	(830)
Purchase of goods from:		
- Teobros Ceramica Sdn. Bhd.	14	–

The significant outstanding balances of the related parties (including the allowance for impairment loss made) together with their terms and conditions are disclosed in the respective notes to the financial statements.

32. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Executive Directors as its chief operating decision maker in order to allocate resources to segments and to assess their performance on a quarterly basis. For management purposes, the Group is organised into business units based on their geographical areas, and has three reportable operating segments as below:

Malaysia: The Malaysia segment includes manufacturing and distribution of ceramic and homogeneous tiles in Malaysia, as well as related support services activities incidental to transportation.

Singapore: The Singapore segment includes distribution of ceramic and homogeneous tiles in Singapore.

Others: The other segments include distribution of ceramic and homogeneous tiles in Philippines, Vietnam, Thailand and China.

(a) The Executive Directors assess the performance of the reportable segments based on their profit before interest expense and taxation. The accounting policies of the reportable segments are the same as the Group's accounting policies.

Borrowings and investment-related activities are managed on a group basis by the central treasury function and are not allocated to reportable segments.

(b) Each reportable segment assets is measured based on all assets (including goodwill) of the segment other than tax-related assets.

(c) Each reportable segment liabilities is measured based on all liabilities of the segment other than tax-related liabilities.

(d) Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the reportable segments are presented under unallocated items. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters) and head office expenses.

Transactions between reportable segments are carried out on agreed terms between both parties. Transfer prices between operating segments are at arm's length basis in a manner similar to transactions with third parties. The effects of such inter-segment transactions are eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(cont'd)

32. OPERATING SEGMENTS (CONT'D)

32.1 GEOGRAPHICAL SEGMENTS

2025	Malaysia RM'000	Singapore RM'000	Others RM'000	The Group RM'000
Revenue				
External revenue	322,580	40,365	17,592	380,537
Inter-segment revenue	9,133	–	2,668	11,801
	331,713	40,365	20,260	392,338
Consolidation adjustments				(11,801)
Consolidated revenue				380,537
Represented by:-				
Revenue from contracts with customers				
Sales of goods	331,713	40,365	20,260	392,338
Consolidation adjustments				(11,801)
				380,537
Results				
Segment (loss)/profit	(4,874)	2,264	1,177	(1,433)
Finance costs				(4,353)
Consolidated loss before taxation				(5,786)
Segment (loss)/profit includes the followings:-				
Interest income	(1,651)	(47)	(2,627)	(4,325)
Interest expenses	3,915	354	84	4,353
Depreciation	13,097	3,760	1,329	18,186
Inventories written down	4,660	–	19	4,679
Reversal of inventories previously written down	(2,444)	(357)	(20)	(2,821)
Net allowance of impairment losses on financial assets	(1,174)	(151)	(6)	(1,331)
Impairment loss on property, plant and equipment	5,000	–	–	5,000
Property, plant and equipment written off	10	–	1	11
Unrealised foreign exchange loss/(gain)	(6)	–	(228)	(234)

32. OPERATING SEGMENTS (CONT'D)

32.1 GEOGRAPHICAL SEGMENTS (CONT'D)

2025	Malaysia RM'000	Singapore RM'000	Others RM'000	The Group RM'000
Assets				
Segment assets	554,229	33,190	83,235	670,654
Unallocated assets:				
- current tax assets				169
- deferred tax assets				30
Consolidated total assets				670,853
Additions to non-current assets other than financial instruments and deferred tax assets are:-				
Property, plant and equipment	10,917	1,019	87	12,023
Right-of-use assets	994	–	–	994
Liabilities				
Segment liabilities	(108,634)	(10,499)	(2,154)	(121,287)
Unallocated liabilities:				
- current tax liabilities				(689)
Consolidated total liabilities				(121,976)

2024	Malaysia RM'000	Singapore RM'000	Others RM'000	The Group RM'000
Revenue				
External revenue	389,167	30,393	18,922	438,482
Inter-segment revenue	9,086	–	2,417	11,503
	398,253	30,393	21,339	449,985
Consolidation adjustments				(11,503)
Consolidated revenue				438,482
Represented by:-				
Revenue from contracts with customers				
Sales of goods	398,253	30,393	21,339	449,985
Consolidation adjustments				(11,503)
				438,482

32. OPERATING SEGMENTS (CONT'D)

32.1 GEOGRAPHICAL SEGMENTS (CONT'D)

2024	Malaysia RM'000	Singapore RM'000	Others RM'000	The Group RM'000
Results				
Segment (loss)/profit	(758)	(3,009)	653	(3,114)
Finance costs				(5,207)
Consolidated loss before taxation				(8,321)
Segment (loss)/profit includes the followings:-				
Interest income	(1,914)	(47)	(2,667)	(4,628)
Interest expenses	5,052	106	49	5,207
Depreciation	14,211	1,368	1,517	17,096
Inventories written down	2,500	1,521	–	4,021
Reversal of inventories previously written down	(3,253)	–	(525)	(3,778)
Net allowance of impairment losses on financial assets	2,124	(229)	339	2,234
Property, plant and equipment written off	12	3,943	–	3,955
Unrealised foreign exchange loss/(gain)	(104)	–	(303)	(407)
Assets				
Segment assets	589,517	37,624	91,423	718,564
Unallocated assets:				
- current tax assets				1,224
Consolidated total assets				719,788
Additions to non-current assets other than financial instruments and deferred tax assets are:-				
Property, plant and equipment	2,312	1,960	25	4,297
Right-of-use assets	–	10,276	63	10,339

32. OPERATING SEGMENTS (CONT'D)

32.1 GEOGRAPHICAL SEGMENTS (CONT'D)

2024	Malaysia RM'000	Singapore RM'000	Others RM'000	The Group RM'000
Liabilities	(138,474)	(12,402)	(2,203)	(153,079)
Segment liabilities				
Unallocated liabilities:				
- current tax liabilities				(824)
- deferred tax liabilities				(254)
Consolidated total liabilities				(154,157)

32.2 MAJOR CUSTOMERS

There is no single customer that contributed 10% or more to the Group's revenue.

33. FINANCIAL INSTRUMENTS

The activities of the Group and of the Company are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and of the Company.

