



SERVICE MATTERS

- ▶ SEA FREIGHT
- ▶ AIR FREIGHT
- ▶ LAND FREIGHT
- ▶ 3PL, WAREHOUSE & DISTRIBUTION
- ▶ HAULAGE
- ▶ CUSTOMS BROKERAGE
- ▶ LAND TRANSPORTATION
- ▶ E-COMMERCE FULFILMENT
- ▶ LAST MILE DISTRIBUTION

ANNUAL REPORT
2025





SERVICE MATTERS

In 2025, FM Global Logistics Holdings Berhad ("FM" or "the Group") rebranded to better reflect our service provision of multimodal logistics solutions on a global scale, supported by local expertise. The new logo signals our commitment to delivering service with purpose, clarity and care.

SERVICE MATTERS is our commitment to customers for our delivery of effective and efficient solutions.

YOU MATTER because your goals drive everything we do.

PEOPLE MATTER because relationships power every solution.

CARGO MATTERS because what we move matters to someone, somewhere. Whether it is sea freight, air freight, land freight, warehousing or ESG-aligned operations, our service is built on insight, shaped by experience and powered by a network that understands the urgency of today and the responsibility of tomorrow.

29th Annual General Meeting



Room Danau 3,
Kota Permai Golf & Country Club,
No. 1, Jalan 31/100A, Kota Kemuning,
Section 31, 40460 Shah Alam,
Selangor Darul Ehsan, Malaysia



Date:
Tuesday, 25 November 2025



Time:
9.30 a.m.



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copy of the Annual Report 2025.

YOUR CONNECTION TO THE WORLD

FM is simplifying logistics to connect business, customers and communities through efficient, reliable and safer solutions.

Our Vision FM Global Logistics provides multimodal logistics to our clients with customised solutions on a global scale with local expertise.

Our Mission is to provide service excellence to our customers with multimodal logistics and customised solutions, with ESG initiatives across our management and operations.

FUTURE FOCUSED



PEOPLE

Building a High Performance Culture



CUSTOMERS

Listening & Improving Service



QUALITY

Meeting Expectations & Continually Improving Satisfaction Levels



GROWTH

Being Innovative to Achieve Success

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ABOUT US

Established in 1988, FM Global Logistics Holdings Berhad ("FM" or "the Group") has grown from its Malaysian roots into a global network connecting businesses across borders with efficiency and reliability.

Every shipment we manage is backed by decades of expertise and a commitment to your growth. Whether by sea, air or land transport, or through customs brokerage, warehousing and distribution, FM delivers what matters.

FM's leadership team combines extensive experience with a shared purpose in delivering value that extends beyond logistics. Together, we drive sustainable growth by ensuring every shipment contributes to the long-term success of our customers and partners.

Listed on Bursa Malaysia Securities Berhad ("Bursa Securities") since 2005 and successfully transferred to the Main Market in 2007, FM remains as one of the pioneer Malaysian-owned logistics groups to achieve this milestone - a testament to its resilience, credibility and long-term vision.

International Freight

FM specialises in integrated International Freight Services, encompassing Sea Freight Less Than Container Load ("LCL"), Full Container Load ("FCL"), Air Freight and Land Freight services, including cross-border trucking services.

Domestic Logistics

FM's Domestic Logistics segment provides a wide array of services, including Third-Party Logistics ("3PL"), Warehousing & Distribution, and Supporting Services. These services extend to Customs Brokerage, Haulage, E-Commerce Fulfilment and Last-Mile Distribution, offering world-class integrated logistics services.



ABOUT US (CONTINUED)

In 2025, FM unveiled its new logo and tagline, **SERVICE MATTERS**, reaffirming what has always defined the Group: logistics that are precise, personal and performance-driven. This evolution reflects how we operate, how we compete and how we grow alongside our customers and stakeholders.

- **SERVICE MATTERS**

Because service defines our standard. We act with clarity, purpose and care in every solution we deliver.

- **YOU MATTER**

Because your goals drive everything we do.

- **PEOPLE MATTER**

Because our people and partners drive every success. Their expertise, collaboration and integrity build the trust that sustains our business.

