Panasonic

Panasonic Manufacturing Malaysia Berhad
Registration No.: 196501000304 (6100-K)

WEATHERING CHALLENGES, CHARTING GROWTH

ANNUAL REPORT 2026

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

SCAN HERE

The soft copy of Panasonic Manufacturing Malaysia Berhad Annual Report 2026 is available on our website.

Weathering Challenges, Charting Growth

A bold composition of interlocking global arcs, each captures a defining move in Panasonic's journey of resilience and recovery. The handshake signals the expansion of B2B and project-based opportunities, while a city skyline overlaid with digital motifs reflects sharpened operational discipline, and the robotic arm embodies investments in automation. Sustainable excellence is reflected by the sunlit natural landscape. Together, these elements chart a steadfast recovery and a disciplined course towards renewed growth.

61st ANNUAL GENERAL MEETING

Wednesday, 9 September 2026, 10.00 a.m.

Refer to pages 138 to 140 for Annual General Meeting Information

Meeting Venue:
Hall 1, IDEAL Convention Centre Sdn Bhd, Level 7
Corporate Tower
Jalan Pahat L15/L
40200 Shah Alam, Selangor

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About Panasonic Manufacturing Malaysia Berhad

Panasonic Manufacturing Malaysia Berhad ("PMMA") is a manufacturing arm of the global Panasonic Group, producing and distributing electrical home appliances for both domestic and international markets. Incorporated in 1965 and listed on the Main Market of Bursa Malaysia Securities Berhad, PMMA brings over six decades of experience in delivering reliable, functional and efficient products that support everyday living.

In line with Panasonic Holdings Corporation's ("PHD") announcement regarding the reorganization of its group's basic structure, effective 1 January 2026, changes were made to the Group's business and reporting structure. As part of this reorganization, the reportable segments were revised, primarily reflecting the restructuring of the former Lifestyle segment. Consequently, PMMA's reporting classification was transferred from the Lifestyle domain to the HVAC domain with effect from 1 January 2026.

Manufacturing Facilities in Malaysia

Headquartered in Shah Alam, Selangor, PMMA operates two manufacturing plants: SA1 (Section 15) and SA2 (Section 23). From these facilities, we design, assemble and export a diverse range of products to over 20 countries across Asia, the Middle East and Africa.

These product lines fall under the Panasonic Corporation (Lifestyle) of Panasonic Holdings Corporation (PHD), aligning with global trends in energy-efficient solutions, consumer comfort and modern home living.

SA1

Selangor State Shah Alam Industrial Site

Products
Home Shower (HVAC segment), Electric Iron/ROWP (LASC segment) and Bidet

SA2

Selangor State Shah Alam Industrial Site

Products
Ceiling Fan/Electric Fan/Ventilating Fan (HVAC segment), Vacuum Cleaner (LASC segment)

Following the transition to the new organizational structure, the composition and the naming of the reportable segments has been realigned to reflect the revised framework. The corresponding changes will be incorporated into the Company's segmental reporting beginning in the next financial year. The details are as follows:

No.	Current	Next financial year onwards
1.	Living Appliances and Solutions Company ("LASC")	Panasonic Corporation ("PC")
2.	Heating & Ventilation A/C Company ("HVAC")	Heating & Ventilation A/C Company ("HVAC")

Our operations are structured under two main business segments:

HEATING & VENTILATION A/C COMPANY ("HVAC") SEGMENT

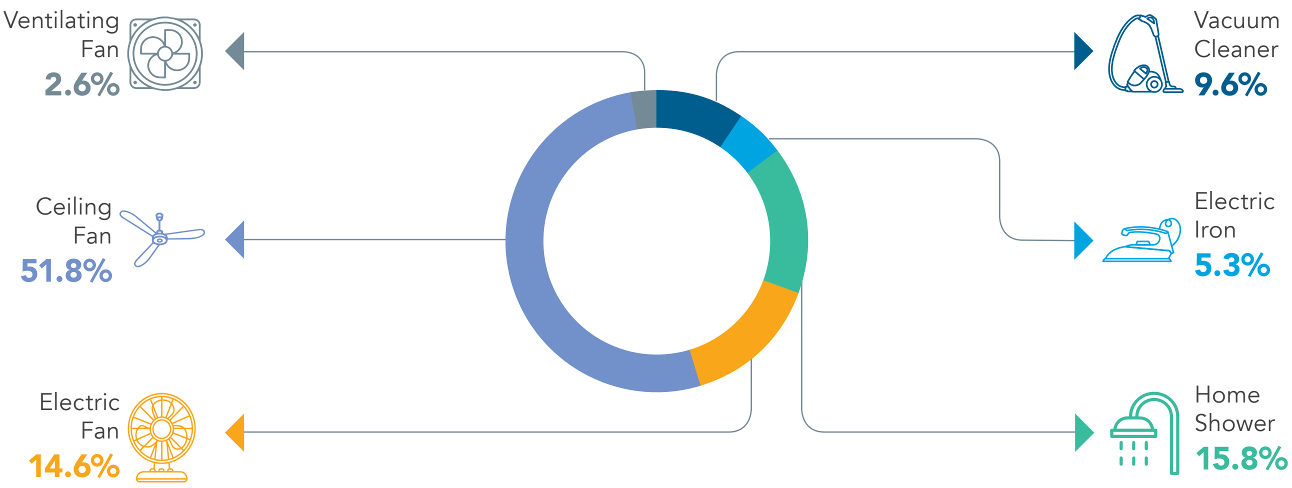
- Ceiling Fan
- Electric Fan
- Ventilating Fan
- Home Shower
- Water Purification (Point of Entry)

LIVING APPLIANCES & SOLUTIONS COMPANY (LASC) SEGMENT

- Vacuum Cleaner
- Electric Iron
- Reverse Osmosis Water Purifier (ROWP)

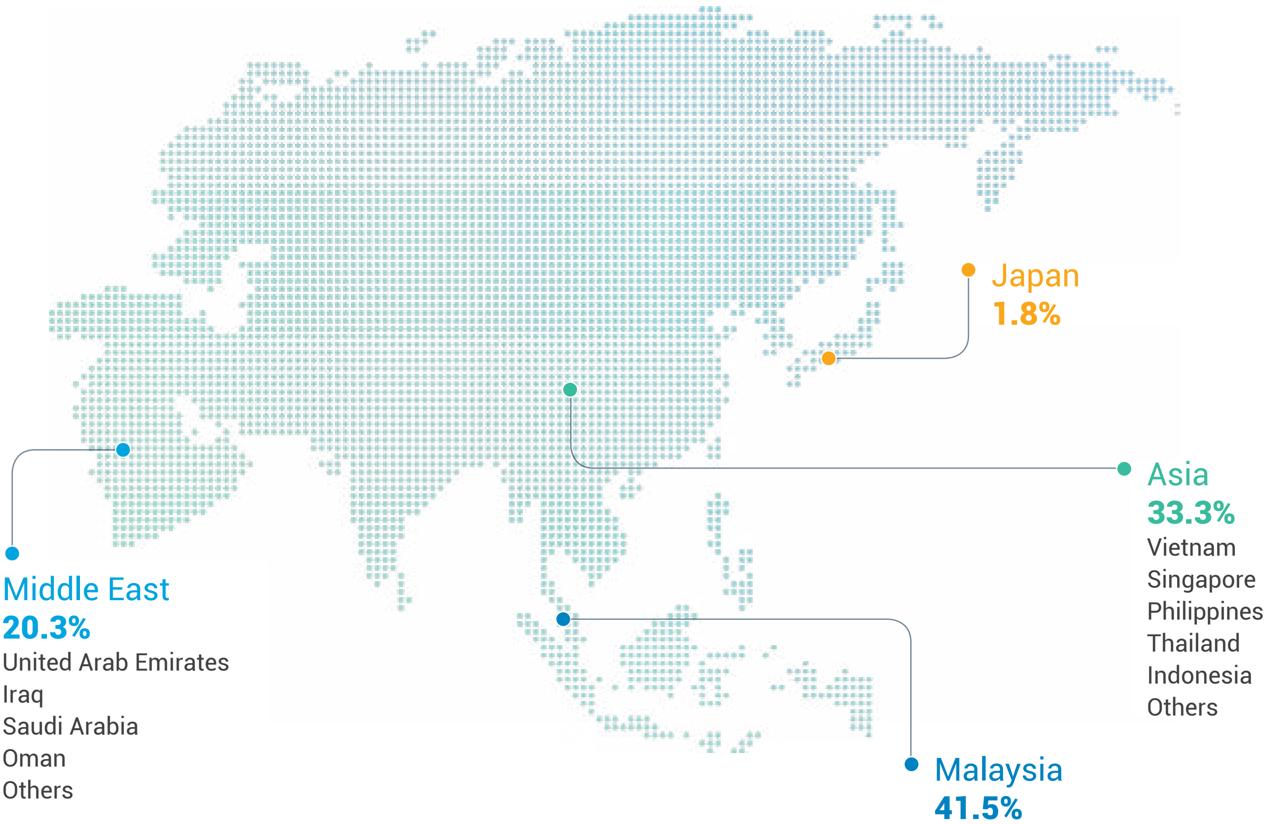
Revenue
FYE2026

PRODUCT SALES BREAKDOWN



*Others (0.3%) include ROWP, Bidets, Water Purification System and Die and Mould Sales.

REVENUE BY REGION



Our customer base spans both domestic and international markets. The domestic Malaysian market contributed 41.5% of total revenue in FYE 2026. Asia (excluding Malaysia and Japan) accounted for 33.3%, reflecting steady demand across both ASEAN and other regional markets, namely Vietnam, Singapore, Philippines, Thailand and neighbouring countries. The Middle East remained a key export destination, making up 20.3% of total sales. Meanwhile, Japan contributed 1.8%, with the remainder coming from Europe 0.6% and other international markets 2.5%. This diverse market footprint underscores PMMA's continued reliance on both domestic and export-driven revenue streams.

Corporate Information

BOARD OF DIRECTORS

Dato' Azman Bin Mahmud
(Chairman)

Keitaro Tahara
(Managing Director)

Dato' Kaziah Binti Abd Kadir

Raja Anuar Bin Raja Abu Hassan

Kwan Wai Yue

Keisuke Nishida

Ishikawa Shimpei

AUDIT COMMITTEE

Raja Anuar Bin Raja Abu Hassan
(Chairman)
(Independent Non-Executive Director)

Dato' Kaziah Binti Abd Kadir
(Independent Non-Executive Director)

Keisuke Nishida
(Non-Independent Non-Executive Director)

REMUNERATION COMMITTEE

Dato' Kaziah Binti Abd Kadir
(Chairperson)
(Independent Non-Executive Director)

Raja Anuar Bin Raja Abu Hassan
(Independent Non-Executive Director)

Keitaro Tahara
(Managing Director)

NOMINATION COMMITTEE

Dato' Kaziah Binti Abd Kadir
(Chairperson)
(Independent Non-Executive Director)

Raja Anuar Bin Raja Abu Hassan
(Independent Non-Executive Director)

Keisuke Nishida
(Non-Independent Non-Executive Director)

COMPANY SECRETARY

Leong Oi Wah
(MAICSA 7023802)

SOLICITORS

T.Thavalingam & Co.

REGISTRAR

Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan

Tel : +603-7890 4700
Fax : +603-7890 4670
Email : bsr.helpdesk@boardroomlimited.com

PRINCIPAL BANKERS

MUFG Bank (Malaysia) Berhad

Malayan Banking Berhad

AUDITORS

KPMG PLT

REGISTERED OFFICE

No. 3, Jalan Sesiku 15/2
Section 15
Shah Alam Industrial Site
40200 Shah Alam
Selangor Darul Ehsan

Tel : +603-5891 5000
Fax : +603-5891 5101
Email : ir.pmma@my.panasonic.com

STOCK EXCHANGE

Main Market of Bursa Malaysia Securities Berhad

Sector:
Consumer Products & Services
Sub-sector:
Household Goods
Stock Code:
PANAMY 3719

Chairman's Statement

Dear Shareholders,
On behalf of the Board of Directors, I am pleased to present the Annual Report of Panasonic Manufacturing Malaysia Berhad ("PMMA" or "the Company") for the financial year ended 31 March 2026 ("FYE 2026").

DATO' AZMAN BIN MAHMUD
Chairman, Independent Non-Executive Director

FYE 2026 called for disciplined stewardship and prudent execution. In a more demanding operating environment, PMMA delivered a moderated financial performance while remaining profitable, cash-generative and financially resilient. Although the softer results reflected current market conditions, the Company's underlying fundamentals remain strong.

The Board acknowledges the challenges faced during the year and remains focused on safeguarding PMMA's financial strength, addressing areas requiring improvement and enhancing operational resilience. Through disciplined execution and a long-term perspective, we remain committed to strengthening the Company's competitive position and delivering sustainable value for our shareholders and other stakeholders.

A Clear View of the Year

For FYE 2026, PMMA recorded revenue of RM689.9 million and profit before tax of RM37.4 million. Compared with the previous financial year, both revenue and profit before tax declined, reflecting the challenging operating environment and continued pressure across the Company's commercial and manufacturing operations. Profitability came under pressure from lower sales volume, reduced factory utilisation and fixed-cost absorption, and product mix pressure. A stronger Ringgit negatively affected profitability, as a substantial portion of the Company's revenue was derived from exports. Lower finance income and a reduced contribution from the associated company further affected profitability.

The Board's view is that the year should be assessed with clarity. Some pressures were external, including shipment disruption, geopolitical uncertainty and foreign exchange movement. Others point to areas where the Company must continue to improve, including product relevance, market execution, cost discipline and manufacturing responsiveness.

Accordingly, the Board's focus has been on strengthening the fundamentals of the business. Management has continued to review product competitiveness, strengthen channel execution, manage costs more closely and preserve customer relationships in key markets.

These actions are necessary to rebuild confidence and improve the quality of earnings over time.

Holding Firm to Financial Discipline

PMMA's financial position remains a key strength. The Company closed the year with total equity of RM773.3 million and cash and fund placements of RM468.8 million. Net cash generated from operating activities remained positive at RM25.9 million.

Although the decline in performance is a matter of concern, these figures indicate that PMMA retains a strong level of financial resilience. As a result, the Company is well positioned to manage current pressures prudently and avoid reactive short-term decisions that could weaken its long-term business prospects.

The Board's approach to shareholder value remains grounded in prudence. We recognise the importance of returns to shareholders, particularly in a period where market confidence has been affected. At the same time, the Company must preserve the financial strength required to sustain operations, invest selectively and navigate external uncertainty.

In line with our commitment to delivering long-term shareholder value, the Board has approved a dividend of 48 sen per share for FYE 2026, comprising a proposed final dividend of 33 sen and an interim dividend of 15 sen already paid. The recommendation reflects the Board's commitment to balancing shareholder returns with prudent capital management, taking into account the Company's financial performance, cash position and requirements for long-term business resilience.

Restoring Confidence Through Discipline

The Board has supported management's focus on three practical priorities: strengthening product and market relevance, improving market resilience and advancing operational competitiveness.

PMMA's focus is to pursue growth in a disciplined manner, balancing market competitiveness with product quality, safety, reliability, energy efficiency and brand trust. This balance is important as the Company responds to changing customer expectations while protecting the foundations of long-term value.

During the year, management continued to renew selected product ranges, support product visibility and pursue market-specific opportunities. While market conditions were uneven, selected project-based and market expansion initiatives provided useful support and reinforced the importance of targeted execution. The task now is to build on these areas while addressing underperforming markets and categories with greater discipline.

Strengthening the Operating Base

The year also reinforced the importance of maintaining a responsive manufacturing base. Lower production volume affected utilisation and fixed-cost absorption, making it necessary for management to align capacity, manpower, overtime, maintenance and production planning more closely with demand. Management also continued to drive internal cost-reduction and operating-efficiency initiatives, including value engineering and strategic resourcing activities, to support cost competitiveness without compromising product quality, safety or performance.

PMMA continued to advance its Smart Factory and digitalisation initiatives during the year. These included the use of Industrial Internet of Things data, automation, preventive maintenance systems and selected in-house capability development to improve efficiency, process reliability and operational flexibility.

The gas-supply disruption in April 2025 further tested the Company's operational resilience and business continuity arrangements. The Company had promptly implemented alternate gas-supply measures to minimise operational disruption and the affected sales were substantially recovered following the restoration of supply.

The Company also strengthened its contingency preparedness through enhanced backup gas-supply arrangements. These measures have reinforced PMMA's operational resilience and readiness to navigate an increasingly uncertain operating environment.

Sustainability as Practical Resilience

Sustainability remains an important part of PMMA's long-term competitiveness. The Board views sustainability not as a separate agenda, but as part of how the Company manages efficiency, resource use, resilience and stakeholder confidence.

During the year, PMMA continued to strengthen energy management within its operations. Phase 2 of SA1's Rooftop Solar System was completed in December 2025, adding 892 kWp of installed capacity and building on earlier rooftop solar installations at SA2 and SA1. With the completion of the SA1 installation, the combined rooftop solar systems are expected to generate approximately 20% of the site's annual electricity consumption, reducing reliance on grid electricity and supporting PMMA's carbon reduction efforts.

The Company also continued to implement energy-saving measures such as sensors and timers on powder coating lines, reduction of open areas in melting furnaces to minimise heat loss, and the gradual replacement of traditional lighting with energy-efficient LEDs at both SA1 and SA2.

These initiatives support PMMA's efforts to improve operational efficiency while reducing the environmental impact of its manufacturing activities. In a year where cost discipline became more important, energy management also remained relevant to the Company's broader operating performance.

Governance, Risk and Capital Discipline

Sound governance and risk oversight remain central to the Board's stewardship of PMMA as it continues to oversee the Company's strategy, financial performance, risk management, sustainability and capital allocation.

The risk environment facing PMMA has become more complex. Geopolitical tensions, shipment disruption, material and logistics cost volatility, foreign exchange movement, product competitiveness, market competition and manpower availability all require close attention.

These risks cannot be eliminated entirely, but they must be managed through preparedness, discipline and clear decision-making.

In FYE 2026, management adopted a more selective approach to capital expenditure in response to softer sales conditions. Non-essential expenditure was deferred, while targeted investment continued in areas linked to productivity, automation, operational resilience and sustainability. The Board believes this balance is appropriate. PMMA must remain prudent, but it must also continue investing in the capabilities that protect its long-term competitiveness.

Looking Ahead

Operating conditions in FYE 2027 are expected to remain challenging, with competition likely to remain intense and market demand uneven. The Board notes early signs of stabilisation in selected areas following the actions undertaken during FYE 2026, although downside risks remain. Ongoing geopolitical tensions in the Middle East may continue to affect shipping routes, customer demand and regional trade flows. Higher raw-material, oil-related and logistics costs could also place further pressure on margins, while foreign exchange movements and domestic price competition will require continued discipline.

Against this backdrop, PMMA is not assuming a broad-based or immediate recovery across all markets. Instead, the Company will remain focused on disciplined execution and the initiatives within its control.

Key priorities include strengthening the relevance of its core product offerings, expanding project, institutional and B2B channels, leveraging the Panasonic and KDK dual-brand portfolio where relevant, pursuing selective ASEAN market opportunities, improving manufacturing productivity and capacity utilisation, safeguarding operational continuity and maintaining prudent capital allocation.

The Board believes that PMMA's fundamentals provide a platform from which management can continue to respond carefully and constructively. Our responsibility is to protect that platform, maintain disciplined oversight and support the actions needed to rebuild confidence and create sustainable long-term value.

On behalf of the Board, I would like to thank our shareholders for their continued trust and support. I also extend my appreciation to our management team, employees, customers, business partners, suppliers and the wider Panasonic Group for their commitment to PMMA through a demanding year. The Board remains committed to guiding the Company with discipline, transparency and a long-term view of value creation.