33.1 FINANCIAL RISK MANAGEMENT POLICIES

The policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The currencies giving rise to this risk are primarily United States Dollar ("USD") and Euro ("EUR"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(cont'd)

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

The exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:-

Foreign Currency Exposure

The Group	**Net Financial Assets/(Liabilities) Held in Non-Functional Currencies**		
2025	**United States Dollar RM'000**	**Euro RM'000**	**Total RM'000**
Functional Currencies			
Ringgit Malaysia ("RM")	(1,591)	(266)	(1,857)
Singapore Dollars ("SGD")	404	–	404
Vietnamese Dong ("VND")	6,006	–	6,006
Currency exposure	4,819	(266)	4,553
2024			
Functional Currencies			
Ringgit Malaysia ("RM")	(11,440)	(2,230)	(13,670)
Singapore Dollars ("SGD")	(2,890)	–	(2,890)
Vietnamese Dong ("VND")	6,552	–	6,552
Currency exposure	(7,778)	(2,230)	(10,008)

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies at the end of the reporting period, with all other variables held constant:-

		The Group	
Effects on Loss After Taxation		**2025 RM'000**	**2024 RM'000**
USD/RM	– strengthened by 10% (2024 – 10%)	-121	-871
	– weakened by 10% (2024 – 10%)	+121	+871
Euro/RM	– strengthened by 10% (2024 – 10%)	-20	-169
	– weakened by 10% (2024 – 10%)	+20	+169
USD/SGD	– strengthened by 10% (2024 – 10%)	+31	-220
	– weakened by 10% (2024 – 10%)	-31	+220
USD/VND	– strengthened by 10% (2024 – 10%)	+456	+498
	– weakened by 10% (2024 – 10%)	-456	-498

There is no impact on the Company's equity.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group adopts a policy of obtaining the most favourable interest rates available and by maintaining a balanced portfolio of fixed and floating rate borrowings.

The fixed rate debt instruments of the Group are not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Notes 19 and 22 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(cont'd)

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(ii) Interest Rate Risk (Cont'd)

Interest Rate Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant:-

	The Group	
Effects on Loss After Taxation	**2025 RM'000**	**2024 RM'000**
Increase of 50 basis points (2024 – 50 basis points)	+295	+346
Decrease of 50 basis points (2024 – 50 basis points)	-295	-346

There is no impact on the Group's equity.

(iii) Equity Price Risk

The Group and the Company do not have any quoted investments and hence, is not exposed to equity price risk.

(b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group and the Company manage their exposures to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

Also, the Company's exposure to credit risk includes corporate guarantee given to financial institutions for credit facilities granted to a subsidiary. The Company monitors the ability of the subsidiary to serve its loans on an individual basis.

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(i) Credit Risk Concentration Profile

The Group also determines the concentration of credit risk by monitoring the geographical region of its trade receivables on an ongoing basis. The credit risk concentration profile of trade receivables (including related parties), net of loss allowance, at the end of the reporting period is as follows:-

	The Group	
	2025 RM'000	**2024 RM'000**
Malaysia	56,140	70,623
Singapore	6,744	3,889
Philippines	2,680	3,363
Taiwan	1,847	2,760
Others	2,736	3,676
	70,147	84,311

At the end of the reporting period, the Group's major concentration of credit risk relates to the amount owing by 1 (2024 – 1) customer which constituted approximately 17% (2024 – 22%) of its trade receivables (including related parties), net of loss allowance.

(ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

In addition, the Company's maximum exposure to credit risk also includes corporate guarantees provided to its subsidiary of RM82,172,000 (2024 – RM98,474,000), representing the outstanding banking facilities of the subsidiary as at the end of the reporting period. These corporate guarantees have not been recognised in the Company's financial statements since their fair values on initial recognition were not material.

(iii) Assessment of Impairment Losses

The Group and the Company have an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the receivables. The Group and the Company closely monitor the receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group and the Company evaluate whether any of the financial assets at amortised cost are credit impaired.

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of the following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:
- Significant financial difficulty of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty; or
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group and the Company consider a receivable to be in default when the receivable is unlikely to repay its debt to the Group and the Company in full or is more than 150 days past due.

Trade Receivables

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables (including related parties) have been grouped based on shared credit risk characteristics and the days past due.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on an individual basis.

The expected loss rates are based on the payment profiles of sales over 36 months (2024 – 36 months) before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts using the linear regression analysis. The Group has not identified any forward-looking assumptions which correlate to the historical loss rates.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables (Cont'd)

Allowance for Impairment Losses

The reconciliations of allowance for impairment losses are as follows:-

The Group	Non-credit Impaired RM'000	Credit Impaired RM'000	Total RM'000
Trade Receivables			
Balance as at 1.1.2024	2,369	753	3,122
Additions (Note 24)	2,298	–	2,298
Reversal (Note 24)	–	(64)	(64)
Foreign exchange differences	(48)	3	(45)
Balance as at 31.12.2024/1.1.2025	4,619	692	5,311
Additions (Note 24)	–	194	194
Reversal (Note 24)	(1,525)	–	(1,525)
Foreign exchange differences	(40)	(1)	(41)
Balance as at 31.12.2025	3,054	885	3,939

The information about the credit exposure and loss allowances recognised for trade receivables are as follows:-

The Group	Gross Amount RM'000	Lifetime Individual Allowance RM'000	Lifetime Collective Allowance RM'000	Carrying Amount RM'000
2025				
Current (not past due)	34,955	–	(66)	34,889
1 to 30 days past due	17,810	–	(176)	17,634
31 to 60 days past due	12,585	–	(364)	12,221
61 to 90 days past due	2,801	–	(290)	2,511
91 to 120 days past due	1,626	–	(304)	1,322
121 to 150 days past due	2,490	–	(1,216)	1,274
More than 150 days past due	934	–	(638)	296
Credit impaired	885	(885)	–	–
	74,086	(885)	(3,054)	70,147

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables (Cont'd)

Allowance for Impairment Losses (Cont'd)

The information about the credit exposure and loss allowances recognised for trade receivables are as follows (Cont'd):-

The Group	Gross Amount RM'000	Lifetime Individual Allowance RM'000	Lifetime Collective Allowance RM'000	Carrying Amount RM'000
2024				
Current (not past due)	64,093	–	(498)	63,595
1 to 30 days past due	14,178	–	(494)	13,684
31 to 60 days past due	3,559	–	(777)	2,782
61 to 90 days past due	3,226	–	(722)	2,504
91 to 120 days past due	1,807	–	(528)	1,279
121 to 150 days past due	1,339	–	(1,115)	224
More than 150 days past due	728	–	(485)	243
Credit impaired	692	(692)	–	–
	89,622	(692)	(4,619)	84,311

Trade receivables that is individually determined to be impaired relate to debtors who are in significant financial difficulties and have defaulted on payments. These debtors are not secured by any collateral or credit enhancements.