- **CARGO MATTERS**

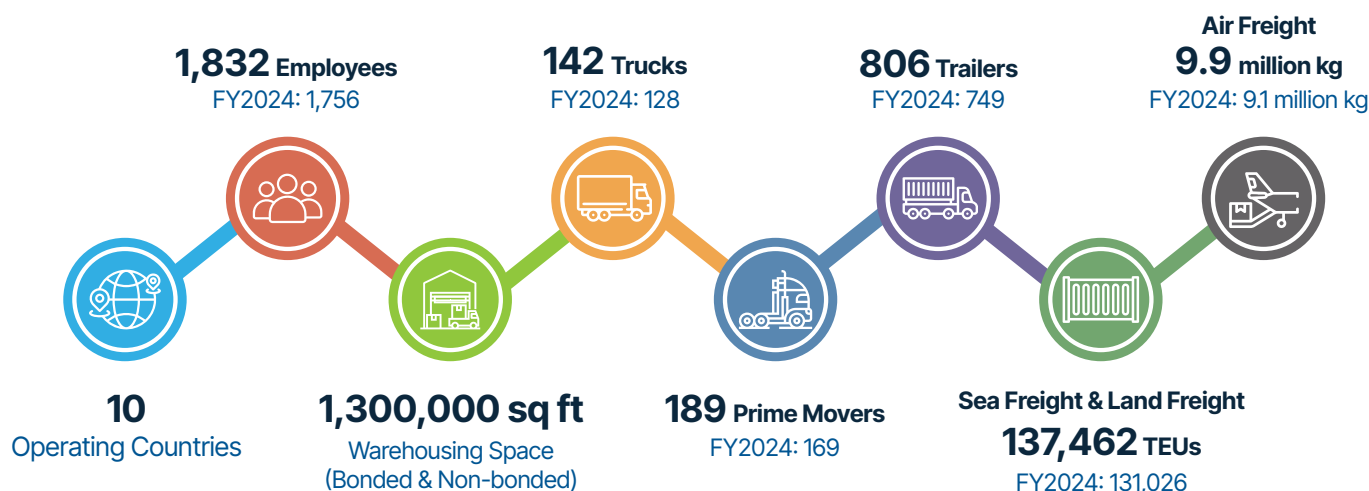
Because what we move matters to someone, somewhere. Each shipment carries responsibility - to deliver with reliability, timeliness and care.

- **ESG MATTERS**

Because we are committed to improving our internal practices, engaging responsible partners and creating positive impacts for our people, customers, communities and the environment. We continue to embed sustainability into our practices, from adopting lower-emission fleets and renewable energy in facilities to smarter routing solutions, building a network aligned with a low-carbon future.

With more than 1,800 employees based across major gateways in Malaysia, ASEAN, China, India, Australia and the United States of America ("the USA"), FM's extensive reach is supported by a vast network of independent agents spanning over 100 major shipping ports worldwide.

Nearly four decades on, FM remains a proudly Malaysian-grown logistics group with a global footprint, trusted by businesses for its reliability, consistency and depth of experience. As a listed entity, FM continues to focus on delivering sustainable value to stakeholders through disciplined growth, operational excellence and service built on trust.





GLOBAL INTEGRATED INTERNATIONAL FREIGHT & LOGISTICS SERVICES

FM is a leading international freight forwarder in the ASEAN Region, operating as an intermediate agent between importers/exporters and carriers.