DATO' AZMAN BIN MAHMUD
Chairman
Independent Non-Executive Director

Management Discussion And Analysis

I am pleased to present the Management Discussion and Analysis of Panasonic Manufacturing Malaysia Berhad ("PMMA") for the financial year ended 31 March 2026 ("FYE 2026").

FYE 2026 was marked by stronger market headwinds, as softer demand in selected domestic and export markets, intensified price competition, disruptions to shipments in the Middle East, the strengthening of the Ringgit against major trading currencies, and a less favourable product mix weighed on performance. Against this backdrop, PMMA recorded revenue of RM689.9 million and profit before tax of RM37.4 million.

KEITARO TAHARA
Managing Director

Market conditions varied across regions, customer segments and product categories. In Malaysia, selected core product categories continued to experience competitive pressure arising from the growing presence of lower-priced alternatives. Export markets were affected by softer demand, product transition activities and disruptions to shipments resulting from the conflict in the Middle East, which impacted sales performance during the year.

The lower sales volume also resulted in reduced factory utilisation, affecting the absorption of fixed manufacturing costs. Internal cost-reduction and operating-efficiency initiatives, including value engineering and strategic resourcing activities across the supply chain, contributed positively to cost management efforts and were supported by favourable material-cost movements.

However, these measures were insufficient to fully offset the impact of lower volume and competitive pricing pressures.

In response, PMMA remained focused on strengthening areas within its control. Efforts during the year were directed towards enhancing product competitiveness, improving channel effectiveness and maintaining strong customer relationships. The Company also continued to increase operational agility, productivity and resilience through initiatives aimed at improving manufacturing efficiency and business continuity.

Strategic initiatives undertaken during the year included the renewal of selected product ranges, the expansion of B2B and project-based opportunities for key products, the strengthening of operational discipline, and targeted investments in automation and digitalisation to support long-term operational excellence.

Looking ahead, PMMA enters the new financial year with clearer execution priorities following the actions undertaken during FYE 2026. While market conditions are expected to remain competitive, selected areas have begun to stabilise, giving management a more measured basis to execute its priorities for the year ahead. PMMA remains committed to delivering sustainable value through disciplined cost management, prudent capital allocation and continued operational excellence.

Keitaro Tahara

Managing Director

Navigating A More Demanding Market Environment

FYE 2026 was defined by a combination of domestic price pressure, uneven export demand, shipment disruption and lower factory utilisation. The effect was visible across both the commercial and manufacturing base: in the domestic market, lower-priced alternatives altered the value equation for selected Fan, Home Shower and Vacuum Cleaner categories, while export markets presented different pressures across the Middle East, Vietnam, Japan and other destinations. These conditions required PMMA to protect product relevance and brand trust without pursuing volume at the expense of long-term margin quality.

Domestic Competition and Price Pressure

Malaysia remained PMMA's largest revenue base, contributing RM286.6 million in FYE 2026 compared with RM323.6 million in the previous year. The pressure was most visible in selected Fan, Home Shower and Vacuum Cleaner categories, where lower-priced alternatives became more prevalent and customers had a wider range of comparable products to consider. The issue was therefore not only softer demand, but also a more competitive value equation across price, features, safety, design and brand trust.

PMMA's response is not to match every lower-priced offering in the market. Instead, the focus is on achieving a stronger balance between product proposition, price point, and margin. Key initiatives include renewing selected core product ranges, including introducing selected partner-manufactured models for the domestic market, and increasing the visibility of updated products through targeted activation activities. In addition, PMMA intends to broaden its routes to market by pursuing project-based and B2B opportunities, where its offerings are better aligned with customer needs and less exposed to purely retail-driven price competition.

Export Markets and Market Access

Export revenue declined by RM95.9 million, or 19.2%, to RM403.3 million from RM499.2 million in the previous year. The decline was broad based across several export markets, although the underlying conditions differed by geography and product category.

Management Discussion And Analysis (Cont'd)

The Middle East remained an important export market and recorded the most significant geographic decline, with revenue decreasing by RM38.0 million, or 21.3%, to RM140.0 million. Performance in the region was affected by a combination of softer demand and conflict-related shipment disruption, which delayed deliveries and affected sales timing for selected products. The impact was felt across both Heating & Ventilation A/C Company ("HVAC") and Living Appliances and Solutions Company ("LASC") categories, including Fan, Vacuum Cleaner and Electric Iron products.

In response, PMMA's immediate priority in the Middle East is to preserve customer access, manage delivery continuity and monitor logistics developments closely, while maintaining disciplined pricing and customer relationship management in a more cautious demand environment.

In Asia excluding Malaysia and Japan, revenue declined by RM28.1 million, or 10.9%, to RM230.1 million. Within this region, Vietnam remained a challenging market, particularly for selected Fan and HVAC products, as product transition activities, softer market demand and competition from lower-priced alternatives affected sales momentum.

PMMA's response in Vietnam and other competitive ASEAN markets is to strengthen product relevance, improve channel execution and support refreshed product offerings that are better aligned with local market requirements. The focus is on product renewal, price positioning, dealer engagement and channel effectiveness, rather than broad-based volume recovery.

At the same time, FYE 2026 also showed the potential of more targeted growth initiatives in selected markets. The Singapore government project contributed to Fan sales, demonstrating the opportunity to expand project-based business beyond conventional retail channels. This reinforced the importance of market-specific execution, rather than relying only on broad-based volume recovery.

Japan revenue declined by RM13.5 million, or 51.7%, to RM12.6 million. The decline mainly reflected lower demand for selected LASC products, including Vacuum Cleaner and Electric Iron products. As certain Japan-related sales involve parts and finished goods with final demand linked to Middle East markets, the situation in the Middle East also affected Japan's performance during the year. Management will continue to review product and market fit for selected LASC categories.

Across export markets, PMMA remains disciplined in pursuing sales quality, protecting margin resilience and maintaining long-term customer relationships.

Revenue by Geography

The revenue decline was broad-based, although the extent and causes differed by geography. The table below provides the financial context for the market discussion above.

Revenue by Geography (RM million)

	FYE 2026	FYE 2025	Change
Malaysia	286.6	323.6	(11.4%)
Asia, excluding Malaysia and Japan	230.1	258.2	(10.9%)
Middle East	140.0	178.0	(21.3%)
Japan	12.6	26.1	(51.7%)
Europe	3.9	3.3	19.2%
Others	16.7	33.6	(50.4%)

Total Revenue: FYE 2026: 689.9 I **FYE 2025:** 822.8 I **Change:** (16.1%)

Impact on Utilisation and Operating Discipline

The above-mentioned commercial pressures also affected the manufacturing base. Lower sales volumes reduced factory utilisation and weakened the absorption of fixed manufacturing costs. This was further compounded by business continuity challenges, including the April 2025 gas supply interruption and subsequent disruption to Middle East shipping routes. In each case, practical measures were implemented to maintain production continuity and support customer deliveries wherever possible.

PMMA has therefore distinguished between temporary disruptions and the more fundamental actions required to remain competitive over the longer term. Temporary events call for robust continuity planning and flexible fulfilment arrangements. Structural pressures, however, require stronger product relevance, more effective channel execution, disciplined pricing, and a manufacturing platform capable of operating efficiently through periods of uneven demand.

Accordingly, PMMA's response is structured around three interconnected strategic priorities:

1. Strengthening product and market relevance
2. Improving market resilience
3. Advancing operational competitiveness

Strategic Focus

Customer-Centric Product Development

OBJECTIVE

Keep core offerings relevant and competitive.

- Refresh core Fan and Home Shower ranges.
- Prioritise energy-efficient, safety-led and design-led models.
- Improve local fit through in-house R&D and product engineering.
- Develop higher-value B2B and project opportunities

Business Realignment and Market Resilience

OBJECTIVE

Improve market access and protect value across changing conditions.

- Apply market-specific actions across domestic and export markets.
- Strengthen dealer engagement and targeted activation.
- Optimise product mix and pricing by category and channel.
- Maintain service continuity through flexible delivery arrangements.

Manufacturing Transformation and Smart Factory Progress

OBJECTIVE

Build a more agile, productive and resilient manufacturing base

- Align capacity and manpower with demand.
- Advance automation, IIoT and preventive maintenance.
- Strengthen supply continuity and lead-time control.
- Prioritise investments that improve productivity and resilience.

Financial Performance

The market and operating conditions described above were reflected in PMMA's financial performance for FYE 2026. While the Company remained profitable and cash generative, revenue, operating profit and profit before tax declined compared with the previous year. The decline was primarily attributable to lower sales volumes, changes in product mix, and a lower share of profit from the associate company.

Despite these headwinds, the business continued to generate positive cash flow and maintain positive earnings, demonstrating financial resilience.

RM million	FYE 2026	FYE 2025	Change
Revenue	689.9	822.8	(16.1%)
Results from operating activities	12.0	20.3	(40.9%)
Finance income	17.3	20.0	(13.5%)
Share of profit from associate	8.1	11.6	(30.2%)
Profit before tax	37.4	51.9	(27.9%)
Profit after tax	33.9	46.1	(26.5%)
Net cash from operating activities	25.9	28.4	(8.8%)
Additions to property, plant and equipment	14.4	23.8	(39.5%)

Management Discussion And Analysis (Cont'd)

Revenue

Revenue declined by RM132.9 million, or 16.1%, to RM689.9 million from RM822.8 million in the previous year. The decline reflected lower sales across selected domestic and export markets, including softer Fan sales in Malaysia and selected export markets, lower Vacuum Cleaner and Electric Iron sales mainly in the Middle East and Japan, and moderate Home Shower demand in Malaysia amid price competition. Stronger project sales in Singapore provided partial support in selected categories.

Results from Operating Activities

Results from operating activities declined to RM12.0 million from RM20.3 million in the previous year. The lower result reflected the impact of reduced sales volume, a stronger Ringgit against the US Dollar, a less favourable product mix and lower factory utilisation, partly offset by lower material costs and ongoing cost-reduction initiatives.

At segment level, the HVAC remained the Company's principal earnings contributor, while the LASC was more significantly affected by weaker export demand and lower production utilisation.

RM million	FYE2026	FYE2025	Change	FYE2026 Segment PBT
HVAC revenue	585.6	670.2	(12.6%)	32.1
LASC revenue	103.2	151.4	(31.8%)	0.4

HVAC revenue declined to RM585.6 million from RM670.2 million, while segment profit before tax stood at RM32.1 million. Fan sales were affected by heightened competition in Malaysia and softer performance in selected export markets. Home Shower and Point-of-Entry water-solution products also faced demand pressure in selected markets. Internal cost-reduction activities, supported by favourable material-cost movements, helped moderate part of the impact, although the segment continued to face pressure from lower volume, mix and competitive pricing.

LASC revenue declined to RM103.2 million from RM151.4 million, with segment profit before tax of RM0.4 million. Vacuum Cleaner and Electric Iron sales were affected by softer export demand, changing consumer preferences, foreign exchange and lower utilisation of production capacity. Management's immediate response focused on capacity and cost discipline, alongside an ongoing review of category, product mix and market priorities.

Finance Income

Finance income decreased to RM17.3 million from RM20.0 million, mainly due to lower cash and fund placements and lower placement returns compared with the previous year.

Share of Results of Associated Company

PMMA's share of profit from its associated company decreased to RM8.1 million from RM11.6 million in the previous year. The lower contribution reflected softer performance amid a more competitive market environment. While the associate continued to contribute positively to PMMA's results, the reduced contribution formed part of the overall decline in profit before tax for the year.

Profit Before Tax

Profit before tax declined by 27.9% to RM37.4 million from RM51.9 million in FYE 2025. The decline was greater than the reduction in revenue alone because lower production volume reduced the scale over which fixed manufacturing costs could be absorbed. A stronger Ringgit against the US Dollar, a less favourable model mix, lower finance income and a reduced associate contribution added further pressure.

PMMA responded through internal cost-reduction and operational-efficiency measures, including streamlining selected production arrangements, aligning manpower deployment and overtime more closely with operational requirements, strengthening maintenance and production planning, and value-engineering activities to reduce costs without compromising quality, safety or performance. These measures helped mitigate the cost impact of lower volumes, although they were not sufficient to fully offset the combined effects of weaker sales, adverse foreign exchange movements, product mix and lower capacity utilisation.

Cash Balances and Cash Flow

Despite the lower result, PMMA retained a sound financial position. Total equity stood at RM773.3 million at year end, while cash and fund placements totalled RM468.8 million. Net cash generated from operating activities remained positive at RM25.9 million, compared with RM28.4 million in the previous year. This financial capacity enables management to continue taking considered commercial and operating actions while maintaining discipline over cost and capital allocation.

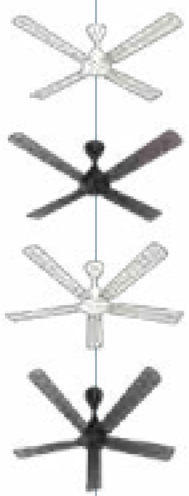
Capital Expenditure

Capital expenditure was managed more selectively during the year, with additions to property, plant and equipment of RM14.4 million compared with RM23.8 million in the previous year. In a softer sales environment, non-essential expenditure was deferred, while targeted investment continued in areas that support productivity, automation, operational resilience and sustainability. The objective is not lower spending for its own sake, but tighter allocation to initiatives with a clear commercial, operational or sustainability case.

Product Segment Review

In FYE 2026, product and channel choices are central to PMMA's response in a more competitive environment. The aim is to pursue product and market opportunities with discipline, remaining relevant across different customer needs while strengthening the areas where product performance, energy efficiency, safety, quality, design and service can support more sustainable value.

Fan Portfolio: Strengthening a Core Category



Fan remains PMMA's largest and most commercially important category. While demand and competitive conditions varied by market, PMMA continued to strengthen its portfolio through product renewal and targeted market activity.

In December 2025, PMMA introduced six new 56-inch DC Ceiling Fan models in Malaysia, comprising four Panasonic Bayu DC models and two KDK Ryou models, together with three new 38-inch DC-motor family models. The refreshed range includes 4-blade and 5-blade designs, selected wood-finish options and direct-current motor technology that offers improved energy efficiency, quiet performance and practical safety features. The launch supports PMMA's effort to strengthen product relevance in a core category while maintaining differentiation beyond price.

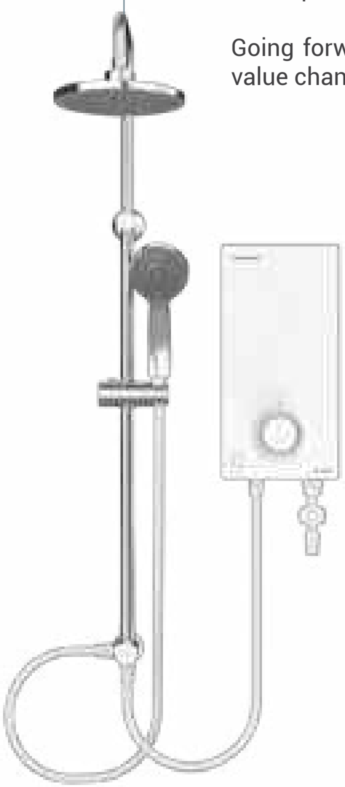
Project-based demand also contributed to the Fan category during the year. In Singapore, the KDK government project supported Fan sales, providing a useful example of how established brand presence and project-based channels can support category performance beyond conventional retail demand.

Commercial activity focused on improving product visibility and channel execution through targeted advertising, social-media engagement and dealer support in relevant markets. In Vietnam, PMMA continued to strengthen local channel execution following product-transition and market-demand challenges. Actions included improving dealer engagement, product visibility and distribution support for KDK, with the objective of restoring relevance and sales momentum in a competitive market.

Home Shower: Building Higher-Value and Project Opportunities

Home Shower faced softer domestic demand and more intense price competition. The commercial response is to focus on product assurance, safety and value-added positioning, while continuing to develop selected B2B and project opportunities where the Company's product strengths are relevant.

Going forward, PMMA will continue to refine its Home Shower proposition by strengthening higher-value channels and maintaining disciplined pricing in a more competitive market.



LASC: A Focused Review of Product and Market Fit

The response in LASC is necessarily more measured. Lower export demand, changing consumer preferences and competitive conditions affected the Vacuum Cleaner and Electric Iron categories during the year. Management is reviewing its approach across these categories to improve product and market fit, while maintaining discipline over inventory, cost and production utilisation. Rather than pursuing broad-based expansion, the focus remains on selective actions that support a more sustainable product mix and a more efficient operating base.

Advancing Smart Manufacturing and Digital Transformation

The commercial response must be matched by a manufacturing response. Lower production volume made utilisation, fixed-cost absorption and operating flexibility more important during FYE 2026. Management therefore combined near-term operating discipline with continued investment in productivity, automation, digitalisation and energy efficiency.

Operational Discipline and Manufacturing Flexibility

PMMA streamlined selected operations through production and machine consolidation, alignment of manpower and overtime with production requirements, and tighter maintenance and planning practices. These actions were designed to match the operating base more closely to demand, while preserving product quality, delivery performance and the ability to respond as conditions improve.

Cost optimisation was also driven through value engineering and strategic resourcing across PMMA's supply chain and manufacturing operations. Value engineering activities reviewed product designs, material specifications and manufacturing processes to identify cost-reduction opportunities without compromising product quality, safety or performance. These included component standardisation, design simplification and material substitution, including the use of recycled materials where technically and commercially viable.

In parallel, strategic resourcing activities focused on supplier consolidation, development of alternative sources and commercial negotiations with key suppliers. These actions supported more sustainable cost savings, reduced dependency on single-source suppliers and strengthened supply-chain resilience.

Smart Factory Progress

Indicators	FYE2026 progress
Production time loss	11% reduction across facilities, parts supply and quality processes from the 2023 baseline
Overall Line Efficiency	10% improvement from the 2022 baseline
Preventive maintenance	97% completion through CMMS

Industrial Internet of Things ("IIoT") data was applied to standard-time analysis, labour efficiency and production time-loss management. Preventive maintenance was strengthened through the Computerized Maintenance Management System ("CMMS"), while automation initiatives included Autonomous Mobile Robots for assembly-parts supply, automated blowing, remote-control pairing, packing processes and a centralised conveyor system. PMMA also expanded selected in-house capabilities, including pipe cutting and laser printing, to improve lead-time control and operating flexibility.

These initiatives are not technology showcases. They are intended to strengthen process consistency, labour efficiency, maintenance reliability and PMMA's ability to manage manufacturing cost and output through changing production requirements.

Energy Management and Solar Expansion

Alongside automation and digitalisation, PMMA continued to strengthen energy management within its operations. Phase 2 of SA1's Rooftop Solar System was completed in December 2025, contributing an additional 892 kWp upon completion. This builds on earlier rooftop solar installations at SA2 and SA1, and supports the Company's broader effort to reduce carbon emissions through practical improvements to plant operations.

PMMA also continued to implement energy-saving measures such as sensors and timers on powder coating lines, reduction of open areas in melting furnaces at die-cast facilities to minimise heat loss, and the gradual replacement of traditional lighting with energy-efficient LEDs at both SA1 and SA2. These measures complement the Smart Factory agenda by improving operating efficiency, energy use and long-term plant resilience.

Operational Resilience and Business Continuity

The April 2025 gas-supply interruption tested PMMA production-continuity arrangements. Alternate gas-supply measures were put in place, and Fan and Electric Iron production returned to full operation when gas supply resumed on 20 April 2025. Sales affected by the disruption were recovered in May and June, enabling PMMA to meet customer delivery schedules.

PMMA has since strengthened its contingency capability through a permanent liquefied petroleum gas (LPG) backup station at the SA1 parts-manufacturing area and a temporary LPG backup system at SA2. These measures have been incorporated into the broader operational-resilience agenda, rather than treated as a separate event response.

Anticipated Risks and Mitigation

PMMA has identified five high-risk areas as identified in its 2026 Enterprise Risk Management review that are closely aligned with the operating pressures discussed in this review: geopolitical risk, product competitiveness and innovation risk, manpower risk, market risk arising from competitors, and material-price risk. These risks are not separate from the year's performance. They directly affect revenue quality, product relevance, export access, manufacturing continuity and margin resilience.