Trade receivables that is collectively determined to be impaired relate to expected credit losses measured based on the Group's observed default rates.

There has been no significant change in the gross amounts of trade receivables that has impacted the allowance for impairment losses.

Other Receivables

The Group and the Company apply the 3-stage general approach to measure expected credit losses for its other receivables and amounts owing by related parties.

Under this approach, loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables (Cont'd)

In deriving the PD and LGD, the Group and the Company consider the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

Allowance for Impairment Losses

No expected credit losses are recognised on other receivables as they are negligible.

Fixed Deposits with Licensed Banks, Cash and Bank Balances

The Group and the Company consider the licensed banks to be of low credit risk. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group and the Company are of the view that the loss allowance is immaterial and is therefore not provided for.

Amount Owing by a Subsidiary (Non-trade Balances)

The Company applies the 3-stage general approach to measure expected credit losses for all inter-company balances. The Company considers loans and advances to related companies have low credit risks. The Company assumes that there is a significant increase in credit risk when a related company's financial position deteriorates significantly.

The Company measures the expected credit losses on an individual basis, which is aligned with its credit risk management practices on the inter-company balances.

For loans and advances that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the subsidiary does not have sufficient highly liquid resources when the loans and advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the subsidiary.

For loans and advances that are not repayable on demand, impairment loss is measured using techniques that are similar for estimating the impairment losses of other receivables as disclosed above.

Allowance for Impairment Losses

At the end of the reporting period, there was no indication that the balances were not recoverable.

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Financial Guarantee Contracts

Corporate guarantees for borrowing facilities granted to subsidiaries are a financial guarantee contract.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company closely monitors the subsidiaries' financial strength to reduce the risk of loss.

The Company considers that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. A financial guarantee contract is credit impaired when:
- The subsidiary is unlikely to repay its obligation to the bank in full; or
- The subsidiary is having a deficit in equity and is continuously loss making.

The Company determines the probability of default of the guaranteed amounts individually using internal information available.

Allowance for Impairment Losses

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties to which the financial guarantee contracts were issued. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practise prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

The Group	Contractual Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000	1 – 5 Years RM'000	Over 5 Years RM'000
2025						
Non-derivative Financial Liabilities						
Lease liabilities	5.47	6,955	7,552	4,171	3,381	–
Bankers' acceptances	4.67	22,453	22,453	22,453	–	–
Revolving credits	5.23	25,720	25,720	25,720	–	–
Term loan	4.95	13,221	19,596	2,502	10,006	7,088
Trade and other payables	–	48,233	48,233	48,233	–	–
		116,582	123,554	103,079	13,387	7,088
2024						
Non-derivative Financial Liabilities						
Lease liabilities	6.68	10,656	10,725	4,580	6,145	–
Bankers' acceptances	5.07	30,693	30,693	30,693	–	–
Revolving credits	5.87	32,994	32,994	32,994	–	–
Term loan	5.20	15,054	22,694	2,569	10,277	9,848
Trade and other payables	–	57,944	57,944	57,944	–	–
		147,341	155,050	128,780	16,422	9,848

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

The Company	Contractual Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000
2025				
Non-derivative Financial Liabilities				
Trade and other payables	–	141	141	141
Financial guarantee contracts in relation to corporate guarantee given to a subsidiary *	–	–	82,172	82,172
		141	82,313	82,313
2024				
Non-derivative Financial Liabilities				
Trade and other payables	–	140	140	140
Financial guarantee contracts in relation to corporate guarantee given to a subsidiary *	–	–	98,474	98,474
		140	98,614	98,614

* The potential exposure of the financial guarantee contracts is equivalent to the outstanding amount of the credit facilities of the said subsidiary at the end of the reporting period. The financial guarantees have not been recognised in the financial statements because their fair values on initial recognition were not material.

33. FINANCIAL INSTRUMENTS (CONT'D)

33.2 CAPITAL RISK MANAGEMENT

The Group and the Company manage their capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholders value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group and the Company manage their capital based on debt-to-equity ratio. The debt-to-equity ratio of the Group at the end of the reporting period is not presented as its cash and cash equivalents exceeded the total external borrowings.

There were no changes in the approach to capital management during the financial year.

33.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		The Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Financial Assets				
<u>Amortised Cost</u>				
Trade and other receivables (Note 11)	73,276	86,830	1,325	1,643
Fixed deposits with licensed banks (Note 13)	122,072	111,836	7,800	7,800
Cash and bank balances (Note 14)	47,714	44,430	446	340
	243,062	243,096	9,571	9,783
Financial Liabilities				
<u>Amortised Cost</u>				
Lease liabilities (Note 18)	6,955	10,656	–	–
Bankers' acceptances (Note 22)	22,453	30,693	–	–
Revolving credits (Note 22)	25,720	32,994	–	–
Term loan (Note 19)	13,221	15,054	–	–
Trade and other payables (Note 20)	48,233	57,944	141	140
	116,582	147,341	141	140

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(cont'd)

33. FINANCIAL INSTRUMENTS (CONT'D)

33.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	The Group		The Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Financial Assets				
Amortised Cost				
Net gains recognised in profit or loss	7,328	1,615	201	210
Financial Liabilities				
Amortised Cost				
Net losses recognised in profit or loss	(6,576)	(4,961)	–	–

33.5 FAIR VALUE INFORMATION

At the end of the reporting period, there were no financial instruments carried at fair values in the statements of financial position.

The fair values of the financial assets and financial liabilities of the Group and of the Company that maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The fair value of term loan that carries floating interest rates approximated its carrying amount as it is repriced to market interest rates on or near the reporting date.