MALAYSIA

THAILAND

INDONESIA

VIETNAM

SINGAPORE

AUSTRALIA

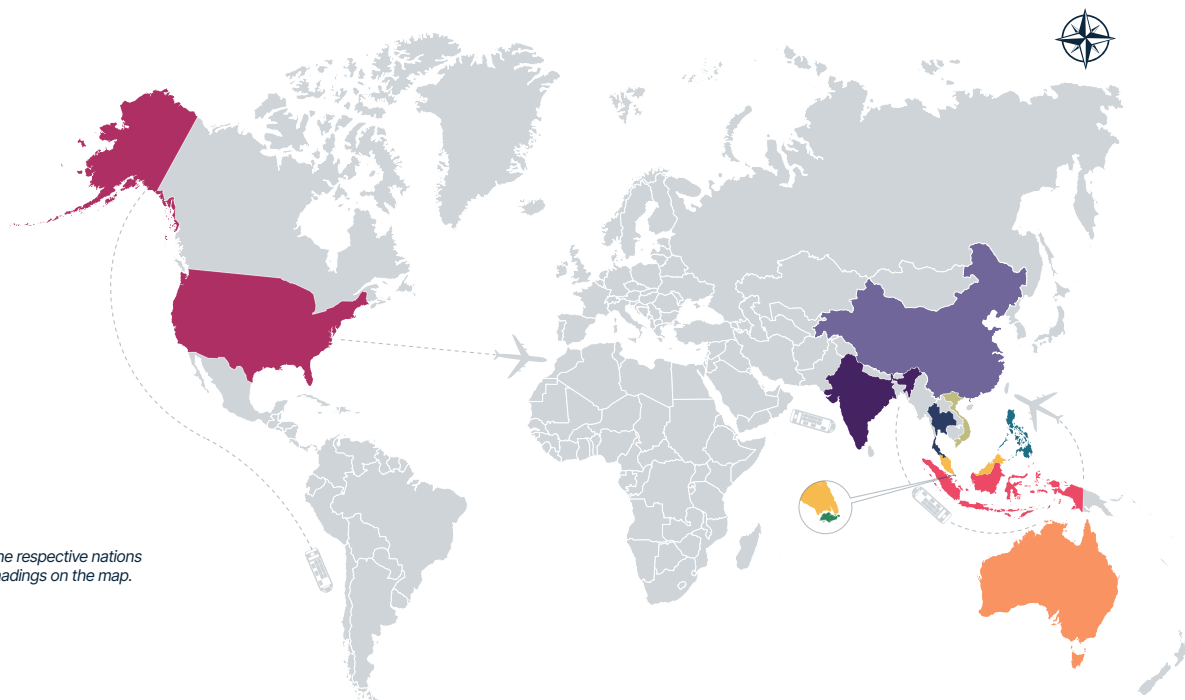
PHILIPPINES

INDIA

USA

CHINA

Note : The font colours of the respective nations correspond to the colour shadings on the map.



INDUSTRIES SERVED



Fast Moving Consumer Goods ("FMCG")



Healthcare



Medical & Pharmaceutical



Electrical & Electronics



Manufacturing



Oil & Gas



Food & Beverage



Retail



International and Domestic Sea Freight Services LCL/FCL

FM's extensive experience in export/import sea freight services ensures efficient handling of customers' cargo movement internationally and between Peninsular Malaysia and Sabah/Sarawak.

GLOBAL INTEGRATED INTERNATIONAL FREIGHT & LOGISTICS SERVICES (CONTINUED)



International and Domestic Air Freight Services

FM handles inbound and outbound air freight services both internationally and between Peninsular Malaysia and Sabah/Sarawak. We are part of an established worldwide network of air freight forwarders, offering seamless air freight services to all major destinations.

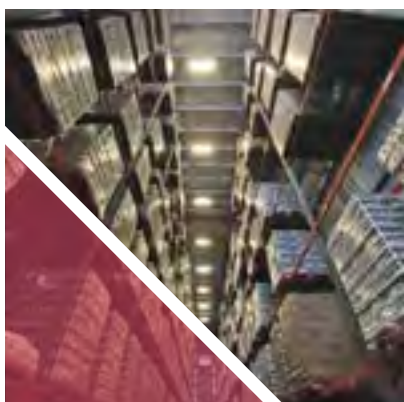
Haulage & Customs Clearance

FM operates an extensive fleet of 189 prime movers and 806 trailers, delivering comprehensive door-to-door and port-to-port solutions for its FCL clients. In addition, FM offers professional and efficient customs clearance services for both sea and air freight forwarding services.



Project Management

FM's Project Management Department is equipped to handle the organisation and shipping of all oversized cargo.



3PL, Warehousing & Distribution

FM operates a total of 1,300,000 square feet ("sq ft") of bonded and non-bonded ambient and cool warehouses. We offer a one-stop centre for storage, value-added services and distribution, and E-Commerce Fulfilment services.

Land Transportation

FM's extensive fleet of 142 trucks enables door-to-door delivery and cross-border services spanning across Peninsular Malaysia. Our services extend between Malaysia, Singapore and Thailand. We accommodate a range of Load and Container Haulage.



Last Mile Distribution

FM operates Business-to-Business ("B2B") and Last Mile Distribution and deliveries.

CHAIRMAN'S STATEMENT

To Our Esteemed Shareholders,

For nearly four decades, FM Global Logistics Holdings Berhad ("FM" or "the Group") has grown from a Malaysian-based freight forwarder into a global player with offices in the ASEAN Region, China, India, Australia and the United States of America ("the USA"). Our strategic expansion has undoubtedly been shaped by the complexities and realities of global trade, where cyclical geopolitical and economic disruptions continually test operational resilience and heighten the demand for efficiency in moving cargo across borders.

While the Group delivered a commendable topline growth in Financial Year 2025 ("FY2025"), we navigated a more complex cost environment. Our continued expansion into multiple markets introduced higher localised cost pressures, from labour and rental to regulatory and logistics expenses, reflecting the realities of operating across diverse geographies. In tandem, our strategic investments in fleet renewal and infrastructure modernisation, though essential for long-term competitiveness, contributed to increased capital and operational expenditure.