Geopolitical Risk

Geopolitical risk has become a more prominent consideration, particularly in relation to the Middle East. Escalating regional tensions, sanctions or export controls, disruption to shipping routes and volatility in oil and gas prices may affect customer demand, freight cost, delivery schedules and foreign-exchange exposure. The FYE 2026 disruption to Middle East shipments demonstrated how quickly external events can affect sales timing and market access.

We are mitigating this risk through alternative logistics and shipping routes, regular monitoring of geopolitical and sanctions developments, business-continuity planning, crisis-management activities, foreign-exchange hedging and diversification of sales to other countries where practical. These measures cannot eliminate geopolitical risk, but they give management more options when trade routes or customer access are disrupted.

Product Competitiveness, Innovation and Market Risk

The consumer appliance market remains highly competitive. Lower-cost and innovation-driven brands, including brands from China and other regional markets, have intensified pressure in several categories. PMMA's review also highlighted risks linked to longer development cycles, legacy product lines, changing consumer preferences, higher price positioning and limited differentiation in features, design or user experience.

To mitigate this, we look to competitor studies, market surveys for new product development, regular sales and product-planning meetings, benchmarking of current products against competitors and emerging technologies, collaboration between Product Planning, Product Development Engineering and related Panasonic teams, and post-launch review of product performance. Where required, product refresh, redesign, discontinuation or reallocation of manufacturing capacity may be considered.

This risk directly supports the commercial priorities discussed earlier in this review. PMMA must keep core ranges relevant and competitive while protecting the quality, safety and brand attributes that allow the Company to compete on more than price alone.

Manpower and Operational Capability

Manpower risk remains high due to the continuing challenge of maintaining sufficient skilled and unskilled workers for production requirements. A high turnover is noted among outsourced floor workers in Assembly and the expected expiry of contracts for experienced foreign workers in selected 3D roles within Parts Manufacturing over the next one to three years. These issues may affect production scheduling, overtime cost, training requirements and succession planning for critical roles.

PMMA's mitigation actions include workforce planning between Human Resources and Manufacturing, use of temporary and outsourced workers where required, closer monitoring of production capacity, worker redeployment across relevant assembly groups, overtime scheduling where necessary and continued robotics implementation to reduce reliance on labour-intensive activities.

Material Price and Supply Exposure

Material-price risk has also increased in importance. Raw material and component prices remain exposed to commodity-price movements, supplier pricing, logistics costs and geopolitical developments. War and geopolitical instability may increase raw material and logistics costs, while some parts remain constrained by single-source supply.

We will manage this risk through supplier price comparison where available, approved quotations, master agreements with vendors, monthly or quarterly price updates, registration of approved quotations in SAP and regular reporting of cost-reduction activities to management. These controls are supported by strategic resourcing activities, including supplier consolidation and the development of alternative sources where practical, to reduce dependency on single-source suppliers. Together, these measures support margin discipline, although they cannot fully remove the effect of global cost volatility or supply constraints.

Managing the Priorities

The risks outlined above are interrelated. Competitive pressure affects sales mix and utilisation; geopolitical disruption can affect export access, logistics and material prices; manpower constraints can affect production responsiveness; and product competitiveness influences the relevance of existing ranges. PMMA's response therefore combines product and channel action, operational discipline, business-continuity planning and selective investment rather than treating each risk in isolation.

The purpose of these actions is not to suggest that external demand, currency movements, material prices or regional trade conditions can be fully controlled. It is to ensure that PMMA remains able to make considered decisions, preserve operating options and protect the foundations for more sustainable profitability.

Business Outlook

Operating conditions in FYE 2027 are expected to remain competitive and uneven. Following the actions undertaken during FYE 2026, selected areas have begun to stabilise, although the operating environment continues to carry downside risks. Ongoing geopolitical tensions in the Middle East may continue to affect shipping routes, customer demand and regional trade flows, while higher raw-material, oil-related and logistics costs could place further pressure on margins.

Against this backdrop, PMMA will continue to strengthen its market position, enhance operational efficiency and pursue targeted growth opportunities while maintaining prudent cost and capital discipline. The Company's focus will remain on the practical priorities set out in this review: strengthening the relevance of core products and channels; developing project, institutional and B2B opportunities where PMMA's product strengths can be recognised; improving factory productivity and utilisation; maintaining operational continuity; and managing export opportunities selectively as market and logistics conditions permit.

For the next phase, management will give closer attention to several growth platforms already reflected in the Company's operating priorities. These include project and institutional channels across key HVAC categories, more effective use of the Panasonic and KDK dual-brand portfolio, selective ASEAN market opportunities, and product renewal focused on energy efficiency, safety, design and higher-value positioning. The aim is to build a more resilient earnings base by improving product relevance, market access and sales mix quality.

Execution Priorities for the New Financial Year

Priority	Focus
Commercial execution	Build relevance in core HVAC categories through refreshed product ranges, clearer value communication, project and institutional channels, and market-specific execution that supports a healthier sales mix.
Manufacturing responsiveness	Continue to align capacity, planning, manpower and maintenance with demand while progressing automation and digital initiatives with a clear operational return.
Resilience and capital discipline	Maintain the ability to respond to market-access and continuity risks, while directing capital to projects that strengthen productivity, reliability and sustainability.

PMMA is not assuming an immediate recovery in all markets, and progress will be measured not only by revenue growth, but also by the quality of the sales mix, the alignment between production volume and factory capacity, the continuing relevance of the portfolio and the discipline of capital allocation. The objective is to build a more resilient earnings base that can capture demand without compromising long-term value.

In Appreciation

FYE 2026 proved to be a year of significant challenge for PMMA, shaped by softer demand, intensified competition and external market disruptions. Through these conditions, PMMA remained focused on operational stability, customer commitment and disciplined execution. This response reflects the resilience of the Company and the continued support of our stakeholders.

I would like to express my appreciation to the Chairman and the Board of Directors for their guidance and counsel throughout the year. To PMMA's employees, thank you for your dedication, perseverance and professionalism. Your efforts have been central to maintaining continuity, supporting customers and advancing the actions needed to strengthen the business.

I also wish to thank the Company's shareholders, business associates, customers, suppliers and regulators for their continued confidence, cooperation and support. PMMA recognises the importance of the trust placed in the Company and remains committed to improving competitiveness, strengthening execution and building a more resilient organisation capable of delivering sustainable long-term value.

Increase in Shareholders' Wealth

As at **31 March 2026**, the issued and paid-up capital of the Company is RM60,745,780 divided into 60,745,780 ordinary shares of RM1.00 each. Details of changes in the issued and paid-up share capital of the Company and cumulative number of shares held by a shareholder with an initial investment of 1,000 shares is shown below:

Financial Year/Period	No. of shares allotted	Descriptions	Total issued and paid-up capital (RM	New shares issued to a shareholder	Cumulative number of shares held by a shareholder	Cost of Investment (RM)
12/1966	1,500,000	Issue of shares before listing	1,500,000	Nil	Nil	N/A
12/1966	1,500,000	Initial Public Offer	3,000,000	1,000	1,000	1,000
12/1975	6,000,000	- Bonus Issue of 2 for 1	9,000,000	2,000		Nil
	1,050,000	- Rights Issue of 35 for 100 @ RM1.00	10,050,000	350	3,350	350
	450,000	- Private Placement to Bumiputera Investors under New Economic Policy	10,500,000	Nil		N/A
12/1980	2,625,000	Bonus Issue of 1 for 4	13,125,000	838	4,188	Nil
12/1982	6,562,500	Bonus Issue of 1 for 2	19,687,500	2,094	6,282	Nil
3/1987	1,968,750	Bonus Issue of 1 for 10	21,656,250	628	6,910	Nil
3/1993	10,828,125	Bonus Issue of 1 for 2	32,484,375	3,455	10,365	Nil
3/1998	3,248,437	Bonus Issue of 1 for 10	35,732,812	1,037	11,402	Nil
3/2003	25,012,968	Bonus Issue of 7 for 10	60,745,780	7,982	19,384	Nil

As tabulated below, if a shareholder had bought 1,000 shares in the Company when it was listed in 1966, and assuming the shareholder had subscribed for rights issue of 350 shares in 1975 and did not sell any of the Company's shares till to-date, he would be holding a total of 19,384 shares (inclusive of 18,034 bonus shares) worth RM124,833 based on the market price of RM6.44 as at 12 June 2026. In addition, he would have received a total gross cash dividends of RM678,372 with a capital outlay of RM1,350 only. The dividends received/receivable and the appreciation in value translates to a remarkable compound annual growth rate of 11.85% on nominal value basis.

Initial Investment of a shareholder		
Initial capital outlay (1966)	RM	1,000
Rights issue subscription (1975)	RM	350
Total Capital Outlay	RM	1,350

Increase in Shareholder Wealth (Cont'd)

Wealth of a shareholder in long term		
Initial investment (1966)	Unit	1,000
Rights issue shares subscribed (1975)	Unit	350
Total bonus shares received (1975 - 2003)	Unit	18,034
Total number of shares held	Unit	19,384
Closing market price per share (12 June 2026)	RM	6.44
Total value of shares held	RM	124,833
Cumulative gross cash dividends received / receivable (1966 - 2026)	RM	678,372
Total Wealth of a shareholder since Initial Investment	RM	803,205

Sustainability Report

About this Report

Panasonic Holdings Corporation's Basic Management Philosophy is rooted in the principle of "company as a public entity of society", which forms the foundation of all our business activities. As a responsible corporation, we are committed to upholding responsible management and promoting sustainable development in our day-to-day business operations, with a strong emphasis on creating long-term value.

Panasonic Manufacturing Malaysia Berhad ("PMMA", "the Company", or "we") is committed to strengthening its efforts towards sustainable development. We are pleased to present our ninth Sustainability Report ("Sustainability Report"), which outlines the Company's material matters, sustainability performance and strategic efforts in managing our material Economic, Environmental, Social and Governance ("EESG") matters in line with the Bursa Malaysia Main Market Listing Requirements ("MMLR").

Reporting Scope

This Sustainability Report covers Panasonic Manufacturing Malaysia Berhad within our business sector for the financial year ended 31 March 2026 ("FYE 2026", "the year under review" and "reporting period"). Unless stated otherwise, this Report excludes associate company, as PMMA does not have any operational control over these entities.

Where relevant, we also include data from previous years to track year-on-year progress and provide additional context. This Report outlines our response to the 14 material sustainability matters that influence our business and our ability to deliver value to all our stakeholders.

Reporting Framework

This Sustainability Report has been prepared in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and references Bursa Malaysia's Sustainability Reporting Guide. In shaping our reporting approach, we also refer to internationally recognised frameworks, including the Global Reporting Initiative ("GRI") Standards, which form the basis of this reporting framework.

In line with the above, our reporting principles are guided by the following four aspects:

Stakeholder

Identifying key internal and external Stakeholders to obtain a holistic picture of how we perform in Economic, Environmental, and Social matters.

Sustainability Context

Presenting our performance in the wider context of sustainability.

Materiality

Identifying and prioritising the key sustainability issues that our Company encounters.

Completeness

Reporting all sustainability topics that are relevant to our Company and influence our stakeholders.

Feedback

We welcome and appreciate the feedback of our stakeholders, and invite you to share your thoughts on our Sustainability Report. For any queries, comments or suggestions regarding the content of this Report, please contact us via email at ir.pmma@mypanasonic.com or by phone at +603 5891 5000.

Sustainability Governance

PMMA aligns its operations with the policies of Panasonic Holdings Corporation and remains committed to advancing sustainability practices. Our Board of Directors sets PMMA's sustainability strategy and oversees its implementation, as well as the formulation of long-term sustainable development plans. The Board, in partnership with the Strategic Management Committee, plays an active role in monitoring and guiding sustainability performance.

The roles and responsibilities of the Strategic Management Committee are outlined in the diagram below:

Stakeholder Inclusiveness

Identifying key internal and external Stakeholders to obtain a holistic picture of how we perform in Economic, Environmental, and Social matters.

Sustainability Context

Presenting our performance in the wider context of sustainability

Materiality

Identifying and prioritising the key sustainability issues that our Company encounters

Completeness

Reporting all sustainability topics that are relevant to our Company and influence our stakeholders.

Stakeholder Engagement

We actively engage with our stakeholders to better understand the impact of our business across various EESG areas. Through continuous dialogue, we assess our contributions to sustainable development and identify opportunities for improvement, guided by our sustainability-related policies and strategies. Stakeholder feedback plays a vital role in helping us prioritise key issues that impact our long-term sustainability performance and value creation.

Our stakeholders include individuals and entities that are significantly affected by our operations, products or services, as well as those whose actions may influence our ability to meet our strategic objectives. Guided by globally recognised standards such as the GRI Standards, we identify and engage with these stakeholders to inform our materiality assessment and shape sustainability strategies that align with evolving expectations.

Stakeholders	Mode of Engagement	Frequency of Engagement	Concerns
Media	• Media briefings and press releases • Advertising partnerships • Public relations events	• As needed • As needed • As needed	• Mechanisms and policies in place to curb corruption. • Stable and strong procurement practices. • Use of recycled raw material in product manufacturing. • Carbon emissions management and evaluation. • Employee recognition and benefits. • Employee engagement and satisfaction. • Foreign labour Management. • Occupational health and safety management and policies. • Product health and safety compliance. • Data privacy and cyber security protection.
Investors	• Annual General Meeting ("AGM") • Investor and Analyst briefings/meetings • Extraordinary General Meetings • Electronic Communication	• Annually • Twice a year • As needed • As needed	
Suppliers	• Supplier audits • Procurement policy briefings • Supplier Performance Evaluation • Supplier Development Programmes	• Annually • Annually • Monthly • Monthly	
Regulators	• Compliance reporting • Regulatory consultations and inspections • Participation in policy dialogues	• Annually • Annually • As needed	
Employees	• Performance appraisals and feedback sessions • Training and capacity building • General Morning Assembly • Employees Opinion Survey • A Better Dialogue	• Annually • As needed • Monthly • Annually • As needed	
Local Communities	• Corporate Social Responsibility ("CSR") programmes • Volunteer initiatives	• As needed • As needed	

Material Sustainability Matters

As we continue our journey towards responsible and sustainable practices, we recognise the need to focus our efforts and resources on the sustainability matters that are most relevant to our operations and stakeholders. To guide this focus, we conduct a Materiality Analysis based on the Materiality and Completeness Reporting Principles outlined in the GRI Standards and Bursa Malaysia's Sustainability Reporting requirements.

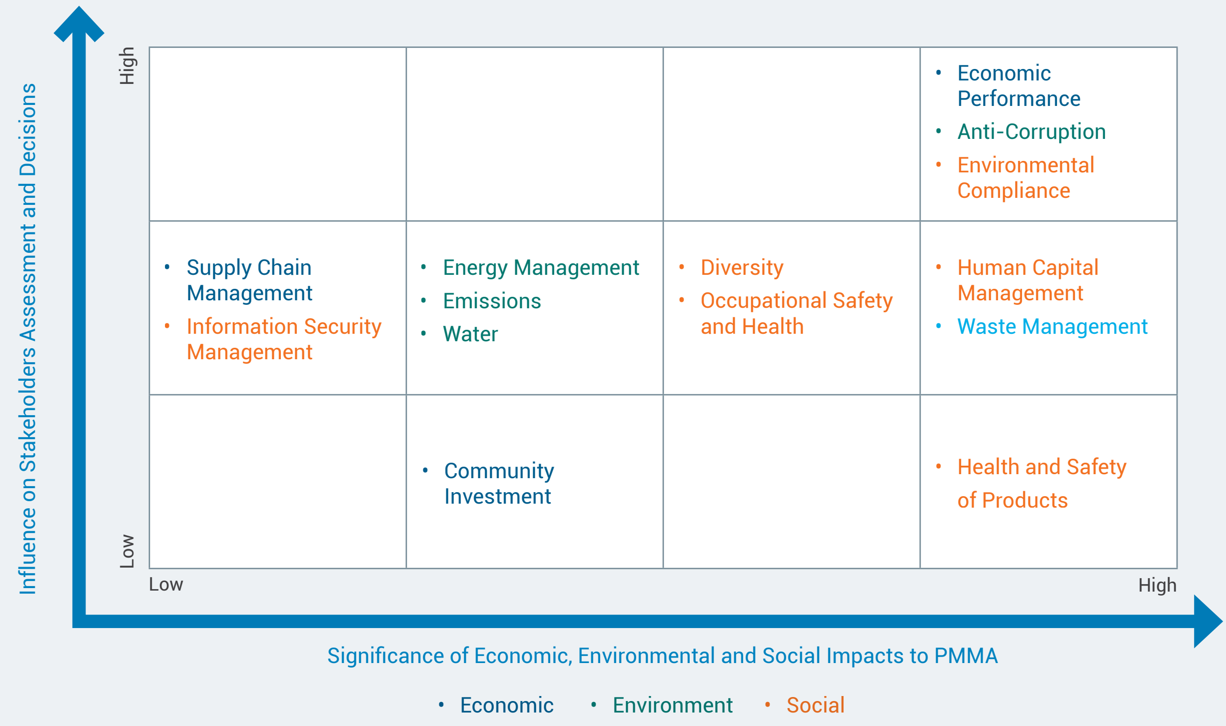
In accordance with the Materiality Principle, our report focuses on material topics that reflect PMMA's most significant economic, environmental and social impacts, or those that could substantially influence how our stakeholders assess our performance and decisions.

These material topics were identified through a structured review of internal documents, operational developments and processes, and business priorities assessed over the past few years leading up to 2026.

As part of our ongoing risk assessment, we regularly review sustainability-related risks to ensure that we continue to address the most critical sustainability concerns. The materiality matrix, representing the significance of these topics, was reviewed and approved by the Board of Directors.

For the financial year ending 31 March 2026, the following material topics were identified as most significant to PMMA and its stakeholders:

FYE 2026 Materiality Matrix



Category	#	Material Topics	GRI Index	Material Disclosures
Economic	1	Economic Performance	201-1	Direct economic value generated and distributed
	2	Community/Society	201-1	Total amount invested in the community where the target beneficiaries are external
	3	Anti-Corruption	205-1	Percentage of operations assessed for corruption related risks
			205-2	Percentage of employees that have received training on anti-corruption by employee category
			205-3	Confirmed incidents of corruption and action taken
	4	Supply Chain Management	204-1	Proportion of spending on local suppliers
Environment	5	Environmental Compliance	307-1	Non-compliance with environmental laws and regulations
	6	Energy Management	302-1	Total energy consumption within the organisation in Gigajoules (GJ)
	7	Emissions	305-1 305-2	i. Scope 1 emissions in tonnes of CO_2e ii. Scope 2 emissions in tonnes of CO_2e iii. Scope 3 emissions in tonnes of CO_2e
	8	Water	303-3 303-4 303-5	i. Water withdrawal ii. Water discharge iii. Water consumption
	9	Waste Management	306-3 306-4 306-5	Total waste generated and a breakdown of: i. Total waste diverted from disposal ii. Total waste directed to disposal
Social	10	Occupational Health and Safety	403-9	Number of work-related fatalities
				Lost time incident rate
			403-5	Number of employees trained on health and safety standards
	11	Health and Safety of Products	416-1	Assessment of the health and safety impacts of product and service categories
	12	Information Security Management	418-1	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data
	13	Diversity	405-1	Percentage of employees by gender and age group for each employee category
				Percentage of directors by gender and age group
	14	Human Capital Management	404-1	Total hours of training by employee category
			2-7	Percentage of employees that are contractors or temporary staff
			401-1	Total number of employee turnover by employee category
			N/A	Foreign Labour Management
			N/A	Number of substantiated complaints concerning human rights violations

Economic

Economic Performance

Sustained financial performance is crucial to support PMMA's long-term business objectives and our ongoing investment in sustainable growth. Our ability to generate and distribute economic value reflects our commitment to responsible business conduct and operational resilience, which is important to strengthen the trust and confidence of our stakeholders.