34. CAPITAL COMMITMENTS

	The Group	
	2025 RM'000	**2024 RM'000**
Extension of a leasehold land	–	5,854

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

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

(a) Group Total Income and Total Assets

		Group	
Total Income	**Remarks**	**2025 (RM)**	**2024 (RM)**
Revenue		380,537	438,482
Interest/Finance income		4,325	4,628
Other income		9,853	2,625
Total		**394,715**	**445,735**

(b) Business Activities

		Group	
Shariah Non-Compliant Activities	**Remarks**	**2025 (RM)**	**2024 (RM)**
Other activities deemed non-compliant according to Shariah principles as determined by the SAC (please specify in the remarks column)	Building Materials	0	0
Total		**0**	**0**

(c) Component of Financial Position

(i) Cash Component

		Group	
Islamic Account/Instruments	**Remarks**	**2025 (RM)**	**2024 (RM)**
Cash at bank	AMIslamic	130	109
Total Cash		**130**	**109**
Conventional Account/Instruments			
Cash at bank		47,584	44,321
Deposits with licensed bank		122,072	111,836
Total Cash		**169,656**	**156,157**

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

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

(ii) Debt Component

		Group	
Islamic Financing	**Remarks**	**2025 (RM)**	**2024 (RM)**
Current			
Banker's acceptances	Maybank Islamic	12,937	12,245
Revolving credit and loans	Maybank Islamic & AMIslamic	25,720	32,994
Non-Current			
Total Financing		**38,657**	**45,239**

		Group	
Conventional Borrowing	**Remarks**	**2025 (RM)**	**2024 (RM)**
Current			
Banker's acceptances		9,516	18,448
Term loans		1,858	1,802
Please Select			
Non-Current			
Term loans		11,363	13,252
Total Debt		**22,737**	**33,502**

LIST OF **LANDED PROPERTIES**
AS AT 31 DECEMBER, 2025

Location	Address	Description	Existing Use	Tenure	Approximate Age of Building (years)	Land & Built-up Area (sq meter)	Date of Acquisition/ (Extension)	2025 Carrying Amount (RM)
Lot PTD 156654, HS(D) 309464 Mukim of Plentong, District of Johor Bahru, Johor	PLO 464, Jalan Gangsa, Pasir Gudang Industrial Estate, 81700 Pasir Gudang Johor	Industrial building and a block of 5 Storey corporate office with basement	Owner occupied	An additional 30 years lease from 4th July, 2022 to 3rd July, 2052 from the landowner - Johor Corporation	29	83,079 & 64,425	01-Oct-91 (09-Sep-22)	38,868,588
Lot PTD 2860, HS(D) 367647 Mukim of Sungai Tiram, District of Johor Bahru, Johor	PLO 29, Tanjung Langsat Industrial Complex, 81700 Pasir Gudang, Johor	Industrial building	Owner occupied	Leasehold 60 years expiring on 08/02/2064	24	129,624 & 92,047	01-Sep-00	51,616,658
Lot PTD 4068, HS(D) 491784 Mukim of Sungai Tiram, District of Johor Bahru, Johor	PLO 132, Tanjung Langsat Industrial Complex, 81700 Pasir Gudang, Johor	Industrial building	Owner occupied	Leasehold 60 years expiring on 10/01/2071	15	117,055 & 27,090	24-Nov-09	26,650,751
Lot PTD 163211, HS(D) 334414, Mukim of Plentong, District of Johor Bahru, Johor	PLO 496, Jalan Keluli 3, Pasir Gudang Industrial Estate, 81700 Pasir Gudang Johor	Single storey warehouse	Owner occupied	Leasehold 30 years expiring on 21/06/2030 with option for further extension of 30 years	25	25,490 & 14,605	01-Sep-00	6,320,571
Lot PTD 194277, HS(D) 442429, Mukim of Plentong, District of Johor Bahru, Johor	PLO 728, Jalan Keluli 3, Pasir Gudang Industrial Estate, 81700 Pasir Gudang Johor	Single storey warehouse and annexed with double storey office	Owner occupied	Leasehold 60 years expiring on 19/03/2067	20	20,488 & 13,413	30-Sep-07	7,500,451
Lot PTD 110338, HS(D) 216827, Mukim of Plentong, District of Johor Bahru, Johor	Block 7, Jalan Cendana 2, Taman Cendana, 81700 Pasir Gudang Johor	A block of 5 storey medium cost flat with 38 units apartments	Owner occupied	Leasehold 99 years expiring on 28/04/2093	29	3,600 & 2,531	31-Mar-97	1,473,029

LIST OF LANDED PROPERTIES
AS AT 31 DECEMBER, 2025
(cont'd)

Location	Address	Description	Existing Use	Tenure	Approximate Age of Building (years)	Land & Built-up Area (sq meter)	Date of Acquisition/ (Extension)	2025 Carrying Amount (RM)
HS(D) 135082 & 135083 PTD 71022 & 71023 Mukim Plentong District of Johor Bahru, Johor	Block 69 & 68 Jalan Tembusu, Taman Air Biru, 81700 Pasir Gudang, Johor	A block of 5 storey medium cost flat with 35 units apartments	Owner occupied	Leasehold 99 years expiring on 02/11/2085	39	2,678 & 2,230	31-Jan-07	2,094,072
Lot PTD 3613, HS(D) 375496 Mukim of Sungai Tiram, District of Johor Bahru, Johor	PLO 39, Tanjung Langsat Industrial Complex, 81700 Pasir Gudang, Johor	Industrial land	Owner occupied	Leasehold 60 years expiring on 09/09/2064	24	4,468 & 0	01-Jul-02	409,679
Lot PTD 3612, HS(D) 375495 Mukim of Sungai Tiram, District of Johor Bahru, Johor	PLO 33, Tanjung Langsat Industrial Complex, 81700 Pasir Gudang, Johor	Natural gas service station	Owner occupied	Leasehold 60 years expiring on 09/09/2064	24	400 & 0	01-Sep-01	46,387
GRN 459987 LOT 90523 Mukim of Plentong District of Johor Bahru	No. 2, Jalan Mutiara 2, Taman Perindustrian Plentong, 81750 Plentong, Johor	2 storey warehouse and showroom with 3-storey office	Owner occupied	Freehold	12	9,528 & 14,501	30-Sep-14	33,311,898
Lot P.T. No:17306, HS(M) 10066, Mukim of Batu, District of Gombak, Selangor	No. 1, Jalan Persiaran Satu, Bandar Baru Selayang, 68100 Batu Caves, Selangor	Single storey warehouse and annexed with three storey office	Owner occupied	Leasehold 99 years expiring on 22/12/2085	28	12,550 & 7,884	01-Jul-95	10,666,805
GM 975 Lot 2737 Mukim Klang, Daerah Klang	Lot 2737, Jalan Nong / KS2, Taman Perindustrian Sg, Jati 41200 Klang, Selangor	Single storey warehouse and annexed with double storey office	Owner occupied	Freehold	18	12,014 & 8,628	24-Mar-05	11,446,175
No. Hakmilik 308892 (Lot No:67890, HS(D) KA 1257/76) Mukim Ulu Kinta, District of Kinta, Perak	Plot 76, Persiaran Portland, Kawasan Perindustrian Tasek, 31400 Ipoh, Perak	Single storey warehouse and annexed with double storey office	Owner occupied	Leasehold 99 years expiring on 31/10/2075	24	4,065 & 2,717	28-Feb-02	1,813,607