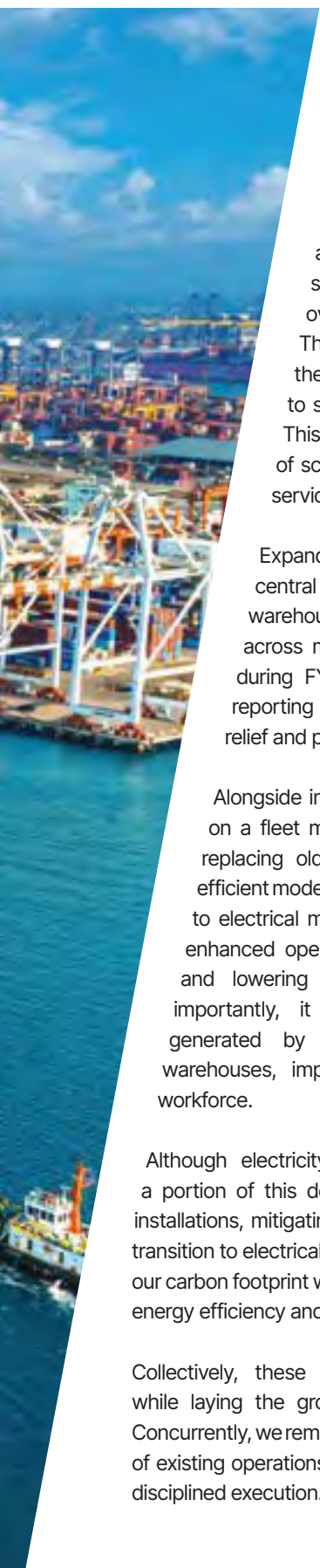
Despite these headwinds, FM's full-year results surpassed the previous year, underscoring our resilience and ability to absorb cost pressures through scale, pricing discipline and operational efficiency. Nonetheless, the disproportionate rise in cost of revenue relative to topline growth signals margin compression, reinforcing the importance of prudent cost management as we scale.

https://klse.i3investor.com/web/announcement/detail/1963498?utm_source

https://theedgemalaysia.com/node/767151?utm_source



CHAIRMAN'S STATEMENT (CONTINUED)



We continued to provide dependable freight forwarding services (sea, land and air), and 3PL, Warehousing & Distribution services while carefully managing overheads and safeguarding service quality. The unprecedented revenue surge during the pandemic has since normalised, leading to steadier yet more competitive conditions. This underscores the continued importance of scale, infrastructure and customer-focused service delivery.

Expanding our logistics network remains a central priority, with investments in new warehousing and transport facilities progressing across multiple sites. Initiation of these projects during FY2025 will carry through into the next reporting period, providing much-needed capacity relief and positioning us for sustainable growth.

Alongside infrastructure development, we embarked on a fleet modernisation programme, systematically replacing older vehicles with newer, more energy-efficient models, including electric trucks. The upgrading to electrical material-handling equipment ("MHE") has enhanced operational reliability by reducing downtime and lowering long-term maintenance needs. More importantly, it reduces direct emissions previously generated by fuel-powered equipment within our warehouses, improving air quality and safety for our workforce.

Although electricity is now the primary energy source, a portion of this demand is supported by our solar panel installations, mitigating additional grid reliance. Over time, the transition to electrical MHE contributes to a gradual lowering of our carbon footprint while positioning our operations for greater energy efficiency and sustainability.

Collectively, these efforts will enhance efficiency today while laying the groundwork for longer-term sustainability. Concurrently, we remain committed to improving the profitability of existing operations through prudent cost management and disciplined execution.

Behind this progress is a dedicated team empowered to manage customer relationships and deliver solutions that meet the complexities of global supply chains. As FM continues to strengthen its operations and expand its strategic footprint, the focus remains on building capacity, strengthening governance and sustaining longer-term financial, operational and ESG-related performance.

FM's resilient business model and sound financial footing provide the flexibility to navigate shifting market conditions. Beyond optimising routes and strengthening regional partnerships, we are mindful of climate-related risks that are redefining the logistics sector. By integrating these considerations into our operations and investment priorities, we are bracing ourselves for the long haul in a competitive environment, mitigating the challenges head-on while creating tangible value for our customers, employees, investors and partners.

ADAPTING TO SHIFTS IN TRADE

The global trade environment has shifted markedly from the highs of 2024 into a period of greater volatility. Rising protectionism, shifting tariff regimes and the weakening of multilateral trade frameworks such as the World Trade Organization ("WTO") agreements and regional trade pacts, are driving higher costs and unpredictability across supply chains.