For the fiscal year ending 31 March 2026, we generated a total Direct Economic Value of RM716 million and distributed a total of RM 713 million across key segments. Direct economic value generated and distributed is a metric that indicates the wealth that we create through our operations and the subsequent allocation of our revenue by stakeholder group, as per the following table:

RM('Million)	FYE 2026	FYE 2025	FYE 2024	FYE 2023
Economic Value Generated	**716**	**851**	**941**[(2)(3)]	**1,015** [(1)(2)]
Economic Value Distributed, which consists of:	**713**	**891**	**935**	**1,035**
• Payment to Vendors [(5)]	552	670	722	827
• Payment to Employees (e.g., wages, benefits) [(4)]	119	128	130	147
• Payment to Capital Providers (e.g., dividend/ interest paid to investors)	38	83	74	50
• Payment to Government (e.g., taxes and permits)	4	10	9	11
Economic Value Retained	**3**	**(40)**	**6**	**(20)**

[(1)]Excludes insurance claims received amounting to RM22.3 million in relation to the flood incident in December 2021.

[(2)]Excludes claims received from Panasonic Corporation amounting to RM11.9 million (FYE 2024) and RM14.4 million (FYE 2023) in relation to the termination of the Kitchen Appliances business.

[(3)]Includes RM4.9 million in foreign exchange gains.

[(4)]Includes MSS payments of RM2.6 million (FYE 2026), RM4.1 million (FYE 2025), RM5.0 million (FYE 2024) and RM10.9 million (FYE 2023) under the Mutual Separation Scheme.

[(5)]Payments to vendors exclude payments to consultants and joint ventures.

While 2026 presented a more challenging operating environment, we remained focused on delivering quality products and maintaining customer satisfaction. Our ability to generate value, even amid market challenges, demonstrates our ongoing focus on resilience, product quality and responsible growth.

Community Investment

Over the years, PMMA has supported various environmental and social initiatives that reflect our commitment to responsible corporate citizenship. Our participation in the Panasonic Eco Relay for Sustainable Earth, a global programme that encourages employees and their families to engage in local environmental activities, has been a key platform for these efforts.

While no new CSR investments were made in FYE 2026 due to a more challenging operating environment, our commitment to social and environmental engagement remains unchanged. Moving forward, we plan to strengthen our efforts by focusing on initiatives with greater environmental impact, aligned with our sustainability priorities and long-term business strategy.

Moving forward, we aim to enhance community investment as a strategic tool to strengthen our brand within the community in which we operate, build stronger relationships with relevant stakeholders, and invest in environmental-related causes, rather than focusing solely on social causes.

Anti-Corruption

PMMA is committed to upholding the highest standards of governance and integrity. We firmly believe that strong business ethics and sound governance practices not only mitigate organisational risks but also strengthen our credibility and brand value.

To ensure consistent ethical conduct across our operations, PMMA has adopted the Panasonic Holdings Corporation Code of Conduct ("CoEC"). The CoEC sets out "Our Commitments", which all Panasonic Group companies must observe, and guides our conduct and business activities in alignment with the Group's Basic Business Philosophy and compliance expectations.

To further reinforce ethical behaviour, Panasonic Holdings Corporation adopts the Employee Clean Business Undertaking. This initiative discourages employees from engaging in bribery and unethical business dealings. All PMMA employees, including temporary and foreign employees, are required to sign the Employee Clean Business Undertaking on an annual basis. As of FYE 2026, a total of 1,475 employees had signed the declaration, reaffirming their commitment to clean and ethical business conduct.

Since 2020, PMMA has also fully adopted Panasonic's Anti-Bribery and Anti-Corruption Compliance framework, known as L.E.A.P.S. (Leadership, Education, Assessment of Risk, Processes, and Surveillance). This framework aligns with the T.R.U.S.T. principles outlined in the Malaysian Anti-Corruption Commission's (MACC) Guideline on Adequate Procedures. The L.E.A.P.S framework serves as a preventive mechanism, enabling the Board of Directors, employees and business partners to identify, detect and avoid potential corrupt practices.

Principle 1

Leadership

As part of Top Management's commitment to promoting a culture of integrity in PMMA, the Compliance Team has been designated to oversee all anti-corruption matters. Management provides employees with information and access to the latest Anti-Bribery and Anti-Corruption ("ABAC") Rules and Policy. Management maintains a clear stance of zero tolerance for bribery and corruption, which is regularly communicated to all employees. Management also provides a channel for employees to report actual or suspected wrongdoing without fear of retaliation.

Principle 2

Education

PMMA regularly communicates its anti-corruption policies and procedures within the Company through various channels, including physical training sessions, emails and other internal communications. These policies and procedures are made available to employees and stakeholders via the Company's intranet and official website.

During FYE 2026, the Company continued to strengthen employees' awareness of compliance requirements through various training and awareness programmes, including the Fair Competition Compliance Policy explanatory session and Fair Competition Compliance e-Learning programme

Employee Category	Fair Competition Compliance Policy Awareness Session	Fair Competition Compliance e-Learning
Senior Management	100%	100%
Management	100%	100%
Executives	100%	100%

Principle 3

Assesment of Risks

Corruption risk has been identified as one of PMMA's key risks and is incorporated as part of the Enterprise Risk Management ("ERM") framework. A corruption risk assessment is conducted annually and whenever there is a change in law or business circumstances. The latest risk assessment exercise was conducted by an external consultant in April 2026.

Percentage of Operations Assessed	
FYE 2026	100%

Principle 4

Process and Control

PMMA has appropriate policies, adequate financial and non-financial controls, and processes in place to address the risks of bribery and corruption. We have also established procedures for conducting due diligence on external parties during the decision-making process for sourcing, selection, engagement or renewal of supplier/customer and potential employment candidates prior entering into a formal relationship.

Principle 5

Surveillance

The PMMA Compliance Team is responsible for overseeing compliance matters and conducts regular reviews and monitoring. Key controls and procedures for ABAC management are in place within PMMA. Quarterly Compliance Meetings involving Senior Management are held to report and discuss compliance-related matters. PMMA encourages employees, business partners and stakeholders to raise concerns about wrongdoing through confidential and secure whistleblowing channels made available via PMMA's intranet and website. Reported incidents are investigated to determine the validity of the allegations, and action is taken where necessary. PMMA does not tolerate any form of corruption or any conduct that may lead to business misconduct. The Company complies with applicable laws, regulations and social ethics governing the offer of benefits, including gifts, meals and entertainment, and does not accept personal benefits from stakeholders in return for unfair business advantage.

Number of confirmed incidents of corruption	
FYE 2026	0

Panasonic Global Compliance Hotline (EARS)

Panasonic is committed to complying with all applicable laws and regulations in the countries where it operates. It is important to report any potential violations of the Code of Ethics & Compliance so that the matter can be investigated and corrective measures implemented if necessary.

In August 2018, the Panasonic Group implemented EARS, a global compliance hotline system designed to receive reports and concerns ("Whistleblower Reports") from all employees. The EARS reporting platform is available on the Panasonic Global website.

Employees may also choose to make Whistleblower Reports through consultations with their supervisors or relevant functional departments such as

The platform is operated independently by a third-party professional called "NAVEX" and management ensures that:

- Whistleblowing Reports can be made on an anonymous basis.
- Whistleblowing Reports are strictly confidential.
- Retaliation is prohibited.

As a testament to our vigilance, we are pleased to announce that there were no confirmed incidents of corruption reported in the past two years.

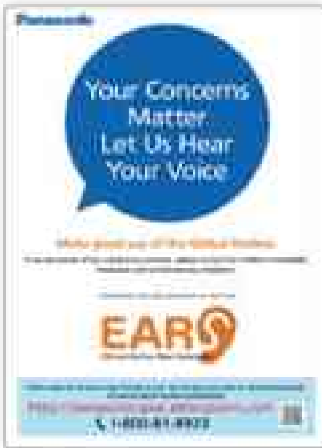
Communication – Anti Corruption Policy and Panasonic Global Compliance Hotline ("EARS")

Communication – Anti Corruption Policy Public Accessibility

Policies and procedures, such as the Code of Conduct and APAC Region Anti-Bribery and Anti-Corruption Rules (Rules for Clean Business Dealings in Southeast Asia and Oceania), are published on PMMA's intranet and website and are accessible to employees and stakeholders. Links to the relevant policies are provided below.

Policies are as follows:

- Anti-Bribery and Corruption Rules:
  https://pmma.my.panasonic.com/anti-bribery-and-corruption-rules/
- Whistleblowing Policy:
  https://pmma.my.panasonic.com/whistle-blowing-policy/
- Code of Conduct:
  https://pmma.my.panasonic.com/code-of-conduct/



Supply Chain Management

As a company that partners with suppliers across global and local markets, we acknowledge our responsibility to uphold high standards of integrity, quality and sustainability as a conscientious corporate entity. We recognise our role in delivering the functionality and value our customers expect. This is achieved through the cultivation of trust-based relationships, rigorous research and robust supply chain support.

The stability and effectiveness of our procurement processes remain a key component of our operational strategy. Guided by our commitment to quality and value creation, we strive to deliver high-performing products at competitive prices.

We are committed to sourcing materials responsibly, complying with environmental requirements, upholding quality standards, and ensuring timely and cost-effective delivery. Our Central Procurement Department plays a vital role in aligning our procurement activities with regulatory requirements and standards, particularly those that may affect profitability, product quality, environmental performance, and our Environmental, Social and Governance ("ESG") commitments.

In response to the increasing global expectations for sustainable procurement, we prioritise suppliers that offer high-quality materials and cutting-edge technology, while also demonstrating a strong commitment to ESG. This includes clean and green procurement practices, regulatory compliance, information security, human rights, and occupational health and safety.

PMMA supports the integration of ESG considerations into its procurement practices. We recognise the importance of conducting periodic management reviews to ensure that our supply chain continues to meet evolving ESG expectations and standards. Before engaging any new supplier, we conduct a systematic supplier assessment covering quality, delivery, cost, environmental considerations and ESG-related practices. To raise awareness and enhance supplier performance, we provide supplier training and conduct regular audits that focus on quality, Restriction of Hazardous Substances ("RoHS") requirements and ESG considerations. We also perform Annual Supplier evaluations that assess quality, cost, delivery and service ("QCDS") to monitor ongoing performance and drive improvement.

In January 2025, we conducted an ESG briefing for our suppliers to communicate our expectations and strengthen understanding of environmental and social standards across our supply chain to ensure responsible sourcing. A total of 110 suppliers attended the session.

QCD are Equally Important with Fulfilling CSR

Compliance

An enterprise that fails to practise CSR procurement will be neglected by society today.

Clean Procurement

- Practicing ethical conduct and correct transactions

Green Procurement

- Resource conservation/recycling
- Elimination of prohibited substances

Compliance

- Compliance with laws and social rules
- Dealing with the TRADE COMPLIANCES

Information Security

- An absolute condition for joint development and participating in design.

Human Rights, Labour, Safety/ Hygiene

- Addressing the issues of conflict minerals

We actively support local suppliers that meet our criteria for price, quality, performance and ethical standards. As of FYE 2026, local suppliers accounted for 97% of our total supplier base. During the year, we developed two (2) new local suppliers that met our procurement requirements.

	FYE 2026	FYE 2025	FYE 2024	FYE 2023
Proportion of spending on local suppliers (%)	97%	97%	95%	92%

Certain raw material or parts supplied by local suppliers are procured from overseas.

PMMA's Suppliers Quality Improvement Activities

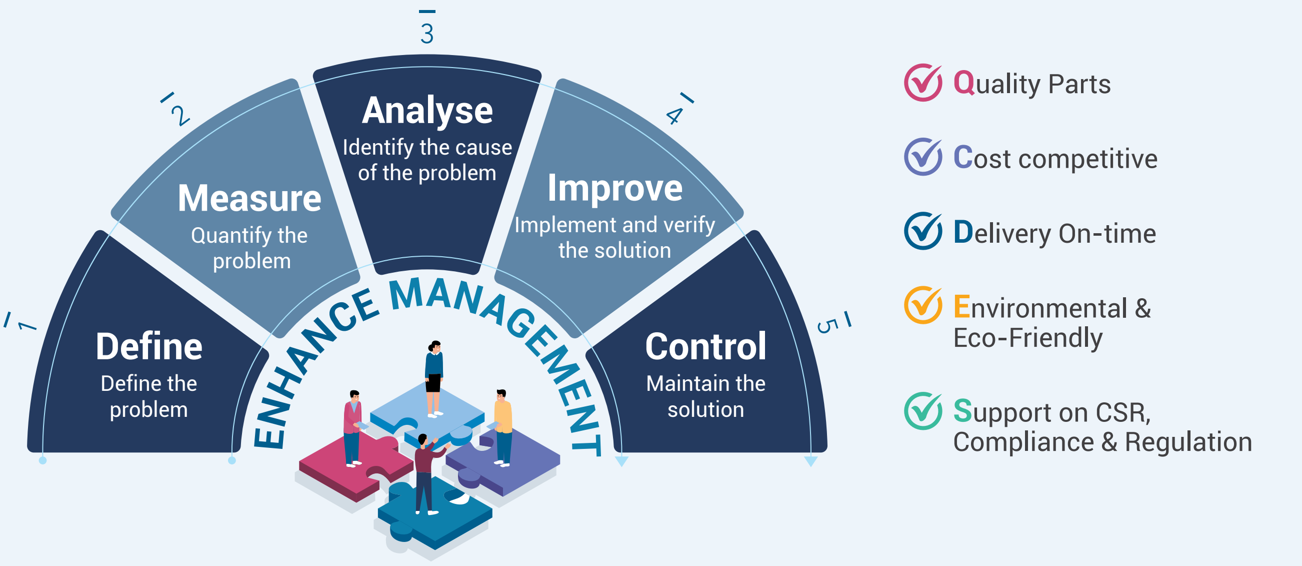
Panasonic's corporate-wide Quality Policy reflects our commitment to "truly serving customers by providing products and services that continuously meet and satisfy their needs and those of society." Customers are central to our business, and delivering high product quality is essential to maintaining trust in our brand. This commitment extends to our suppliers, as we promote Panasonic's quality principles to enhance their overall quality management systems and ensure the delivery of high-quality parts.

Our Incoming Quality Control ("IQC") team leads the continuous monitoring of supplier improvement activities. In FYE 2026 we conducted targeted audits to strengthen supplier process controls and prevent defect leakage.

These supplier quality audits focus on five areas: document control, process control, corrective and preventive action, incoming material control, and ongoing quality system and management.

In addition to formal audits, we conducted regular quality meetings and reviews to assess the effectiveness of countermeasures and share best practices with our suppliers. We also conducted on-site verifications of improvement actions and provided education through on-the-job training.

We also conducted process reviews and audits at our new original design manufacturer ("ODM") suppliers before commencing business in FYE 2026.



Strengthen QCDES, reduce total cost.

TOGETHER EVERYONE ACHIEVE MORE

For the year under review, we strengthened supplier quality by working directly with vendors that recorded high Material Return ("MRT") or rejection rates. We identified root causes, implemented corrective actions and improved inspection skills among supplier operators. We actively monitored progress and secured commitment from suppliers' top management to sustain these improvements.

We also enhanced our training approach for new operators through focused defect-identification sessions, assigning experienced mentors and conducting regular feedback reviews. To assess effectiveness, we applied 100% part inspections and tracked operator performance over a six-month period.

These efforts resulted in a significant reduction in MRT cases across most suppliers, indicating improved inspection practices and enhanced quality control within our supply chain.

Environment

Environmental Compliance

PMMA remains committed to operating in full compliance with all applicable environmental laws and regulations in Malaysia. To support the effective implementation of our Environmental Policy, we have established the PMMA Environmental Facilities Committee ("EFC"), which periodically reviews the environmental performance of our factories. We have also appointed the Environment Management Department Team Leader as the Company's Environment Management Representative ("EMR"). The EMR is responsible for ensuring compliance with all environmental-related requirements, and preparing and submitting PMMA's monthly environmental performance reports to Panasonic Holdings Corporation.

Both of our manufacturing facilities, SA1 and SA2 in Shah Alam, are certified to ISO 14001:2015 for the Environmental Management System ("EMS") certification. This certification affirms our commitment to promoting environmental stewardship within our business and reflects our efforts to meet regulatory requirements and reduce our environmental impact.

We manage our compliance with environmental laws, regulations, standards, and other requirements through continuous internal and external audits. For the year under review, we recorded zero cases of environmental non-compliance and received no significant fines or sanctions for non-compliance with environmental legislation or other regulatory requirements.

Energy Management and Emissions

Panasonic is committed to minimising its carbon footprint through various environmental initiatives outlined in the Panasonic Environment Vision 2050. This long-term vision, established by Panasonic Holdings Corporation in 2017, aims to achieve a sustainable and safe society through clean energy and a more comfortable lifestyle. In alignment with this vision, PMMA established a Zero Carbon Emission Project Team in September 2022. The team engaged an expert from the Japan Environment Promotion Department to conduct an energy-saving diagnosis and generate ideas to support PMMA's energy-saving efforts.

Energy Efficiency

We continue to advance energy efficiency efforts across our operations, in support of both national goals and Panasonic Group's long-term environmental ambition under Panasonic GREEN Impact ("PGI"). PGI reflects the Group's commitment to achieving carbon neutrality and advancing a circular economy.

Since 2019, we have implemented multiple energy-saving initiatives to reduce carbon emissions. These include solar panel installations on the rooftop of the existing SA2 plant building in 2020, the new SA2 building in 2022, and selected rooftops at our SA1 facility in January 2024. PMMA continued to strengthen energy management within its operations. Phase 2 of SA1's Rooftop Solar System began solar generation in September 2025 and achieved full operational utilisation from October 2025. The installation added 892 kWp of capacity and was formally completed in December 2025. We have also introduced energy-saving measures, including sensors and timers on powder-coating lines, reduced open areas in melting furnaces at die-cast facilities to minimise heat loss, and the gradual replacement of traditional lighting with energy-efficient LEDs at both SA1 and SA2.

Environmental Management & Sustainability Initiatives (FYE 2026)

During FYE 2026, PMMA continued to strengthen its environmental stewardship and sustainability practices through structured initiatives led by the Environmental Management Department ("EMD"), with a focus on responsible waste management, employee engagement, and continual improvement in environmental performance.

As part of its commitment to promoting circular economy practices, the Company organised an E-waste Recycling Programme in December 2025 to encourage the responsible disposal of electronic waste among employees. The initiative collected approximately 380 kg of used batteries and electronic components, including printed circuit boards ("PCBs"), which were recycled through appropriate channels. The programme strengthened employee awareness of responsible waste handling and supported PMMA's efforts to minimise environmental impact. Moving forward, PMMA plans to institutionalise the initiative on a biannual basis to further promote environmental responsibility and a culture of sustainable waste management across the organisation.

To strengthen its environmental governance framework, the Company continued to enhance internal capabilities through structured training programmes and the ongoing implementation of its ISO 14001 Environmental Management System. These efforts support alignment with recognised international standards, reinforce compliance obligations, and promote a culture of continuous improvement in environmental management practices.

Overall, PMMA's environmental initiatives demonstrate a structured and multi-faceted approach to sustainability, integrating employee engagement, operational improvements, and compliance-driven frameworks to support long-term environmental performance and ESG commitments.

Energy Consumption

During the reporting period, we continued to track our energy consumption by source. In FYE 2026, PMMA recorded a total energy consumption of 33,266 MWh, of which a significant portion was purchased electricity.