LIST OF LANDED PROPERTIES
AS AT 31 DECEMBER, 2025
(cont'd)

Location	Address	Description	Existing Use	Tenure	Approximate Age of Building (years)	Land & Built-up Area (sq meter)	Date of Acquisition/ (Extension)	2025 Carrying Amount (RM)
Mukim 63 Lot 1214 Mukim Mergung, Daerah Kota Setar	No 202 Kaw Perusahaan Mergong II, Lorong Perak 8 05150 Alor Setar, Kedah	7 units of 2 storey and 2 units of warehouse	Owner occupied	Leasehold 60 years expiring on 29/12/2037	48	5,727	31-Jul-07	1,844,041
HS(M) 460 PT 4526, Mukim 01, Seberang Perai Tengah Pulau Pinang	No 3088 Jalan Kelisa Emas 1, Seberang Jaya , 13700 Perai, Pulau Pinang	Single storey warehouse and annexed with double storey office	Owner occupied	Freehold	20	7,778 & 8,894	01-Mar-06	14,896,496
Lot 55, HS(D) 1456, PTD 8754, Mukim of Kuala Kuantan, Pahang	Lot 55, Semambu Industrial Estate, 25350 Kuantan, Pahang	Single storey warehouse and annexed with double storey office	Owner occupied	Leasehold 66 years expiring on 02/03/2043	46	4,480 & 1,583	30-Sep-98	888,456
HS(D) 3087, PTD 2404, Mukim Simpang Kanan, Batu Pahat, Johor	104, Jalan Jelawat, Taman Banang, 83000 Batu Pahat, Johor	Single Storey Shophouse	Owner occupied	Freehold	54	164	14-Feb-11	258,221
No Hakmilik: 5897 Lot 53339 Seksyen 14, (HS(M) 11473, LOT 5644), Mukim Kajang, Daerah Hulu Langat, Selangor	No Hakmilik: 5897 Lot 53339 Seksyen 14, (HS(M) 11473, LOT 5644), Mukim Kajang, Daerah Hulu Langat, Selangor	Vacant Land	Owner occupied	Leasehold 60 years expiring on 23/07/2029 (Extension of 99 years expiring on 23 July 2121)	56	15,517	30-Sep-14 (14-Jul-22)	2,799,064
Country Lease No. 015364646 Mile 10, Tuaran Road, District of Kota Kinabalu, Sabah	Mile 10, Tuaran Road, in the District of Kota Kinabalu, Sabah	Vacant Land	Owner occupied	Leasehold 999 years expiring on 09/01/2923	102	9,834	31-Jul-15	8,414,798
No 7525 Tambol, Bang Pleeyai, Amphur, Bangplee, Samutprakam, Bangkok, Thailand	Bangna Tart Road KM 11, Bangplee, Samutprakam, Bangkok, Thailand	Single storey warehouse and annexed with double storey office	Owner occupied	Leasehold 22 years expiring on 24/01/2027	21	9,600 & 8,242	13-Jan-05	18,159
							Total :	**221,377,906**

ANALYSIS OF **SHAREHOLDINGS**
AS AT 31 MARCH 2026

Total number of issued shares (inclusive of treasury shares)	:	240,000,000 ordinary shares
Class of shares	:	Ordinary shares
Voting rights	:	One vote per ordinary share
Treasury shares held as at 31 March 2026	:	19,474,400 ordinary shares

1. DISTRIBUTION OF SHAREHOLDERS

Size of Holdings	No. of Holders	%	No. of Shares	%
1 - 99	15	0.89	233	0.00
100 - 1,000	223	13.31	153,255	0.07
1,001 - 10,000	1,114	66.47	3,849,612	1.75
10,001 - 100,000	227	13.54	7,022,100	3.18
100,001 - 11,026,279 (less than 5% of issued shares)	93	5.55	163,910,430	74.33
11,026,280 and above (5% and above of issued shares)	4	0.24	45,589,970	20.67
	1,676	100.00	220,525,600	100.00

2. DIRECTORS' SHAREHOLDINGS

The Directors' shareholdings of White Horse Berhad based on the Register of Directors' Shareholdings are as follows:-

Total number of issued shares (exclusive of treasury shares) : 220,525,600

No.		No. of Ordinary Shares Held			
		Direct	%	Indirect	%
1.	Liao Shen Hua	3,737,824	1.69	8,510,000 (1)	3.86
2.	Liao Shen Yao	–	0.00	11,646,897 (2)	5.28
3.	Teo Swee Teng	11,073,593	5.02	1,843,000 (3)	0.84
4.	Teo Kim Lap	11,083,027	5.03	1,300,000 (4)	0.59
5.	Teo Kim Tay	12,409,015	5.63	–	–
6.	Cheng Soon Mong	4,877,735	2.21	1,193,004 (5)	0.54
7.	Lau Lee Jan	–	–	–	–
8.	Tai Lam Shin	–	–	–	–
9.	Liao, Hung-Chang	8,391,430	3.81	4,534,896 (6)	2.06
10.	Ling Lian Ying	–	–	–	–

3. SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

The substantial shareholders' shareholdings of White Horse Berhad based on the Register of Substantial Shareholders of the Company are as follows:-

No.		No. of Ordinary Shares Held			
		Direct	%	Indirect	%
1.	Liao Shen Hua	3,737,824	1.69	8,510,000 (1)	3.86
2.	Teo Kim Tay	12,409,015	5.63	–	–
3.	Liao Shen Yao	0	0.00	11,646,897 (2)	5.28
4.	Teo Swee Teng	11,073,593	5.02	1,843,000 (3)	0.84
5.	Teo Boon Hoo	11,663,335	5.29	–	–
6.	Teo Kim Lap	11,083,027	5.03	1,300,000 (4)	0.59
7.	Liao, Hung-Chang	8,391,430	3.81	4,534,896 (6)	2.06

Notes:
(1) Deemed interested through his wife, Chu Chia Yu and his son, Liao Kuan Yung, and his daughters, Liao Wan Yu and Liao Tzu Chi
(2) Deemed interested through his sons, Liao Chun Hao and Liao Chih Hao
(3) Deemed interested through his wife, Ku Kuan and his sons, Teo Wei Kee and Teo Wei Siong and his daughter, Teo Wei Chin
(4) Deemed interested through his wife, Ong Yock Hong and his son, Teo Rhen Gie and his daughters, Teo Sin Rhu, Teo Sin Yee and Teo Hui Yee
(5) Deemed interested through his sons, Cheng Hang Huat and Cheng Hang Keat and his daughter, Cheng Swee Chin
(6) Deemed interested by virtue of his direct interest in Ding Qiao Investment Co., Ltd. and Ding Ya Investment Co., Ltd.