Total Energy Consumption - MWh					
Energy Consumption		**FYE 2026 (MWh)**	**FYE 2025 (MWh)**	**FYE 2024 (MWh)**	**FYE 2023 (MWh)**
Electricity	Purchased Electricity	17,953	20,146	20,634	21,465
	Solar Energy	3,005	2,634	2,478	1,974
Fuel	Diesel	275	383	377	441
	Petrol	202	302	Nil	Nil
	Natural Gas	11,778	13,855	13,873	13,708
	LPG	54	53	Nil	Nil
Total Energy Consumed		33,266	37,373	37,362	37,588

1. The energy conversion factor applied fuel litre consumption are derived from the UK Government GHG Conversion Factors for Company Reporting 2024 and 2023 based on petrol/diesel which is 100% mineral and Liquefied Petroleum Gas (LPG).
2. PMMA began tracking our petrol and diesel consumption for company-owned vehicles and LPG consumption in the FYE 2025 and FYE 2026 reporting year.

Sustainability Report (Cont'd)

Carbon Emissions

Our approach to reducing carbon emissions focuses on the adoption of green technology, with priority given to the installation of solar panels. These panels generate renewable and cleaner energy, and help reduce our dependency on energy from the national grid, which is generated from fossil fuels.

In addition to Scope 1 and Scope 2 GHG emissions, we are tracking our Scope 3 GHG emissions, specifically from Business Travel and Employee Commuting. These emissions, although indirect, contribute to our overall carbon footprint and represent key areas where we can engage with our employees and implement policies to promote more sustainable travel practices.

The breakdown of our emissions profile is as follows:

GHG Emissions	Source	FYE 2026 (tCO2e)	FYE 2025 (tCO2e)	FYE 2024 (tCO2e)	FYE 2023 (tCO2e)
Scope 1	Diesel	74	103	101	118
	Petrol	52	77	Nil	Nil
	Natural Gas	2,154	2,534	2,537	2,507
	Liquefied Petroleum Gas (LPG)	12	12	Nil	Nil
Scope 2	Purchased Electricity	13,895	15,593	15,971	16,614
Scope 3	Business Travel	62	81	Nil	Nil
	Employee Commuting	3,438	3,211	Nil	Nil
Total		19,687	21,611	18,610	19,239

1. Scope 1 emissions are direct greenhouse gas ("GHG") emissions that occur from sources that are owned or controlled by the Company. The emission factors used for Scope 1 are derived from the UK Government GHG Conversion Factors for Company Reporting 2024 for petrol, diesel and LPG.
2. Our Scope 1 emissions for FYE 2026 include petrol and diesel consumption from company-owned vehicles and LPG consumption, which PMMA began tracking in FYE 2025.
3. Scope 2 emissions are indirect GHG emissions arising from the generation of purchased electricity consumed by the Company. Emission Conversion factor for Scope 2 is derived from Energy Commission Malaysia - Grid Emission Factor ("GEF") in Malaysia (2022) at 0.774 tCO^2_e /MWh.
4. Our Scope 1 and Scope 2 emissions data for FYE 2024 and FYE 2023 have been restated to reflect enhancements in data collection and calculation methodology since FYE 2025.
5. We began tracking Scope 3 emissions from Business Travel and Employee Commuting in FYE 2025.
6. For local employees, commuting emissions are estimated using responses to the employee commuting survey.
7. For foreign workers, commuting is provided and funded by PMMA via bus services. Emissions were calculated using the total round-trip distance (in kilometres) between the employee hostels and the SA1 and SA2 manufacturing plants, the number of foreign workers commuting to each site (115 to SA1 and 263 to SA2), and an average local bus emission factor of 0.10385 tCO^2_e /passenger-kilometer, as published in the UK Government GHG Conversion Factors for Company Reporting 2025.
8. For business travel by land, the distance travelled was estimated using the total mileage claims (in RM) and PMMA's mileage claim policy. A sample of 10 claims was assessed to determine that actual mileage represented 100% of total reimbursement claims; this ratio was then applied to the full reimbursement dataset. Emissions were calculated using an average petrol car emissions factor of 0.00016204 tCO_2e/km, as published in the UK Government GHG Conversion Factors for Company Reporting 2025.
9. For business travel by air, emissions were estimated using the ICAO Carbon Emissions Calculator, the official UN tool for quantifying CO emissions based on the departure and destination airports, number of passengers, type of cabin class, and type of flight.
10. Emissions from overnight stays and other forms of travel were excluded.

For FYE 2026, the GHG emissions intensity ratio is not reported due to the absence of comparable historical data. PMMA has enhanced its emissions boundary and methodology since FYE 2025 by tracking additional Scope 1 sources, including vehicle fuel and LPG, and Scope 3 emissions from business travel and employee commuting. As such, the current-year intensity ratio is not presented until a more comparable baseline is established.

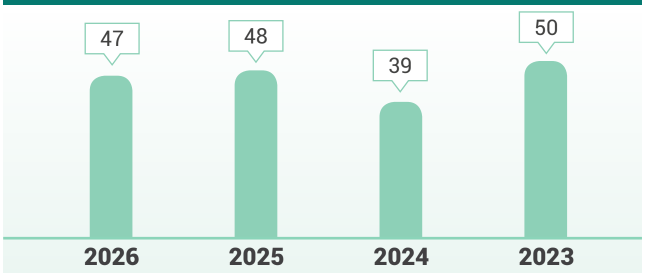
Water

Discharged Water

PMMA is cognisant of the potential pollutants that may originate from our manufacturing operations and their potential impact on local waterways in the areas where we operate, particularly from untreated wastewater. Recognising the detrimental effects that wastewater contaminants can have on downstream ecosystems, we are committed to treating wastewater before discharge in accordance with the Environmental Quality Act 1974. This helps mitigate any adverse effects on surrounding ecosystems and maintain water quality.

In FYE 2026, we discharged 47 megalitres of treated wastewater. We recorded no significant spills into water sources and reported no instances of non-compliance with applicable water quality standards and regulations.

Total Water Discharged (Megalitres/ Ml)

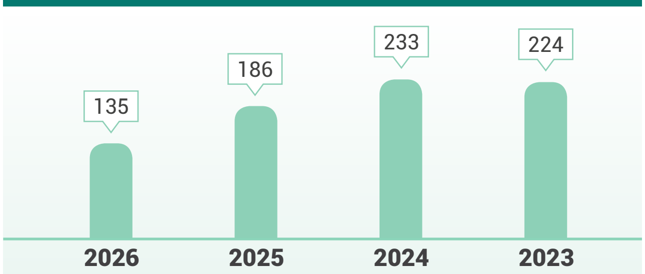


Water Consumption

PMMA sources its water primarily from local municipal water supply systems, using it mainly for our manufacturing processes and in support areas within our buildings. We are mindful that our water consumption does not significantly affect water availability in the regions where we operate, and there is currently no immediate water scarcity at our manufacturing sites.

In FYE 2026, PMMA's total water consumption across our operations decreased to 135 megalitres, representing a 27% reduction from the previous year. The reduction was attributed to increased awareness of water management activities during the reporting period.

Total Water Consumption (Megalitres/ Ml)



Water Withdrawn - Water Discharged = Water Consumption.

Waste Management

Waste generation is an unavoidable part of our production processes. We work to reduce the waste generated by our factories and increase the volume of valuable materials and resources that are recycled. Our waste management approach complies with Malaysia's National Solid Waste Management Policy and the Environmental Quality Act 1974, particularly on waste storage and disposal.

Our ongoing focus is to strengthen internal waste separation practices, raise employee awareness and identify opportunities for circularity practices.

The table below illustrates the breakdown of waste directed to disposal and waste diverted from disposal during the reporting period.

Category	FYE 2026 (Metric Tonne)	FYE 2025 (Metric Tonne)	FYE 2024 (Metric Tonne)	FYE 2023 (Metric Tonne)
Waste directed to disposal	**751**	1,054	887	1,047
Waste diverted from disposal	**5,719**	6,162	6,599	6,819
Total Waste Generated	**6,469**	7,216	7,486	7,866

Waste Directed to Disposal

PMMA prioritises the responsible management and proper disposal of scheduled waste generated by our manufacturing operations. Given the nature of our activities, a significant proportion of hazardous waste comprises metal sludges, used oils, used paints and contaminated containers, gloves and rags. In addition to hazardous waste, our operations also generate non-hazardous waste, primarily made up of domestic waste.

In compliance with the Environmental Quality (Scheduled Wastes) Regulations 2005, we engage licensed third-party disposal service contractors to collect and dispose of both hazardous and non-hazardous waste from our production processes through stringent processes at approved facilities. To ensure continued compliance, our Environment Team, comprising trained competent personnel, conducts routine inspections across our facilities to ensure proper storage and labelling of hazardous waste in accordance with the Environmental Quality (Scheduled Wastes) Regulations 2005.

The table below sets out the total hazardous and non-hazardous waste disposed of during the year:

Waste Directed to Disposal (Tonnes)					
FYE	**SW Code***	**Scheduled Waste Generated**	**Total Hazardous Waste Generated**	**Total Non-Hazardous Waste Generated**	**Total Waste Directed to Disposal**
FYE 2026	SW104	62.34	432	319	751
	SW110	0.66			
	SW204	36.83			
	SW305	2.16			
	SW306	4.15			
	SW307	7.91			
	SW322	125.66			
	SW401	0.16			
	SW408	8.75			
	SW409	14.53			
	SW410	0.95			
	SW417	53.28			
	SW422	71			
FYE 2025	SW104	68	683	371	1,054
	SW110	2			
	SW204	45			
	SW305	3			
	SW306	4			
	SW307	57			
	SW322	6			
	SW401	247			
	SW408	1			
	SW410	17			
	SW417	4			
	SW418	118			
	SW422	111			

Waste Directed to Disposal (Tonnes)					
FYE	SW Code*	Scheduled Waste Generated	Total Hazardous Waste Generated	Total Non-Hazardous Waste Generated	Total Waste Directed to Disposal
FYE 2024	SW104	84	500	387	887
	SW110	7			
	SW204	64			
	SW305	3			
	SW306	4			
	SW307	60			
	SW322	7			
	SW401	100			
	SW408	1			
	SW410	15			
	SW417	1			
	SW418	134			
	SW422	20			
FYE 2023	SW104	86	610	438	1,048
	SW110	3			
	SW204	85			
	SW206	21			
	SW305	17			
	SW306	6			
	SW307	64			
	SW401	193			
	SW410	15			
	SW418	115			
	SW422	4			

*Scheduled Waste Code

1. SW 104: Dust, slag, dross, or ash containing heavy metals, excluding slag from iron and steel factories.
2. SW 110: Waste from electrical and electronic assemblies containing components such as accumulators, mercury-switches, glass from cathode-ray tubes and other activated glass polychlorinated biphenyl-capacitators or contaminated with heavy metals.
3. SW 204: Sludges containing one or several metals.
4. SW 206: Spent inorganic acids.
5. SW 305: Spent lubricating oil.
6. SW 306: Spent hydraulic oil.
7. SW 307: Spent mineral oil-water emulsion.
8. SW 322: Waste of non-halogenated organic solvents.
9. SW 401: Spent alkalis containing heavy metals.
10. SW 408: Contaminated soil, debris, or matter resulting from the cleaning-up of a spill of chemical, mineral oil or scheduled wastes.
11. SW 409: Disposed containers, bags or equipment contaminated with chemicals, pesticides, mineral oil or scheduled wastes.
12. SW 410: Rags, plastics, papers or filters contaminated with scheduled wastes.
13. SW 417: Wastes of inks, paints, pigments, lacquer, dye or varnish.
14. SW 418: Discarded or off-specification inks, paints, pigments, lacquer, dye or varnish products containing organic solvents.
15. SW 422: A mixture of scheduled and non-scheduled wastes.

Sustainability Report (Cont'd)

Waste Diverted from Disposal

Aligned with the Panasonic Green Plan 2018, PMMA's sustainability efforts focus on implementing resource recycling in our processes to conserve natural resources and improve product cost-effectiveness through lower raw material costs. Since 2020, we have incorporated recycled Polybutene Terephthalate ("PBT") and Polypropylene ("PP") resins into selected components of our Fan Products, such as electric fans and ceiling fan components. We also introduced recycled Acrylonitrile Butadiene Styrene ("ABS") and PP resins for Vacuum Cleaner components. However, plans to use recycled PP in Vacuum Cleaners were deferred due to quality concerns. Corrective measures are in progress, and we expect to resume use of recycled PP material in the near future.

We have also incorporated the use of recycled aluminium in selected Electric Iron components to support resource conservation and achieve raw material cost savings.

To ensure product quality while incorporating recycled raw materials, PMMA's Quality Control Department works closely with Panasonic Appliances R&D Asia Pacific Sdn. Bhd. ("PAPRADAP") to ensure compliance with material specifications and product quality standards. This includes conducting regular audits of supplier factories and compliance with Restriction of Hazardous Substances ("ROHS") requirements, without compromising product quality or performance.

Under the Panasonic Green Impact 2024 ("GIP2024") programme, the utilisation of recycled resin was 11% in FYE 2025 and 17% in FYE 2026. We continue to build partnerships with new recycled resin manufacturers to increase recycled resin use through research and development.

In FYE 2026, PMMA diverted 5719 tonnes of waste. A breakdown of the waste that was recycled, reused or repurposed is as follows:

Diverted Waste	FYE 2026 (tonne)	FYE 2025 (tonne)	FYE 2024 (tonne)	FYE 2023 (tonne)
Paper	366	438	515	620
Plastic	436	625	692	711
Metal Scraps	4,817	4,990	5,319	5,282
Electrical Items	1	2	8	3
Aluminium	99	107	65	203
Total	5,719	6,162	6,599	6,819

Social

Occupational Safety and Health

We prioritise the health and well-being of all our employees and are committed to providing a safe and healthy working environment. Our safety culture is anchored in proactive risk identification, structured monitoring and employee engagement, supported by strong leadership, continuous training and active participation of employees at all levels.

Our localised Occupational Safety and Health ("OSH") Policy, guided by Panasonic Group's global Environment, Health and Safety ("EHS") framework, reflects this priority. It is supported by detailed Standard Operating Procedures ("SOPs") and a robust OSH governance framework that guides activities across our manufacturing plants. Additionally, we have adopted rigorous control SOPs from Panasonic Holdings Corporation's OSH Activity Guideline for critical activities. Our OSH Management System, established in 2013, provides a structured approach to managing safety risks and promoting employee well-being.

PMMA adheres to the Occupational Safety and Health Management System ISO45001:2018, which aligns with Malaysia's occupational safety regulations and the Safety Standards established by Panasonic Japan Headquarters. This comprehensive framework enables us to identify, assess and manage workplace hazards systematically, ensuring a safe and healthy workplace for our employees, contractors and visitors. We remain focused on cultivating greater risk awareness by identifying and managing all risk factors and mitigating their adverse effects on individuals' physical, mental and cognitive well-being. We ensure emergency preparedness and implement ongoing system improvements and health surveillance measures to prevent accidents and occupational illnesses, ultimately aiming for zero injury incidents.

Our Safety and Health Committee ("SHC") comprises employee representatives from all organisational levels, including top management, executives and frontline workers, as required by law. Led by our Managing Director, the joint management-worker SHC meets quarterly to discuss OSH management systems and evaluations. The committee investigates hazard prevention measures, root causes of occupational accidents and diseases, measures to prevent recurrence, employee health issues and health promotion initiatives. We have established internal and external feedback mechanisms, with all feedback reviewed by management representatives and reported to top management. Any necessary investigations and actions are completed within 14 days.

The SHC collaborates with the Human Resources Department to organise OSH-related programmes, including internal and external training. We also conduct annual Hazard Identification, Risk Assessment and Determining Control ("HIRADC") reviews with department members, allocating adequate annual budgets for OSH training and development.

We conduct annual internal and external OSH audits and risk assessments, including at both SA1 and SA2 plants, to ensure sustained compliance and effective risk mitigation. These include cross-reference audits at the local group level and the Business Division in Japan. The audits support compliance with legal requirements and help identify opportunities for improvement. We also implement mandatory safety measures, including safety inspections of new machines, daily OSH procedures and safety training in PMMA's day-to-day operations that promote awareness and safe OSH practices throughout our business.

Work-Related Fatalities and Lost Time Incidents

In line with our target of zero accidents, we continued to strengthen safety protocols and implement health initiatives, with a strong focus on machine safety. All machinery undergoes thorough safety inspections both prior to and upon installation to prevent workplace incidents.

During the reporting year, PMMA maintained a zero-fatality record and recorded no reportable occupational illnesses. Four incidents were classified as major. With ongoing automation and process upgrades, PMMA increased its emphasis on machine and automation safety protocols, particularly in assembly and parts manufacturing lines. Safety infrastructure was also strengthened through investments in guarded workstations, machine interlock systems and improved ventilation within production areas.

Number of Work-Related Fatalities
FYE 2026, FYE 2025, FYE 2024 & FYE 2023

NIL

Our Lost Time Incident Rate ("LTIR") remained unchanged at 1.00% in FYE 2026, consistent with the previous reporting year.

	FYE 2026	FYE 2025	FYE 2024	FYE 2023
Number of Bodily Injuries (Lost Time Injuries)	**14**	15	15	13
Total number of hours worked	**2,812,774**	3,010,090	3,453,341	3,369,492
Lost Time Incident Rate ("LTIR") (%)	**1.00**	1.00	0.87	0.75

1. Lost time incident rate refers to the loss of productivity associated with accidents or injuries arising out of or in the course of work.
2. The standardised value used to compute the LTIR is 200,000, which is the total amount of hours that 100 employees work weekly for 40 hours for a duration of 50 weeks (100x40x50=200,000)

As a manufacturing company engaged in high-risk and high-skilled work with machinery, ensuring the safety of our workforce remains critical. To strengthen operational safety, we provide our employees with targeted knowledge and safety training specific to our facility operations. This proactive approach enables them to manage potential risks and operate machinery safely, thereby reducing the likelihood of accidents or injuries.

Training modules on safe handling of automated systems and emergency response procedures were refreshed and rolled out to both permanent and contract workers. In parallel, contractor safety management was reinforced through stricter onboarding, Personal Protective Equipment ("PPE") compliance checks and tighter site access controls.

Near-miss and hazard reporting rates improved year-on-year, reflecting a growing awareness and participation among employees in maintaining a safe working environment.

In FYE 2026, a total of 947 employees participated in the health and safety training programmes.

Number of employees trained on health and safety standards	FYE 2026	FYE 2025	FYE 2024	FYE 2023
	947	815	1,139	1,389

MPOSH Activity

20th MPOSH Skills Competition 2025 – Strengthening Safety Culture Through Competency Development

On 8 November 2025, PMMA participated in the **20th MPOSH Skills Competition 2025**, demonstrating our continuous commitment towards strengthening occupational safety and health (OSH) competencies and promoting a proactive safety culture across the organization.

The competition provided a platform for employees to enhance practical safety knowledge, develop technical competencies, and encourage cross-functional collaboration in workplace safety practices. PMMA actively participated in several categories focusing on hazard recognition, safe work practices, and operational safety skills.

PMMA achieved encouraging results in the competition:

- PPE Skill Category – 1st Prize
- Forklift Skill Category – 2nd Prize
- Risk Identify Skills (RIS) – 5th Prize

Through the collective effort and commitment of our team members, PMMA secured 4th place overall with 19 points among participating companies.

Participation in safety competitions such as MPOSH supports PMMA's sustainability objectives by:

- Enhancing employee competency and safety awareness
- Strengthening hazard identification and risk management capabilities
- Encouraging employee engagement in safety initiatives
- Promoting continuous improvement in workplace safety performance
- Reinforcing a positive and sustainable safety culture across operations

This achievement reflects PMMA's ongoing dedication to creating a safer workplace environment while supporting long-term sustainability through people development and operational excellence.

Ensuring Health and Safety of Our Products

PMMA upholds the rigorous safety standards set by Panasonic Holdings Corporation and complies with all relevant local government regulations to ensure that our products are safe and reliable, minimising the risk of liability claims. During the product design and development phase, every new model undergoes thorough safety checks and performance assessments, with results reported to top management for timely review. We also prioritise food sanitation tests for components that come into contact with food to ensure that our products pose no health risks. If safety concerns arise in the market, we adopt a "Bad News First" approach, promptly reporting issues to the Managing Director to support timely decision-making. Internal and external audits, including those conducted by SIRIM and authorised certification bodies, further assess the effectiveness of our product safety processes.

To mitigate market defective losses, PMMA supplies standby replacement parts to our sales department, which expedites the return of samples and investigation. We conduct detailed root cause analyses to address issues at their source and implement corrective measures to prevent recurrence. Our improvement efforts include refining our design review processes for new model development, helping us consistently deliver high-quality products to our customers. In FYE 2026, PMMA's market defective ratio increased from 0.483 to 0.661. This outcome highlights the importance of reinforcing our quality management systems and the need for continued vigilance and improvement. We continue to intensify efforts to strengthen quality controls with the aim of surpassing prior performance benchmarks. Our commitment to customer safety and satisfaction remains steadfast as we continue to embed a strong culture of quality compliance throughout the organisation.

Information Security Management

PMMA's Information Security Management ("ISM") System is anchored on three key principles: Integrity, Availability and Confidentiality. We are committed to safeguarding the Company's Confidential Information and protecting it against internal and external threats and risks. Strengthening information security supports stakeholder trust, reinforces regulatory compliance and contributes to long-term business sustainability.

We integrate ISM considerations into all business functions to prevent data leaks or tampering. PMMA is committed to managing and protecting information security effectively through organisational, technological and physical security management policies.

Cybersecurity remains a priority as digitalisation advances across our operations. To mitigate cyber risks, we adopt a structured approach based on three threat categories: people, network and systems. Risk scenarios and corresponding mitigating measures are assessed regularly to support effective information security management.

	People	Network	System
Risks	1. Insufficient employee awareness. 2. Inability to identify malicious emails.	1. Insufficient control of unauthorised access. 2. Insufficient protection of factory production system.	1. Insufficient protection of local servers. 2. Insufficient information-security expertise within each company.
Action Plan	1. Cyber Security Education. 2. Endpoint Security – device hardening.	1. Strengthen network security design. 2. Implement network monitoring to detect cyber-attacks.	1. Ensure that a Business Cyber Security Plan ("BCP") is in place. 2. Enhance server security management.

All employees undergo regular information security awareness education and training to enhance their understanding of information security and cultivate a workplace culture that is highly sensitive to information security risks. This is crucial for controlling and preventing accidents and ensuring ongoing compliance with the Information Security Management System ISO 27001:2013. In FYE 2026, 100% of our employees with email access enrolled in the "Online Panasonic Security & Compliance e-Learning" course. Additionally, 99% of new joiners completed ISM as part of their onboarding orientation by 31 March 2026.

PMMA monitors and manages both ISM events and incidents, in line with internal protocols and best practices. An ISM event refers to any observable occurrence within a system or network that may be relevant to the security of information systems, such as user logins, system access or firewall activity. These events support early detection of anomalies and potential risks. An ISM incident refers to a confirmed or suspected breach of security policies that may compromise the confidentiality, integrity or availability of information or systems. Incidents trigger immediate investigation and response measures.

During the reporting period, PMMA recorded no incidents related to data privacy and information security.

Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	FYE 2026	FYE 2025	FYE 2024	FYE 2023
	None	None	None	None

Diversity and Equal Opportunity

Panasonic Holdings Corporation's updated "Global Diversity Policy" underscores the Group's ongoing commitment to fostering diversity and inclusivity among employees. This commitment is reflected in our hiring and promotion processes, where candidates are selected solely based on their job performance and competency, without regard to factors such as age, gender, race or religion. At PMMA, we uphold the principles of equal opportunity and pay, maintaining a zero-tolerance stance against discrimination. We strive to cultivate a respectful and inclusive work environment that is free from discrimination, including race, gender, ethnicity, religion, age, disability, sexual orientation, gender identity or expression, political opinion, or any other status protected by law.

Employee Diversity

The following is the representation of our workforce diversity by gender. We continue to be a male reliant workforce in delivering our business, particularly in operational roles.

Employee Category	FYE 2026		FYE 2025		FYE 2024		FYE 2023	
	Male%	Female%	Male%	Female%	Male%	Female%	Male%	Female%
Senior Management	77	23	79	21	79	21	77	23
Middle Management	56	44	61	39	67	33	67	33
Executive	58	42	57	43	55	45	53	47
Non-Executive	70	30	71	29	71	29	71	29
Overall Composition	68	32	70	30	69	31	70	30

The breakdown of employee categories by age group is as follows.

Age in Years (%)												
Employee Category	FYE 2026			FYE 2025			FYE 2024			FYE 2023		
	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Senior Management	Nil	38	62	Nil	34	66	Nil	28	72	Nil	39	61
Managerial	Nil	59	41	Nil	57	43	Nil	51	49	Nil	60	40
Executive	19	61	20	23	59	18	29	55	15	25	60	15
Non-Executive	27	56	17	34	55	11	48	43	10	50	42	8
Overall Composition	24	56	20	31	55	4	44	44	12	46	44	10

We do not set specific outcome-based targets for gender or age representation. Instead, we focus on promoting a merit-based and healthy work environment that encourages productivity and performance across all employee levels.

Board Diversity

As at the reporting date, two out of seven Board members were female, representing approximately 29% of the total Board composition.

While the Board has not established a formal target for female representation, it acknowledges the 30% benchmark recommended under the Malaysian Code on Corporate Governance (MCCG) and will continue to consider gender diversity as an important factor in Board composition.

The Board remains committed to fostering diversity by ensuring an appropriate balance of skills, experience, gender and independence, which supports effective decision-making and strong corporate governance practices.

Board of Directors Breakdown by Gender Group	FYE 2026 (%)		FYE 2025 (%)		FYE 2024 (%)		FYE 2023 (%)	
	Male	Female	Male	Female	Male	Female	Male	Female
	71	29	56	44	56	44	56	44

As at FYE 2026, all Board members were aged 50 and above. While there are currently no age diversity targets for the Board, appointments are based on merit, experience and the strategic needs of the Company. PMMA remains committed to upholding a balanced and effective Board through ongoing evaluation of its composition.

Board of Directors Breakdown by Age Group	FYE 2026 (%)			FYE 2025 (%)			FYE 2024 (%)			FYE 2023 (%)		
	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
	Nil	Nil	100	Nil	Nil	100	Nil	Nil	100	Nil	Nil	100

Human Capital Management

PMMA is committed to respecting and promoting human rights throughout its operations and value chain, in line with the Panasonic Group Global Human Rights Policy and the United Nations Guiding Principles on Business and Human Rights (UNGP). Our approach is founded on the principles of protecting human dignity, preventing adverse human rights impacts, and providing access to effective grievance and remediation mechanisms.

The Company recognises that human rights responsibilities extend beyond its direct workforce to include contractors, service providers, suppliers, business partners, customers, and local communities. PMMA is committed to identifying, preventing, mitigating, and addressing human rights risks arising from its business activities and relationships.

Guiding Principles On Business Human Rights (UNGP)

Pillar 1

The State Duty To Protect Human Rights

Operational principles

- General state regulatory and policy functions
- The State-business nexus
- Supporting business respect for human rights in conflict affected areas
- Ensuring policy coherence

Pillar 2

The Corporate Responsibility To Respect Human Rights

Operational principles

- Policy commitment
- Human rights due diligence
- Remediation
- Issue of context

Pillar 3

Access To Remedy

Operational principles

- State-based judicial mechanisms
- Non-State-based grievance mechanism
- Effectiveness criteria for non-judical grievance mechanism

Human Rights Governance and Due Diligence

Human rights due diligence has become increasingly important due to evolving global regulatory requirements, including the European Union Corporate Sustainability Due Diligence Directive (CSDDD), forced labour regulations in major markets, and growing stakeholder expectations for responsible business conduct. Panasonic Group has responded through a comprehensive due diligence programme that integrates human rights and environmental considerations across business operations and supply chains.

PMMA participates in Panasonic Group's human rights governance framework, which includes:

- Adoption of the Malaysia Group Policy on Global Human Rights.
- Regular compliance reviews, updates, and awareness programmes.
- Human rights assessments of service providers and suppliers.
- Monitoring, mitigation, and remediation of identified human rights risks.
- Expansion of due diligence activities to cover suppliers and business partners.

Looking Ahead

PMMA will continue strengthening its human rights management practices in alignment with Panasonic Group initiatives and evolving regulatory expectations. Key focus areas include enhancing human rights due diligence, expanding engagement with suppliers and service providers, strengthening awareness and training programmes, improving grievance mechanisms, and promoting responsible recruitment practices across the value chain. Through these efforts, PMMA aims to foster a workplace and supply chain environment that respects human rights, safeguards worker welfare, and supports sustainable business growth.

Training and education

We view our employees as our most valuable asset and are committed to their growth and development. To strengthen workforce capability, we conduct on-the-job training ("OJT") for production staff, including foreign workers, facilitated by in-house trainers. We also offer tailored technical and management training programmes to address organisational development needs. We promote a culture of continuous learning and growth and advocate for an upskilled workforce. Accordingly, we have designed career-development initiatives aimed at fostering employees' professional growth in tandem with the Company's growth.

Our comprehensive training regimen includes both technical and non-technical competencies to ensure our employees acquire the skills and knowledge necessary to excel in our industry. In FYE 2026, we achieved a total of 6,816 training hours.


Safety Awareness


Forklift Training


Overhead Crane Training

Sustainability Report (Cont'd)

Fire Drill

Chemical Spillage Training

Employee Category	FYE 2026 (Hours)	FYE 2025 (Hours)	FYE 2024 (Hours)	FYE 2023 (Hours)
Senior Management	343	446	897	407
Middle Management	964	1,914	2,697	1,610
Executive	2,581	4,480	4,079	3,004
Non-Executive	2,928	6,462	6,455	5,259
Total	6,816	13,302	14,128	10,280

The data above only accounts for PMMA's permanent staff.

We believe that investing in employee development strengthens the capabilities of our existing workforce while helping us attract and retain new talent for critical roles. Looking ahead, we are committed to nurturing the next generation of Panasonic leaders through a structured global talent management framework. Our Executive Development Training programmes aim to inspire and equip executive-level candidates with fresh perspectives, innovative thinking, and the adaptive mindset necessary to navigate a rapidly evolving business environment. These initiatives form a key part of our leadership pipeline strategy, supporting long-term organisational growth.

Utilisation of contractors/temporary staff

In FYE 2026, contract/temporary staff made up 6% of PMMA's workforce. The Company employs a number of contract/temporary staff as this allows for the flexibility and cost control needed to adapt to changing market conditions and production requirements.

	FYE 2026 (%)	FYE 2025 (%)	FYE 2024 (%)	FYE 2023 (%)
Percentage of Contract/Temporary Staff	6	3	10	16

However, PMMA recognises the importance of ensuring that all temporary workers are treated fairly, receive appropriate compensation and benefits, and experience a positive working environment. Upholding these principles is crucial for maintaining a productive and motivated workforce.

Employee turnover

The table below presents the breakdown of employee turnover by category for our permanent workforce. While some level of turnover is expected, we try to minimise attrition among business-critical and high-performing employees. Through continuous employee engagement, we actively seek feedback to identify areas for improvement and enhance retention strategies.

Employee Category (Permanent Staff)	Number of Employee Turnover			
	FYE 2026	FYE 2025	FYE 2024	FYE 2023
Senior Management	1	2	2	0
Middle Management	5	4	4	5
Executive	12	13	20	17
Non-Executive	213	326	427	465
Total	231	345	453	487

1. Employee turnover refers to employees who leave the company voluntarily or due to dismissal, retirement, or death in service.
2. The data above excludes seconded staff and expats.

Employee benefits

PMMA is committed to providing fair and competitive compensation in full compliance with the Minimum Wages Order. In addition to fair remuneration, we aim to cultivate a supportive and positive work environment by offering comprehensive employee benefits, including life insurance, healthcare check-ups, housing loans, retirement plans, and other well-being initiatives.

We contribute to Malaysia's Employees Provident Fund (EPF), a defined contribution scheme in accordance with national regulations.

All eligible employees are covered under this retirement scheme, with contributions made by both the Company and employees based on statutory rates.

We conduct regular audits to ensure our employment systems and procedures comply with all relevant laws and regulations. For the reporting year, we complied fully with applicable Employment Laws and Regulations.

The diagram below illustrates the benefits provided to our permanent employees:

- Retirement provision
- Inpatient coverage for employee and family
- Outpatient coverage for employee and family
- Group personal accident and term life
- Dental
- Housing loan
- Vehicle loan
- Compassionate / Congratulatory / Calamity

Sustainability Report (Cont'd)

Employee engagement and satisfaction

PMMA participates annually in the Panasonic Employee Opinion Survey ("EOS"), an initiative funded by Panasonic Holdings Corporation and facilitated by an independent consulting firm. The survey allows employees to share their feedback, needs and concerns anonymously. Its purpose is to generate insights that inform continuous improvements to employee experience and overall organisational performance.

Employees respond to questions covering 15 key dimensions that identify areas for improvement and support PMMA's reputation as an employer of choice.

In the survey conducted in 2026, four themes were particularly favourable: Safety at Work (88%), Clear & Promising Direction (83%), Quality & Customer Focus (83%), and Compliance (85%). Overall ratings improved, which was attributed to the Managing Director's clear articulation of business direction and the resulting increase in employee confidence.

EOS results are cascaded to respective group managers, who will collaborate with their teams to develop action plans that address identified issues and apply collective insights to continuous improvement.

EOS result for financial year ended 31 March 2023
- FAV 85% Quality & Customer Focus
- FAV 85% Employee Enablement
- FAV 81% Clear & Promising Direction

EOS result for financial year ended 31 March 2024
- FAV 89% Clear & Promising Direction
- FAV 89% Safety at Work
- FAV 86% Quality & Customer Focus
- FAV 86% Compliance

EOS result for financial year ended 31 March 2025
- FAV 91% Safety at Work
- FAV 88% Clear & Promising Direction
- FAV 87% Quality & Customer Focus
- FAV 87% Compliance

EOS result for financial year ended 31 March 2026
- FAV 88% **Safety at Work**
- FAV 83% **Clear & Promising Direction**
- FAV 83% **Quality & Customer Focus**
- FAV 85% **Compliance**

A Better Dialogue

To remain competitive in a constantly evolving landscape, we recognise that the unique strengths of each employee are essential. We strive to foster an environment in which every employee is encouraged to grow and develop in their own unique way. Panasonic embraces this ethos through the implementation of "A Better Dialogue", an initiative rooted in our Basic Business Philosophy that promotes value creation. The initiative enhances the quality and frequency of dialogue between employees and managers, thereby supporting individual and organisational performance.

During the reporting year, we continued face-to-face dialogues between Group Managers and their team members, particularly among Management Staff. These discussions focused on employees' aspirations and their contributions to PMMA's growth. Managers provide individualised support to help employees develop their potential and take on new challenges as part of their career progression.

Employee labour rights

In line with Panasonic Holdings Corporation's Global Human Rights and Labour Policies established in 2016, PMMA is committed to respecting human rights. PMMA has adopted the Panasonic Group of Companies in Malaysia Policy on the Responsible Recruitment and Employment of Foreign Migrant Workers. This mandatory policy supports adherence to the Malaysia Policy on Responsible Recruitment and Management of Migrant Workers, as well as Malaysian laws, during the recruitment process of foreign migrant workers.

PMMA prohibits the charging of recruitment fees or related costs to foreign migrant workers, and this principle is explicitly stated in our contracts with recruitment agencies. Before appointing a recruitment agency, PMMA conducts thorough due diligence. Upon selection, foreign migrant workers receive a standard template employment contract in English, translated into their native languages to clarify their terms and conditions. They are also briefed on their rights regarding voluntary termination policies, without any penalties or salary deductions, as PMMA covers the full cost of repatriation.

In accordance with Malaysian law, PMMA does not retain any personal documents of foreign workers but may collect passports for permit renewal purposes. Wages comply with local wage laws, including those related to minimum wages, overtime allowances and fringe benefits. We require overtime consent form for employees working beyond stipulated hours or on rest days.

PMMA ensures a workplace free from harsh or inhumane treatment and upholds the freedom of foreign workers to join associations or unions in accordance with local laws. Adequate and safe accommodation is provided, with regular inspections conducted by both hostel management and PMMA representatives to ensure cleanliness and facility maintenance. Initiatives to reduce reliance on foreign workers include terminating contracts for problematic workers and promptly repatriating those found unsuitable during medical screenings.

Substantiated Complaints

During the reporting year, PMMA did not receive substantiated complaints from regulatory or official bodies regarding violations of human rights involving our workers.

Number of substantiated complaints concerning violation of human rights received	FYE 2026	FYE 2025	FYE 2024	FYE 2023
	None reported	None Reported	2	None Reported

Conclusion

Strengthening sustainability remains essential to long-term business resilience and relevance. Sustainability supports continuous value creation that benefits the broader value chain and all relevant stakeholders. We acknowledge the contributions of our employees in advancing our sustainability journey. As we move forward, we will continue to refine our corporate governance and sustainability management practices to meet evolving regulatory standards and increasing stakeholder expectations.