4. LIST OF THIRTY LARGEST SECURITIES ACCOUNT HOLDERS

No.	Names	Shareholdings	%
1.	TEO KIM TAY	12,409,015	5.63
2.	TEO SWEE TENG	11,073,593	5.02
3.	TEO BOON HOO	11,058,835	5.01
4.	TEO KIM LAP	11,048,527	5.01
5.	LIM PEI TIAM @ LIAM AHAT KIAT	10,300,000	4.67

ANALYSIS OF SHAREHOLDINGS
AS AT 31 MARCH 2026
(cont'd)

4. LIST OF THIRTY LARGEST SECURITIES ACCOUNT HOLDERS (CONT'D)

No.	Names	Shareholdings	%
6.	LIAO HUNG CHANG	8,391,430	3.81
7.	LIAO CHIA FENG	8,173,431	3.71
8.	THONG THYE SIANG SDN. BHD.	6,016,900	2.73
9.	LIAO, CHUN-HAO	5,823,449	2.64
10.	LIAO, CHIH-HAO	5,823,448	2.64
11.	LIAO CHUNG YI	5,448,954	2.47
12.	CHENG SOON MONG	4,877,735	2.21
13.	LIAO, SHEN-CHUN	4,790,609	2.17
14.	CHEN, YU-JU	4,579,400	2.08
15.	LIAO CHIA NING	4,448,953	2.02
16.	UOB KAY HIAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	4,363,570	1.98
17.	BAO SHUN INVESTMENT CO., LTD.	4,157,710	1.89
18.	YUNG SHENG INVESTMENT CO., LTD.	4,028,732	1.83
19.	LIAO, SHEN-HUA	3,737,824	1.69
20.	CHEN, TSUI-LING	3,579,400	1.62
21.	ZHI DING INVESTMENT CO., LTD.	3,509,732	1.59
22.	CHEN, HEN-JUI	3,375,937	1.53
23.	CHEN, YU-CHING	3,375,900	1.53
24.	LIAO, CHIEH-TING	3,140,000	1.42
25.	LIAO, YEN-JEN	3,140,000	1.42
26.	LIAO KUAN YUNG	3,000,000	1.36
27.	LIAO WAN YU	3,000,000	1.36
28.	MING CHEN INVESTMENT CO., LTD.	2,909,375	1.32
29.	SHIH, CHIH-CHE	2,861,500	1.30
30.	WONG HENG MUI	2,657,560	1.21
		165,101,519	74.87

Note :-

The analysis of shareholdings is based on the total number of issued shares of the Company as at 31 March 2026 after deducting 19,474,400 ordinary shares bought back by the Company and held as Treasury Shares as at 31 March 2026.

NOTICE OF **ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the Twenty-Eighth Annual General Meeting of WHITE HORSE BERHAD will be held at PLO 464, Jalan Gangsa, Pasir Gudang Industrial Estate, 81700 Pasir Gudang, Johor Darul Takzim on Tuesday, 26 May 2026 at 2:00 p.m. for the following purposes:-

AGENDA

Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Reports of the Directors and the Auditors thereon. ***(Please refer to Explanatory Note 1)***

2. To approve the payment of Directors' fees amounting to RM151,000/- for the financial year ended 31 December 2025. ***(Ordinary Resolution 1)***

3. To approve the payment of benefits payable to the Non-Executive Directors up to an amount of RM180,000/- for the period from 27 May 2026 to the Twenty-Ninth Annual General Meeting of the Company in year 2027. ***(Ordinary Resolution 2)***

4. To re-elect the following Directors who retire by rotation pursuant to Clause 123 of the Company's Constitution and being eligible, have offered themselves for re-election:-

   (i) Mr. Cheng Soon Mong; ***(Ordinary Resolution 3)***

   (ii) Mr. Tai Lam Shin; and ***(Ordinary Resolution 4)***

   (iii) Mr. Liao Shen Hua. ***(Ordinary Resolution 5)***

5. To re-appoint Messrs. Crowe Malaysia PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to determine their remuneration. ***(Ordinary Resolution 6)***

Special Business

To consider and if thought fit, with or without any modification, to pass the following as Ordinary Resolutions:-

6. **ORDINARY RESOLUTION NO. 1** ***(Ordinary Resolution 7)***
   - AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016

   "**THAT** subject always to the Companies Act 2016, the Constitution of the Company and the approvals from the relevant governmental and/or regulatory authorities, the Directors of the Company be and are hereby authorised and empowered pursuant to the Companies Act 2016, to issue and allot shares of the Company, at any time, at such price, to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company (excluding Treasury Shares) for the time being as stipulated under Paragraph 6.03(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

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

AND THAT the Directors of the Company, whether solely or jointly, be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Main Market of Bursa Malaysia Securities Berhad; AND be hereby authorised to do all such acts and things including executing all relevant documents as he/they may consider expedient or necessary to complete and give full effect to the abovesaid mandate."

7. **ORDINARY RESOLUTION NO. 2** ***(Ordinary Resolution 8)***
   - PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

"**THAT**, subject always to the Companies Act 2016 ("**the Act"**), the Constitution of the Company and the Bursa Malaysia Securities Berhad's Main Market Listing Requirements, approval be and is hereby given to the Company and its subsidiaries to enter into all transactions involving the interests of Directors, major shareholders or persons connected with Directors and/or major shareholders of the Group ("**Related Parties**") as described in the Circular/Statement to Shareholders dated 27 April 2026 ("**Recurrent RPTs**") provided that such transactions are:-

(i) recurrent transactions of a revenue or trading nature;
(ii) necessary for the day-to-day operations;
(iii) carried out in the ordinary course of business and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and
(iv) are not to the detriment of the minority shareholders,

("**RRPT Mandate"**).