Bursa Malaysia's Common Indicators

PANASONIC MANUFACTURING MSIA
BMLR Transition Period

Date & Time: 2026-07-30_12:02:24
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Anti-Corruption	a) Percentage of employees who have received training on anti corruption by employee category	%	100	100	100	No assurance
Anti-Corruption	b) Percentage of operations assessed for corruption-related risks	%	100	100	100	No assurance
Anti-Corruption	c) Confirmed incidents of corruption and action taken	Number	0	0	0	No assurance
Community/Society	a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	5000	0	0	No assurance
Community/Society	b) Total number of beneficiaries of the investment in communities	Number	200	0	0	No assurance
Diversity	Age Group by Employee Category 1) Senior Management Under 30	Percentage	0	0	0	No assurance
Diversity	Age Group by Employee Category 1) Senior Management Between 30 -50	Percentage	34	38	0	No assurance
Diversity	Age Group by Employee Category 1) Senior Management Above 50	Percentage	66	62	0	No assurance
Diversity	Age Group by Employee Category 2) Middle Management Under 30	Percentage	0	0	0	No assurance

PANASONIC MANUFACTURING MSIA
BMLR Transition Period

Date & Time: 2026-07-30_12:02:24
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity	Age Group by Employee Category 2) Middle Management Between 30-50	Percentage	57	59	0	No assurance
Diversity	Age Group by Employee Category 2) Middle Management Above 50	Percentage	43	41	0	No assurance
Diversity	Age Group by Employee Category 3) Executive Under 30	Percentage	23	19	0	No assurance
Diversity	Age Group by Employee Category 3) Executive Between 30-50	Percentage	59	61	0	No assurance
Diversity	Age Group by Employee Category 3) Executive Above 50	Percentage	18	20	0	No assurance
Diversity	Age Group by Employee Category 4) Non-Executive Under 30	Percentage	34	27	0	No assurance
Diversity	Age Group by Employee Category 4) Non-Executive Between 30-50	Percentage	55	56	0	No assurance
Diversity	Age Group by Employee Category 4) Non-Executive Above 50	Percentage	11	17	0	No assurance
Diversity	Gender Group by Employee Category 1) Senior Management Male	Percentage	79	77	0	No assurance

Bursa Malaysia's Common Indicators (Cont'd)

PANASONIC MANUFACTURING MSIA

BMLR Transition Period

Date & Time: 2026-07-30_12:02:24

Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity	Gender Group by Employee Category 1) Senior Management Female	Percentage	21	23	0	* No assurance
Diversity	Gender Group by Employee Category 2) Middle Management Male	Percentage	61	56	0	* No assurance
Diversity	Gender Group by Employee Category 2) Middle Management Female	Percentage	39	44	0	* No assurance
Diversity	Gender Group by Employee Category 3) Executive Male	Percentage	57	58	0	* No assurance
Diversity	Gender Group by Employee Category 3) Executive Female	Percentage	43	42	0	* No assurance
Diversity	Gender Group by Employee Category 4) Non-Executive Male	Percentage	71	70	0	* No assurance
Diversity	Gender Group by Employee Category 4) Non-Executive Female	Percentage	29	30	0	* No assurance
Diversity	Percentage of directors by gender 1) Male	Percentage	56	71	0	* No assurance
Diversity	Percentage of directors by gender 2) Female	Percentage	44	29	0	* No assurance
Diversity	Percentage of directors by age group 1) Under 30	Percentage	0	0	0	* No assurance

PANASONIC MANUFACTURING MSIA

BMLR Transition Period

Date & Time: 2026-07-30_12:02:24

Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity	Percentage of directors by age group 2) Between 30-50	Percentage	0	0	0	* No assurance
Diversity	Percentage of directors by age group 3) Above 50	Percentage	100	100	0	* No assurance
Energy Management	Total energy consumption	Megawatt	37373.00	33266.00	0	* No assurance
Health and safety	1) Number of work-related fatalities	Number	0	0	0	* No assurance
Health and safety	2) Lost time incident rate	Rate	1.00	1.00	0	* No assurance
Health and safety	3) Number of employees trained on health and safety standards	Number	815	947	0	* No assurance
Labour practices and standards	a- Total hours of training by employee category 1) Management	Hours	2360	1307	0	* No assurance
Labour practices and standards	a- Total hours of training by employee category 2) Executive	Hours	4480	2581	0	* No assurance
Labour practices and standards	a- Total hours of training by employee category 3) Non-Executive	Hours	6462	2928	0	* No assurance
Labour practices and standards	b- Percentage of employees that are contractors or temporary staff	Percentage	3	6	0	* No assurance
Labour practices and standards	c- Total number of employee turnover by employee category 1) Management	Number	6	6	0	* No assurance

Bursa Malaysia's Common Indicators (Cont'd)

PANASONIC MANUFACTURING MSIA
BMLR Transition Period

Date & Time: 2026-07-30_12:02:24
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Labour practices and standards	c- Total number of employee turnover by employee category 2) Executive	Number	13	12	0	No assurance
Labour practices and standards	c- Total number of employee turnover by employee category 3) Non-Executive	Number	326	213	0	No assurance
Labour practices and standards	d- Number of substantiated complaints concerning human rights violations	Number	0	0	0	No assurance
Supply chain and management	Proportion of spending on local suppliers	Percentage	97	97	0	No assurance
Data privacy and security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0	No assurance
Water	Total volume of water used	Megalitres	186	135	0	No assurance

Five-Year Financial Summary Financial Year Ended 31 March

Financial Data		2022	2023	2024	2025	2026
Revenue	RM'000	868,776	991,628	905,685	822,778	689,916
Profit before taxation	RM'000	53,037	91,338	106,657	51,894	37,418
Profit after taxation	RM'000	51,511	80,132	92,646	46,137	33,928
Gross dividends paid / proposed	RM'000	50,419	74,110	82,614	37,662	29,158
Net dividends paid / proposed	RM'000	50,419	74,110	82,614	37,662	29,158
Total assets	RM'000	917,782	922,213	944,413	893,091	868,896
Share capital	RM'000	60,746	60,746	60,746	60,746	60,746
Shareholders' funds	RM'000	765,213	794,926	813,462	776,985	773,251
Financial Ratios						
Return on shareholders' funds	%	6.7	10.1	11.4	15.9	4.4
Earnings per share	sen	85	132	153	76	56
Net assets per share	RM	12.60	13.09	13.39	12.79	12.73
Dividend rate (gross)	sen	83	122	136	62	48

Financial Highlights

Financial Data		Year Ended 31 March 2026	Year Ended 31 March 2025
Revenue	RM'000	689,916	822,778
Profit before taxation	RM'000	37,418	51,894
Profit after taxation	RM'000	33,928	46,137
Percentage of revenue	%	4.9	5.6
Return on shareholders' funds	%	4.4	5.9
Earnings per share	sen	56	76
Dividend rate	sen	48	62
Shareholders' funds	RM'000	773,251	776,985
Net assets per share	RM	12.73	12.79
Total assets	RM'000	868,896	893,091
Capital expenditure	RM'000	14,716	24,213

Financial Calendar

INVESTOR MEETING

Shareholder and investor inquiries attended via email and other communication channels

PROPOSED FINAL DIVIDEND

Notice of Dividend Entitlement	Entitlement Date	Payment Date
17 July 2026	**18 September 2026**	**28 September 2026**

INTERIM DIVIDEND

Notice of Dividend Entitlement	Entitlement Date	Payment Date
27 Nov 2025	**22 Dec 2025**	**20 Jan 2026**

61st ANNUAL GENERAL MEETING

09 September 2026

ISSUANCE OF ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR

31 July 2026

ANNOUNCEMENT OF RESULTS

1Q **26 August 2025**	2Q **27 November 2025**
3Q **26 February 2026**	4Q **25 May 2026**

Share Performance

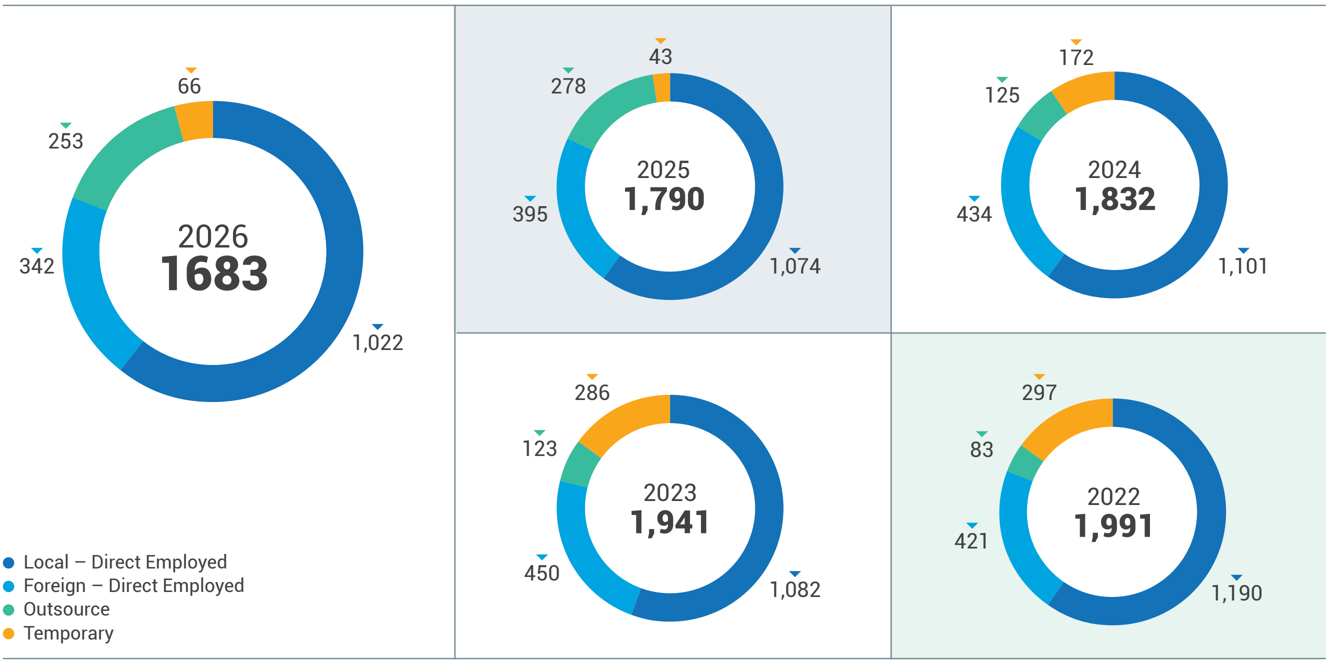
										2026		
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Highest (RM)	13.70	13.76	12.82	11.68	10.56	9.85	8.49	8.32	7.35	7.32	7.39	7.29
Lowest (RM)	13.50	13.56	12.58	11.50	10.46	9.50	8.38	8.30	7.19	7.22	7.26	7.24
Closing Share Price (RM)	13.52	13.74	12.58	11.64	10.50	9.72	8.40	8.30	7.20	7.32	7.26	7.27
Lots Traded (100 shares)	9,300	10,100	43,400	3,500	70,000	63,200	48,700	21,200	178,400	29,000	152,500	91,200

										2025		
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Highest (RM)	18.30	19.10	20.64	20.30	19.66	20.18	18.50	18.34	17.98	17.60	17.50	16.96
Lowest (RM)	18.10	18.92	20.30	20.02	19.52	19.96	18.10	18.24	17.84	17.54	17.42	16.00
Closing Share Price (RM)	18.10	18.98	20.56	20.06	19.54	20.18	18.12	18.34	17.88	17.56	17.50	16.50
Lots Traded (100 shares)	96,000	68,900	57,500	26,000	4,200	100,500	30,600	1,900	117,600	2,100	34,100	86,700

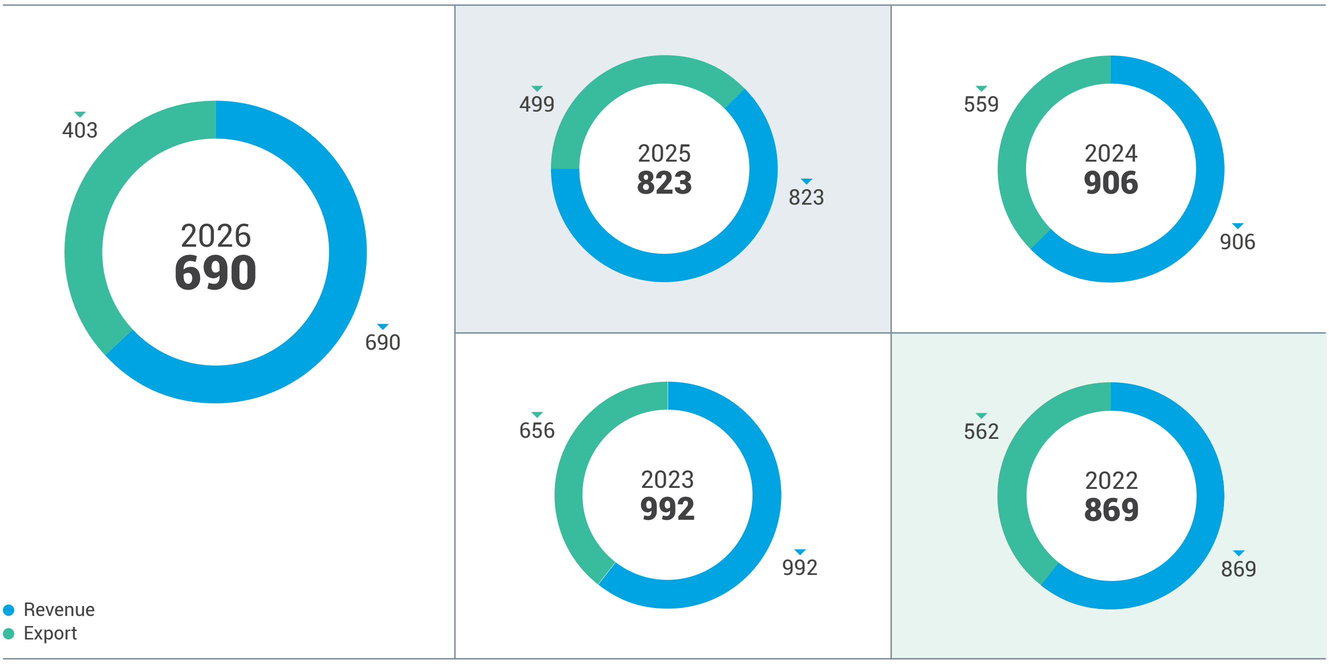
										2024		
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Highest (RM)	22.90	22.74	22.30	20.00	20.06	21.20	19.02	17.80	17.90	18.00	17.86	17.90
Lowest (RM)	22.90	22.70	22.00	19.90	19.98	20.96	18.90	17.60	17.86	17.90	17.80	17.80
Closing Share Price (RM)	22.90	22.72	22.00	20.00	20.02	20.96	18.92	17.70	17.90	17.90	17.84	17.86
Lots Traded (100 shares)	5,600	2,600	22,700	10,300	16,100	7,900	11,700	73,000	2,100	21,300	24,400	21,700

Five-Year Trend

EMPLOYMENT (Number of Persons)

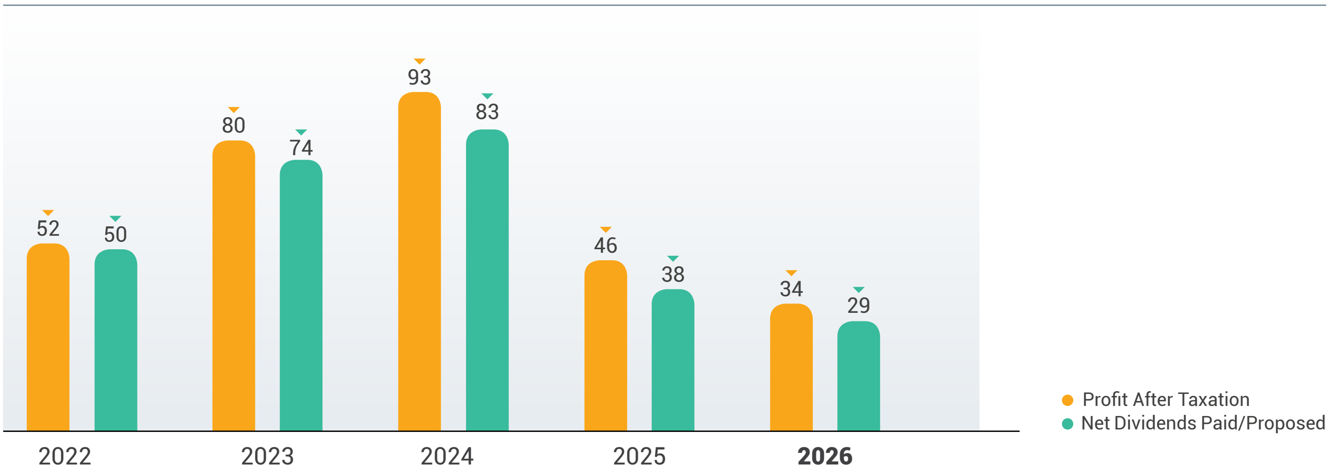


REVENUE/EXPORT (RM million)

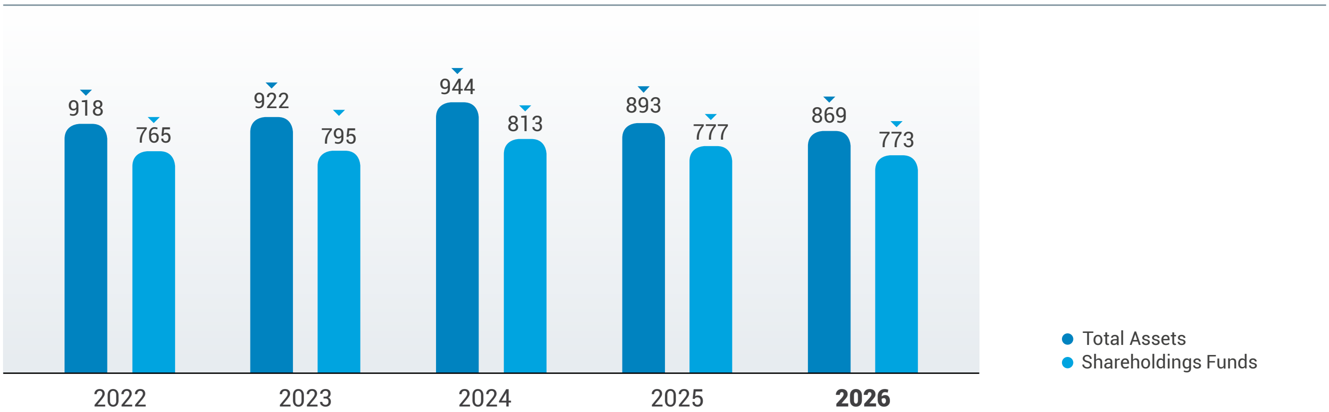


Five-Year Trend (Cont'd)

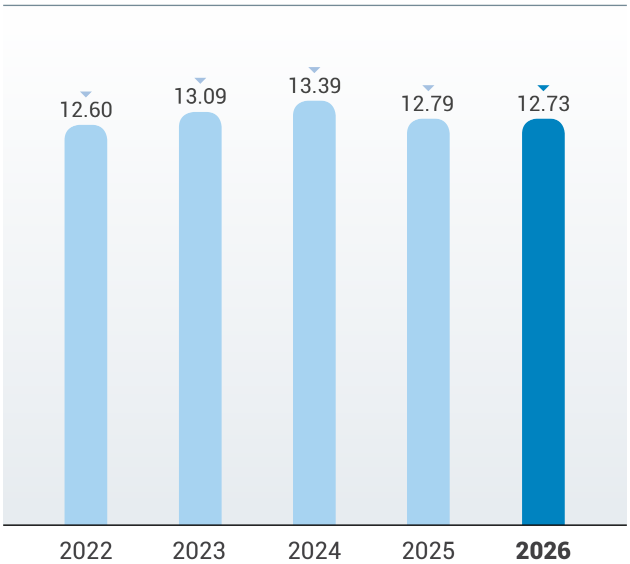
PROFIT AFTER TAXATION/ NET DIVIDENDS PAID/PROPOSED (RM million)



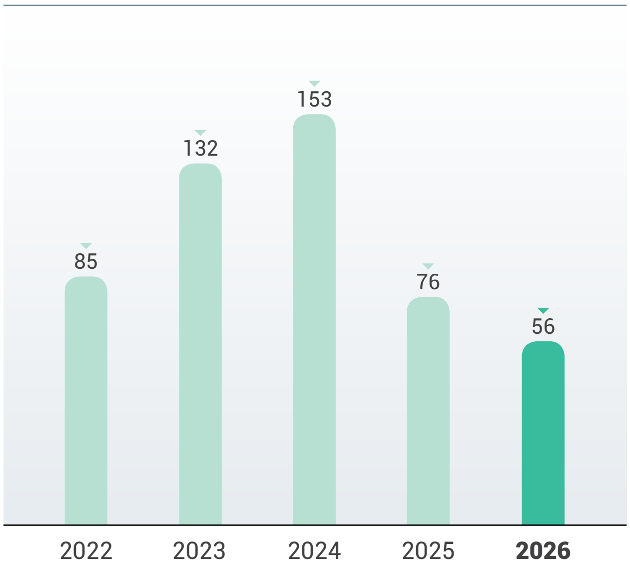
TOTAL ASSETS/ SHAREHOLDINGS FUNDS (RM million)



NET ASSETS PER SHARE (RM)



EARNINGS PER SHARE (Sen)



Board of Directors' Profile

DATO' AZMAN BIN MAHMUD

Chairman, Independent Non-Executive Director

Malaysian	65	Male
Date of Appointment:	**15 April 2021**	

KEITARO TAHARA

Managing Director

Malaysian	48	Male
Date of Appointment:	**1 June 2026**	

Dato' Azman was appointed an Independent Non-Executive Director on 15 April 2021. He graduated with a Bachelor's Degree in Engineering from University Putra Malaysia.

After having served with the Malaysian Investment Development Authority (MIDA) for over three decades, Dato' Azman Mahmud ended his tenure there as the Chief Executive Officer. He had the enviable responsibility to drive investments into the country and lead the team in advising, formulating and recommending strategies, policies, investment and industry development programmes in the manufacturing and services sectors to the government of Malaysia. In his former role as CEO of MIDA, he was also pivotal in attracting foreign investments into the country, in addition to being instrumental in driving domestic investments in various industries and sectors.

He was appointed as Chairman of Exim Bank a government-owned development financial institution from the term October 2021 - September 2023. He holds Chairmanship positions on several boards of companies which include Panasonic Malaysia Sdn Bhd, Privasia Technology Bhd and Cnergenz Bhd. He is also an Independent Non-Executive Director of Texchem Resources Bhd.

In addition, he is a board member of companies within the Panasonic Group of Companies Malaysia and Akademi Transformasi Asnaf Perlis Sdn Bhd (a subsidiary of Majlis Agama Islam Perlis).

Dato' Azman has no shareholdings in the Company and its associated company. He also has no family relationship with any Director and/or major shareholder of the Company nor any conflict of interest with the Company. He attended all the Board Meetings held during the financial year and has no convictions for any offences within the past 5 years, other than traffic offences, if any.

Mr Tahara was appointed a Director and Managing Director of the Company on 1 June 2026. He is a member of the Remuneration Committee. He graduated from Kyoto University, Japan with a Master in Mechanical Engineering.

Mr Keitaro Tahara has over 23 years of working experience within the Panasonic Group. Upon his graduation in 2003, he joined Matsushita Electric Industrial Co., Ltd. (now known as Panasonic Holdings Corporation, Japan ("Panasonic Corporation")) and was assigned to Matsushita Home Appliances Company.

In October 2004, he joined the Living Support System Business Division handling engineering group design. In April 2008, he was moved to the Water Heater Development Group. In April 2015 he headed the Water Heater Development Section before he took an overseas assignment to Malaysia in April 2017. In October 2021, he returned to Japan and was promoted to the position Development Section 1 Manager for Hot Water System of Panasonic Corporation Heating & Ventilation A/C Company in August 2022.

Recognising his experience and contribution, Panasonic Corporation elevated him to the position of General Manager of the Global Development Center, Water Solutions Development Department in April 2025. In April 2026, he was assigned to Panasonic Manufacturing Malaysia Berhad deputising the Managing Director before assuming the Managing Director position on 1 June 2026.

Mr Tahara has no shareholdings in the Company and its associated company. He also has no family relationship with any Director and/or major shareholder of the Company. He has no convictions for any offences within the past 5 years, other than traffic offences, if any.

He is a Board representative of Panasonic Holdings Corporation ("PHD"), a major shareholder of the Company, which presents a conflict of interest in view of the recurrent related party transactions between PHD Group and the Company where he is involved in management decision making of contracts with PHD Group. The Company has and will continue to address this conflict of interest situation by seeking the approval of the shareholders to enter into the recurrent related party transactions with PHD Group and Mr Tahara will abstain from all Board deliberations and voting on matters related to this.

RAJA ANUAR BIN RAJA ABU HASSAN

Independent
Non-Executive Director

Malaysian | 71 | Male

Date of Appointment: **1 January 2017**

YM Raja Anuar was appointed an Independent Non-Executive Director of the Company on 1 January 2017. He is the Chairman of the Audit Committee and a member of the Nomination Committee and Remuneration Committee of the Company. He is a Fellow of the Association of Chartered Certified Accountants (FCCA), a member of the Malaysian Institute of Certified Public Accountants (MICPA) and the Institute of Internal Auditors. He is also a Chartered Accountant of the Malaysian Institute of Accountants.

During his career, YM Raja Anuar held senior positions in finance and internal audit in several public listed companies in the financial services, manufacturing, telecommunications and plantations industries. YM Raja Anuar's previous experiences also include being on the board of several other public listed companies.

YM Raja Anuar has no shareholdings in the Company and its associate company. He also has no family relationship with any Director and/or major shareholder of the Company nor any conflict of interest with the Company. He attended all the Board Meetings held during the financial year and has no convictions for any offences within the past 5 years, other than traffic offences, if any.

DATO' KAZIAH BINTI ABD KADIR

Independent
Non-Executive Director

Malaysian | 76 | Female

Date of Appointment: **3 September 2019**

Dato' Kaziah was appointed an Independent Non-Executive Director of the Company on 3 September 2019. She is the Chairman of the Nomination and Remuneration Committee and a member of the Audit Committee of the Company. Dato' Kaziah graduated with a Bachelor Degree in Arts (Economics) from University of Malaya.

Dato' Kaziah served the Malaysian Industrial Development Authority (MIDA) since 1975 and her last position was the Deputy Director General I from 2003 until her retirement in 2008. During her tenure with MIDA, she was the Chairperson of the ASEAN Investment Coordinating Committee on Investment for the term 2006/2007 and was a member of the Malaysian Logistic Council and the Malaysian Services Development Council from 2006 until 2008.

She is currently an Advisor to Pricewaterhouse Coopers Taxation Services Sdn Bhd, a position which she has held since July 2008. Previously, she was an advisor of Investor Relations, Investment Management Division of East Coast Economic Region Development Council from 2009 to 2019.

Dato' Kaziah was formerly an Independent Non-Executive Director on the Board of the Malaysian Industrial Development Finance Berhad and MIDF Amanah Investment Bank Berhad.

Dato' Kaziah has no shareholdings in the Company and its associated company. She also has no family relationship with any Director and/or major shareholder of the Company nor any conflict of interest with the Company. She attended all of the Board Meetings held during the financial year and has no convictions for any offences within the past 5 years, other than traffic offences, if any.

Board of Directors' Profile (Cont'd)

KWAN WAI YUE
Executive Director

Malaysian	58	Female
Date of Appointment:	**1 March 2018**	

Ms Kwan was appointed the Executive Director of the Company on 1st March 2018.

Ms Kwan graduated with a Bachelor of Accounting from University of Malaya. Upon graduation, Ms Kwan joined a Big-4 audit firm in Malaysia as an Audit Assistant in 1992 and was promoted to Audit Senior two years later. The portfolios of client which she audited included large multinational companies and local corporations. She is also a member of the Malaysian Institute of Accountants.

In 1995, Ms Kwan joined a food manufacturing-based public listed company as an Accountant and in 2000, was promoted to a Financial Controller. Her role as Financial Controller involved overseeing the accounts department, preparation of financial reports, overseeing all tax and regulatory/ compliance issues as well as contributing to decisions regarding financial strategy.

Ms Kwan joined Panasonic Manufacturing Malaysia Berhad in 2007 as the Assistant General Manager of Finance Department taking charge of accounting and financial reporting. She was promoted to General Manager in 2009 and her scope of duties expanded to cover overall financial management, treasury and company secretarial functions. In 2013, following her exemplary leadership in strengthening the internal control processes, the Company promoted her to Assistant Director of Finance. In 2015, her scope of work was expanded to overseeing the Legal & Compliance department. She is currently tasked to oversee the operations of the Information System Department, Environment Department and General Admin Department.

Ms Kwan has no shareholdings in the Company and its associated company. She also has no family relationship with any Director and/or major shareholder of the Company. She attended all the Board meetings held during the financial year and has no convictions for any offences within the past 5 years, other than traffic offences, if any.

She is a Board representative of Panasonic Holdings Corporation ("PHD"), a major shareholder of the Company, which presents a conflict of interest in view of the recurrent related party transactions between PHD Group and the Company where she is involved in management decision making of contracts with PHD Group. The Company has and will continue to address this conflict of interest situation by seeking the approval of the shareholders to enter into the recurrent related party transactions with PHD Group and Ms Kwan will abstain from all Board deliberations and voting on matters related to this.

KEISUKE NISHIDA
Non-Independent Non-Executive Director

Japanese	52	Male
Date of Appointment:	**1 April 2022**	

Mr Nishida was appointed a Non-Independent Non-Executive Director of the Company on 1 April 2022. He is a member of the Nomination and Audit Committee. Mr Nishida graduated with a Bachelor of Laws from Tohoku University, Japan.

Mr Nishida joined Matsushita Electric Industrial Co., Ltd (now known as Panasonic Corporation) ("PC") in Japan in February 1998 as an Overseas Trainee and was posted to Brazil to work in the sales company there. After a year there, he was assigned back to Japan and was responsible for the Home AV division for the Russia, Middle East & Africa market. From April 2004 to March 2006, he was responsible for the Imaging division for Russia, Middle East & Africa and from April 2006 to February 2008 he covered Asia/ Oceania market.

In March 2008, he was transferred to Panasonic UK as its Marketing General Manager for AV category. He returned to Japan in March 2014 to head the Overseas Sales Marketing of Audio in Consumer Marketing division in charge of Global market except Europe. In March 2019, he was assigned to UK as Marketing Director responsible for product marketing, brand communication and planning of consumer electronics business. In July 2021, Mr Nishida was assigned to Panasonic Malaysia Sdn Bhd and held the position of Deputy Managing Director and was promoted to his current position as Managing Director of Panasonic Malaysia Sdn Bhd in April 2022.

Mr Nishida has no shareholdings in the Company and its associated company. He also has no family relationship with any Director and/or major shareholder of the Company. He attended three out of four of the Board Meetings during the financial year and has no convictions for any offences within the past 5 years, other than traffic offences, if any.

He is a Board representative of Panasonic Holdings Corporation ("PHD"), a major shareholder of the Company, which presents a conflict of interest in view of the recurrent related party transactions between PHD Group and the Company where he is involved in management decision making of contracts with PHD Group. The Company has and will continue to address this conflict of interest situation by seeking the approval of the shareholders to enter into the recurrent related party transactions with PHD Group and Mr Nishida will abstain from all Board deliberations and voting on matters related to this.

Board of Directors' Profile (Cont'd)

ISHIKAWA SHIMPEI
Non-Independent
Non-Executive Director

Japanese | 50 | Male

Date of Appointment: **13 January 2026**

Mr Shimpei was appointed a Non-Independent Non-Executive Director of the Company on 13 January 2026. Mr Shimpei graduated with a Bachelor of Law from Hitotsubashi University, Japan.

Mr Shimpei has over 27 years of working experience within the Panasonic Group. Upon his graduation in 1999, he joined Matsushita Electric Industrial Co., Ltd. (now known as Panasonic Holdings Corporation, Japan ("Panasonic Corporation")) and was assigned to Matsushita Electric (China). In October 2001, he returned to Japan and joined the Commercial Team of the Air Conditioner Company, Air Conditioner Business Division, Overseas Sales Group. In April 2008, he took an overseas assignment at Matsushita Home Appliances Company, Global Headquarters, Affiliated and was seconded to Panasonic Home Appliances A/C Malaysia. On completing his assignment in Malaysia, he returned to Panasonic Corporation in October 2012 and was made Team Leader of the Americas Team of the Global Consumer Marketing Division, Appliances Marketing Headquarters, Air Conditioner Group. In August 2017, he was promoted to the position of General Manager in charge of the Appliances Company, Overseas Marketing Division, Overseas Marketing Headquarters, Air Conditioner Marketing Center, RAC Marketing Department.

Recognising his experience and contribution, Panasonic Corporation elevated him to the position of Director of the Heating & Ventilation A/C Company, Global Marketing Headquarters, Oversea Marketing Center. He concurrently held position as General Manager of the Air Conditioning & Refrigeration Solutions Business Division and also as Head of the Overseas Sales Department. Recently in April 2025, he was appointed to the position of Deputy General Manager of the Air Conditioner Business Division and concurrently holds the position of Director of the Overseas Business Center, Heating & Ventilation A/C Company.

Mr Shimpei has no shareholdings in the Company and its associated company. He also has no family relationship with any Director and/or major shareholder of the Company. He attended all the Board meeting held during the financial year after his appointment and has no convictions for any offences within the past 5 years, other than traffic offences, if any.

He is a Board representative of Panasonic Holdings Corporation ("PHD"), a major shareholder of the Company, which presents a conflict of interest in view of the recurrent related party transactions between PHD Group and the Company where he is involved in management decision making of contracts with PHD Group. The Company has and will continue to address this conflict of interest situation by seeking the approval of the shareholders to enter into the recurrent related party transactions with PHD Group and Mr Shimpei will abstain from all Board deliberations and voting on matters related to this.

Strategic Management Committee Members' Profile

KEITARO TAHARA

Director and Managing Director

Japanese	48	Male
Date of Appointment:	**1 June 2026**	

KWAN WAI YUE

Executive Director

Japanese	58	Female
Date of Appointment:	**1st March 2018**	

Mr Tahara was appointed a Director and Managing Director of the Company on 1 June 2026. He graduated from Kyoto University, Japan with a Master in Mechanical Engineering.

Mr Keitaro Tahara has over 23 years of working experience within the Panasonic Group. Upon his graduation in 2003, he joined Matsushita Electric Industrial Co., Ltd. (now known as Panasonic Holdings Corporation, Japan ("Panasonic Corporation")) and was assigned to Matsushita Home Appliances Company.

In October 2004, he joined the Living Support System Business Division handling engineering group design. In April 2008, he was moved to the Water Heater Development Group. In April 2015 he headed the Water Heater Development Section before he took an overseas assignment to Malaysia in April 2017. In October 2021, he returned to Japan and was promoted to the position Development Section 1 Manager for Hot Water System of Panasonic Corporation Heating & Ventilation A/C Company in August 2022.

Recognising his experience and contribution, Panasonic Corporation elevated him to the position of General Manager of the Global Development Center, Water Solutions Development Department in April 2025. In April 2026, he was assigned to Panasonic Manufacturing Malaysia Berhad deputising the Managing Director before assuming the Managing Director position on 1 June 2026.

Mr Tahara has no shareholdings in the Company and its associated company. He also has no family relationship with any Director and/or major shareholder of the Company. He has no convictions for any offences within the past 5 years, other than traffic offences, if any.

He is a Board representative of Panasonic Holdings Corporation ("PHD"), a major shareholder of the Company, which presents a conflict of interest in view of the recurrent related party transactions between PHD Group and the Company where he is involved in management decision making of contracts with PHD Group. The Company has and will continue to address this conflict of interest situation by seeking the approval of the shareholders to enter into the recurrent related party transactions with PHD Group and Mr Tahara will abstain from all Board deliberations and voting on matters related to this.

Ms Kwan was appointed the Executive Director of the Company on 1st March 2018. She graduated with a Bachelor of Accounting from University of Malaya.

Ms Kwan joined Panasonic Manufacturing Malaysia Berhad in 2007 as the Assistant General Manager of Finance Department taking charge of accounting and financial reporting. She was promoted to General Manager in 2009 and her scope of duties expanded to cover overall financial management, treasury and company secretarial functions. In 2013, following her exemplary leadership in strengthening the internal control processes, the Company promoted her to Assistant Director of Finance. In 2015, her scope of work was expanded to overseeing the Legal & Compliance department. She is currently been tasked to oversee the operations of the Information System Department, Environment Department and General Admin Department.

Ms Kwan has no shareholdings in the Company and its associated company. She also has no family relationship with any Director and/or major shareholder of the Company. She has no convictions for any offences within the past 5 years, other than traffic offences, if any.

She is a Board representative of Panasonic Holdings Corporation ("PHD"), a major shareholder of the Company, which presents a conflict of interest in view of the recurrent related party transactions between PHD Group and the Company where she is involved in management decision making of contracts with PHD Group. The Company has and will continue to address this conflict of interest situation by seeking the approval of the shareholders to enter into the recurrent related party transactions with PHD Group and Ms Kwan will abstain from all Board deliberations and voting on matters related to this.

Strategic Management Committee Member's Profile (Cont'd)

SIEW PUI LING
Executive Director

Malaysian | 62 | Female

Date of Appointment: **4 August 2014**

TETSUYA YOSHIDA
Director

Japanese | 52 | Male

Date of Appointment: **1 March 2018**

Aged 62. Malaysian. Ms. Siew Pui Ling served as an Executive Director of the Company from 4 August 2014 until her retirement from the Board on 29 August 2025. She continues to support the Company in a non-Board contractual capacity, contributing to selected strategic and management initiatives.

Ms. Siew graduated from Asia University of Tokyo with a Bachelor's Degree in Business Administration and Management. She joined the Company in 1991 and has more than 35 years of experience in Sales & Marketing, Product Planning, Logistics and Human Resource Management.

Ms. Siew Pui Ling holds 100 ordinary shares in the Company and has no shareholdings in any associated company. She has no family relationship with any Director and/or major shareholder of the Company and has not been convicted of any offences within the past five years, other than traffic offences, if any.

Mr Tetsuya Yoshida was appointed as Director of IAQ Business Division on 16 October 2024. He graduated from the Graduate School of Engineering (Mechanical Engineering), University of Fukui, Fukui, Japan, with a Master's degree of Engineering.

Mr Yoshida joined Matsushita Seiko Co., Ltd. ("MSC") in April 1999 as a Technical Staff with Air Purifier Section, Engineering Department, Osaka Division and was promoted to Manager of the Humidifier Development Section in the Healthy Indoor Air Quality Business Unit of Matsushita Ecology Systems Co., Ltd. in April 2006. In April 2013, he was made the Team Leader of the Global Fan Development Team, Indoor Air Quality Business Unit of Panasonic Ecology Systems Co., Ltd. ("PES").

Subsequently in April 2016 he took an overseas assignment and was transferred to the Company as Senior Group Manager, Product Development Engineering Department, PES Division in April 2018, he was assigned to Panasonic Appliances R&D Centre Asia Pacific Sdn. Bhd. in the same position.

Upon his return to Japan in April 2022, Mr Yoshida was posted to PES as General Manager, CS/Quality Assurance Group, Indoor Air Quality Business Unit. He then moved to take charge of the Quality Management Group, Residential System Equipment Business Division, Heating & Ventilation A/C Company in April 2023 before taking on his assignment in the Company as Senior Division Executive.

Mr Yoshida has no shareholdings in the Company and its associated company. He also has no family relationship with any Director and/or major shareholder of the Company. He has no convictions for any offences within the past 5 years, other than traffic offences, if any.

He is also an officer of Panasonic Holdings Corporation ("PHD"), a major shareholder of the Company, which presents a conflict of interest in view of the recurrent related party transactions between PHD Group and the Company where he is involved in management decision making of contracts with PHD Group. The Company has and will continue to address this conflict of interest situation by seeking the approval of the shareholders to enter into the recurrent related party transactions with PHD Group.

Strategic Management Committee Members' Profile (Cont'd)

TAKESHI TAZAWA
Director

Japanese | 44 | Male

Date of Appointment: **1 December 2025**

Mr Takeshi Tazawa was appointed as Director of Corporate Planning on 1 December 2025. Mr Tazawa graduated from the Department of Electronic Engineering, Graduate School of Engineering, Kansai University, Japan.

He began his career with Matsushita Electric Industrial Co., Ltd. ("MEI") in 2006 as a Technical Staff. Throughout his career with the Panasonic Group, he has held various engineering and management positions across product development, network systems and home appliance businesses.

In 2012, he was assigned to Panasonic AVC Networks Company, AV Network Business Division as Staff Engineer, followed by an assignment to Panasonic Appliance Company, Home Entertainment Business Division in 2014.

Mr Tazawa gained international exposure when he was assigned to Panasonic AVC Networks Singapore as Manager in 2017. Subsequently, he held several leadership positions within Panasonic Appliance Company, including Chief Engineer of the Smart Life Network Business Division and responsibility for new business planning and sales within the Laundry Systems and Vacuum Cleaner Business Division. In 2023, he was promoted to Manager and subsequently General Manager in 2024 within the Laundry Systems and Vacuum Cleaner Business Division. In 2025, he was assigned to Panasonic Manufacturing Malaysia Berhad as Director.

Mr Tazawa has no shareholdings in the Company and its associated company. He also has no family relationship with any Director and/or major shareholder of the Company. He has no convictions for any offences within the past five (5) years, other than traffic offences, if any.

He is also an officer of Panasonic Holdings Corporation ("PHD"), a major shareholder of the Company, which presents a conflict of interest in view of the recurrent related party transactions between PHD Group and the Company where he is involved in management decision-making of contracts with PHD Group. The Company has and will continue to address this conflict of interest situation by seeking shareholders' approval for the recurrent related party transactions with PHD Group.