AND THAT such approval shall continue to be in force until:-

(a) the conclusion of the next Annual General Meeting of the Company, at which time it will lapse, unless by a resolution passed at that meeting, the authority is renewed; or
(b) the expiration of the period within which the next Annual General Meeting of the Company is required to be held pursuant to Section 340 of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
(c) revoked or varied by a resolution passed by shareholders in a general meeting; or

whichever is earlier; and the aggregate value of the Recurrent RPTs be disclosed in the annual report of the Company.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give full effect to the RRPT Mandate."

8. **ORDINARY RESOLUTION NO. 3** ***(Ordinary Resolution 9)***
- **PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES ("PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY)**

"**THAT**, subject always to the Companies Act 2016 ("**the Act**"), Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**") and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities, upon such terms and conditions as the Directors in their discretion deem fit and expedient in the best interest of the Company, provided that:-

(i) the aggregate number of ordinary shares to be purchased ("**Purchased Shares**") and/or held by the Company shall not exceed ten percent (10%) of the total number of issued shares of the Company as at the point of purchase(s); and

(ii) the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts of the Company (where applicable) available at the time of the purchase(s); and

That upon completion of the purchase by the Company of its own shares, the Directors of the Company be authorised to deal with the shares so purchased in their absolute discretion in the following manner:-

(i) cancel all or part of the shares so purchased;
(ii) retain the shares so purchased in treasury and/or resell on the market of Bursa Malaysia Securities;
(iii) retain part thereof as treasury shares and cancel the remainder;
(iv) distribute the shares as dividends to shareholders of the Company;
(v) resell the shares or any of the shares in accordance with the relevant rules of the stock exchange;
(vi) transfer the shares, or any of the shares as purchase consideration;
(vii) cancel the shares or any of the shares;
(viii) sell, transfer or otherwise use the shares for such other purposes as the Minister; and/or

in any other manner as prescribed by the Act, the applicable laws, regulations and guidelines applied from time to time by Bursa Malaysia Securities and/or any other relevant authority for the time being in force and that the authority to deal with the Purchased Shares shall continue to be valid until all the Purchased Shares have been dealt with by the Directors.

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

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

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

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

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

whichever occurs first.

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

9. To transact any other ordinary business for which due notice has been given.

By Order of the Board

CHUA SIEW CHUAN (SSM PC NO. 201908002648) (MAICSA 0777689)
HUAN HUI SHIN (SSM PC NO. 202408000958) (MAICSA 7067490)

Company Secretaries

27 April 2026

Explanatory Notes:

1. **Item 1 of the Agenda - Audited Financial Statements for the financial year ended 31 December 2025**

   This Agenda item is for discussion only, as Section 340 (1) (a) of the Companies Act 2016 does not require formal shareholder approval for the Audited Financial Statements. Therefore, it has not been put forward for voting.

2. **Items 2 and 3 of the Agenda – Directors' Fee and Benefits Payables**

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

   The Remuneration Committee ("**RC**") has recommended, and the Board of Directors has affirmed, that the Directors' fees amounting to RM151,000/- for the financial year ended 31 December 2025 be proposed for shareholders' approval at the 28th AGM.

Explanatory Notes: (Cont'd)

2. **Items 2 and 3 of the Agenda – Directors' Fee and Benefits Payables (Cont'd)**

   If approved, the proposed Ordinary Resolution 1 will authorise the payment of Directors' fees to the Directors of the Company and its subsidiaries for the specific period, payable yearly upon the completion of the Twenty-Eighth Annual General Meeting.

   If approved, the proposed Ordinary Resolution 2, will authorise the payment of Directors' benefits to the Non-Executive Directors ("**NEDs**") of the Company. The benefits payable to the NED for the period from 27 May 2026 to the Twenty-Ninth Annual General Meeting ("**AGM**") of the Company in year 2027 are derived from the estimated meeting allowance of RM500/- per meeting day based on the number of scheduled meetings and unscheduled meetings (when necessary) for the Board and Board Committees, and number of NEDs involved in the meetings. In addition, the proposed benefits comprise of travelling allowance, car allowance and sports club membership subscription.

   Should the approved Directors' benefits prove insufficient due to an expanded Board size, the Company will seek shareholders' approval at the next Annual General Meeting for additional Directors' benefits to cover any shortfall.

3. **Item 4 of the Agenda – Re-election of Directors**

   The Nomination Committee has considered the performance and contribution of each of the retiring Directors seeking for re-election.

   Based on the results of the Board Evaluation conducted for the financial year ended 31 December 2025, the performance of each of the retiring Directors was found to be satisfactory. The retiring Directors have completed the Directors' Declarations of Fit and Proper and they are found to be fit and proper for re-election as Directors.

   The Board has endorsed the Nomination Committee's recommendation to seek shareholders' approval for the re-election of the retiring Directors. The retiring Directors had abstained from deliberations and decisions on their respective re-election at the Board meeting.

   The details and profiles of the Directors who are standing for re-election at the Twenty-Eighth AGM are provided in the Company's 2025 Annual Report.

4. **Item 5 of the Agenda – Re-appointment of Auditors**

   The Audit Committee and the Board had, on 27 February 2026, considered the re-appointment of Messrs. Crowe Malaysia PLT as Auditors of the Company. The Audit Committee and the Board collectively agreed and are satisfied that Messrs. Crowe Malaysia PLT meets the relevant criteria prescribed by Paragraph 15.21 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

5. **Item 6 of the Agenda - Authority to Issue Shares Pursuant to the Companies Act 2016**

   The Company wishes to renew the mandate on the authority to issue and allot shares pursuant to the Companies Act 2016 at the Twenty-Eighth AGM of the Company (hereinafter referred to as the "**General Mandate**").

   The Company had been granted a general mandate by its shareholders at the Twenty-Seventh AGM of the Company held on 28 May 2025 (hereinafter referred to as the "**Previous Mandate**"). As at the date of this Notice, no new shares in the Company were issued pursuant to the Previous Mandate.

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

Explanatory Notes: (Cont'd)

5. **Item 6 of the Agenda - Authority to Issue Shares Pursuant to the Companies Act 2016 (Cont'd)**

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

6. **Item 7 of the Agenda – Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

   The proposed Ordinary Resolution 8, if passed, will provide a renewal mandate for the Company and/or its subsidiaries to enter into the recurrent related party transactions of a revenue or trading nature which are necessary for White Horse Berhad Group's day-to-day operations, subject to the transactions being in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company. This mandate shall lapse at the conclusion of the next AGM unless authority for the renewal is obtained from the shareholders of the Company at a general meeting.

   Please refer to the Circular/Statement to Shareholders dated 27 April 2026 for further information.

7. **Item 8 of the Agenda - Proposed Renewal of Share Buy-Back Authority**

   The proposed Ordinary Resolution 9, if passed, would empower the Directors of the Company to purchase the Company's ordinary shares up to ten per centum (10%) of the total number of issued shares of the Company by utilising the funds allocated which shall not exceed the Company's retained profits based on the latest audited financial statements and/or the latest management accounts of the Company (where applicable) available at the time of the purchase(s).

   Please refer to the Circular/Statement to Shareholders dated 27 April 2026 for further information.

Notes:-

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 19 May 2026 (General Meeting Record of Depositors) shall be eligible to attend the Meeting.

2. A member entitled to attend and vote at the Meeting shall not be entitled to appoint more than two (2) proxies to attend and vote at the same general meeting. Where a member appoints two (2) proxies, the appointments shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.

3. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy. There are no restrictions on the qualifications of the proxy and a proxy appointed to attend and vote at a general meeting shall have the same rights as the member to speak at the meeting.

4. Where a member is an Authorised Nominee, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each Securities Account it holds to which shares in the Company are standing to the credit of the said account.

Notes:- (Cont'd)

5. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised.

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

7. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, shall either be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.

8. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a duly notarised certified copy of that power of authority, shall be deposited at Securities Services (Holdings) Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan or submitted via fax at +603 2094 9940 and/or +603 2095 0292 not less than forty-eight (48) hours before the time for holding the Meeting or at any adjournment thereof.

Personal Data Privacy:
By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, participate, speak, and vote at the 28th AGM and/or any adjournment thereof, a member of the Company:

(i) Consents to the collection, use, and disclosure of their personal data by the Company (or its agents) for the processing and administration of proxies and representatives appointed for the AGM (including any adjournment thereof), as well as for the preparation and compilation of attendance lists, minutes, and other related documents. This also enables the Company (or its agents) to comply with applicable laws, listing rules, regulations, and/or guidelines (collectively, the "**Purposes**").

(ii) Warrants that if they disclose the personal data of their proxy(ies) and/or representative(s) to the Company (or its agents), they have obtained the prior consent of such individuals for the collection, use, and disclosure of their personal data for the Purposes.

(iii) Agrees to indemnify the Company against any penalties, liabilities, claims, demands, losses, and damages arising from a breach of this warranty.

This page has been intentionally left blank

WHITE HORSE

WHITE HORSE
B E R H A D
[Registration No. 199701039630 (455130-X)]
(Incorporated in Malaysia)

FORM OF PROXY

CDS account no.
Number of ordinary shares held
Mobile phone no.

*I/We (full name), ____

bearing *NRIC No./Passport No./Registration No. ____________________________

of (full address) ____

____

being a *member/members of WHITE HORSE BERHAD ("**the Company**") , hereby appoint ______________________

______________________ NRIC/Passport No. ______________________
(FULL NAME IN BLOCK CAPITALS)

of (full address) ____

or failing *him/her, ______________________ NRIC/Passport No. ______________________
(FULL NAME IN BLOCK CAPITALS)

of (full address) ____

or failing *him/her, the *Chairman of the Meeting as *my/our proxy to vote for *me/us and on *my/our behalf at the Twenty-Eighth Annual General Meeting of the Company to be held at PLO 464, Jalan Gangsa, Pasir Gudang Industrial Estate, 81700 Pasir Gudang, Johor Darul Takzim on Tuesday, 26 May 2026 at 2:00 p.m. or at any adjournment thereof.

Please indicate with an "X" in the spaces provided below as to how you wish your votes to be casted. If no specific direction as to voting is given, the proxy will vote or abstain from voting at *his/her discretion.

Ordinary Business		**For**	**Against**
Ordinary Resolution 1	Payment of Directors' fees amounting to RM151,000/- for the financial year ended 31 December 2025		
Ordinary Resolution 2	Payment of benefits payable to the Non-Executive Directors up to an amount of RM180,000/- for the period from 27 May 2026 to the Twenty-Ninth Annual General Meeting of the Company in year 2027		
Ordinary Resolution 3	Re-election of Mr. Cheng Soon Mong pursuant to Clause 123 of the Company's Constitution		
Ordinary Resolution 4	Re-election of Mr. Tai Lam Shin pursuant to Clause 123 of the Company's Constitution		
Ordinary Resolution 5	Re-election of Mr. Liao Shen Hua pursuant to Clause 123 of the Company's Constitution		
Ordinary Resolution 6	Re-appointment of Messrs. Crowe Malaysia PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to determine their remuneration		
Special Business			
Ordinary Resolution 7	Authority to issue shares pursuant to the Companies Act 2016		
Ordinary Resolution 8	Proposed renewal of existing shareholders' mandate for recurrent related party transactions of a revenue or trading nature		
Ordinary Resolution 9	Proposed renewal of authority for the Company to purchase its own shares		

Signed this __________ day of __________________, 2026

____
* Signature(s)/Common Seal of Member(s)

** Strike out whichever not applicable*

For appointment of two (2) proxies, percentage of shareholdings to be represented by the proxies		
	No. of shares	**Percentage**
Proxy 1		
Proxy 2		
Total		100%

Notes:-

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 19 May 2026 (General Meeting Record of Depositors) shall be eligible to attend the Meeting.
2. A member entitled to attend and vote at the Meeting shall not be entitled to appoint more than two (2) proxies to attend and vote at the same general meeting. Where a member appoints two (2) proxies, the appointments shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
3. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy. There are no restrictions on the qualifications of the proxy and a proxy appointed to attend and vote at a general meeting shall have the same rights as the member to speak at the meeting.
4. Where a member is an Authorised Nominee, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each Securities Account it holds to which shares in the Company are standing to the credit of the said account.
5. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised.
6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
7. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, shall either be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.
8. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a duly notarised certified copy of that power of authority, shall be deposited at Securities Services (Holdings) Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan or submitted via fax at +603 2094 9940 and/or +603 2095 0292 not less than forty-eight (48) hours before the time for holding the Meeting or at any adjournment thereof.

Personal Data Privacy:
By submitting an instrument appointing a proxy(ies) and /or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of 28th Annual General Meeting dated 27 April 2026.

1st Fold Here

AFFIX
STAMP

White Horse Berhad
Share Registrar's Office
c/o Securities Services (Holdings) Sdn. Bhd.
[Registration No. 199701039630 (455130-X)]
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan

2nd Fold Here

Fold This Flap For Sealing