For FM, this translates into greater complexity in route planning across both sea and air freight, where shifting tariffs, sanctions, airspace restrictions and port congestion require agile adjustments in carrier selection, transshipment hubs and documentation processes. Developing markets in particular are facing heightened challenges as policy instability disrupts trade flows and introduces additional operational uncertainty.

These challenges are not distant. They directly affect the cost of moving cargo, the efficiency of routes and the resilience of our customers' supply chains. We have responded by tightening route optimisation, strengthening regional partnerships and advancing our investment in warehousing and fleet renewal. In addition, we are actively exploring opportunities in new international markets, supported by targeted marketing initiatives and strategic engagement to expand our global footprint. While the external environment has become less predictable, we remain anchored by a durable and agile operating model and a clear strategy to support customers navigating these shifts.

CHAIRMAN'S STATEMENT (CONTINUED)

MALAYSIA'S TRADE LANDSCAPE: IMPLICATIONS FOR LOGISTICS

Malaysia's trade performance in 2025 has remained steady despite mounting headwinds in the global economy. For the period January to August 2025, total trade reached RM1.98 trillion, up 3.8% year-on-year ("YoY"), reflecting increasing domestic demand and Malaysia's sustained integration with global supply chains.

<https://www.matrade.gov.my/en/export-to-the-world/219-malaysian-exporters/trade-performance-2025>

China remains Malaysia's largest trading partner, anchoring a significant share of both exports and imports. At the same time, the USA, the ASEAN region and the European Union ("EU") continue to rank among Malaysia's top trade partners, reflecting the importance of diversified linkages across advanced and regional markets.

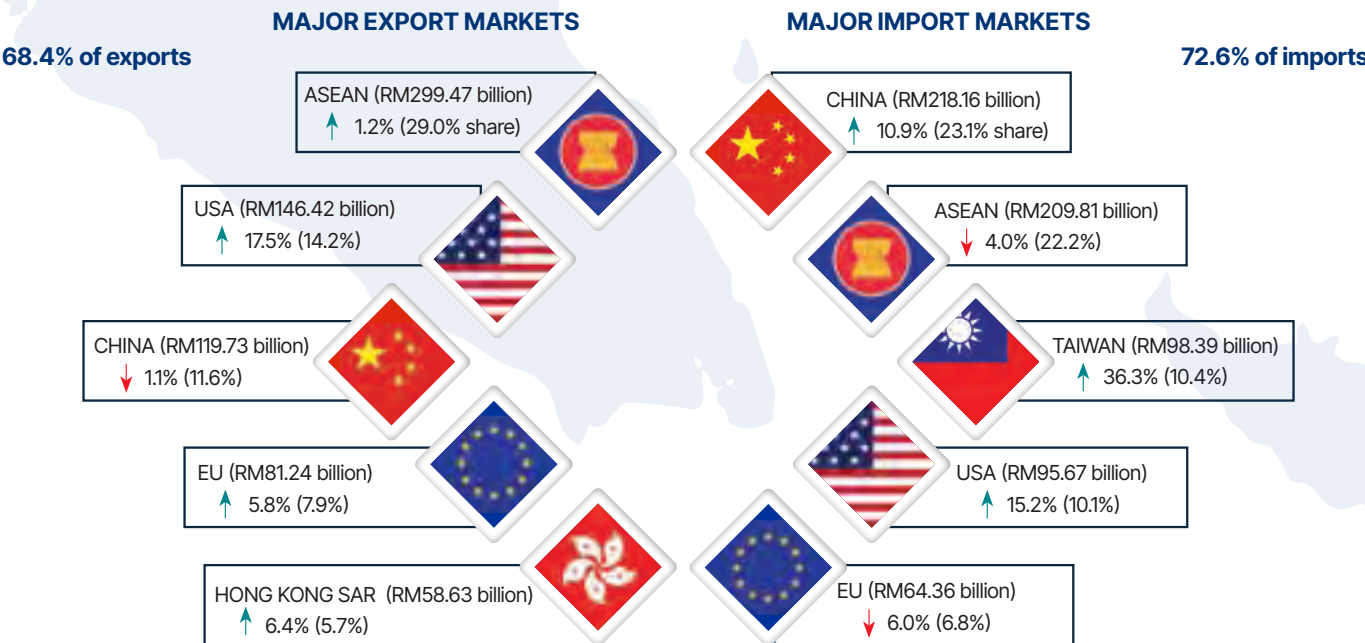
Yet, these gains are tempered by the volatility of global trade. Tariff measures have begun to alter shipment flows, extend lead times and raise compliance costs for exporters. For logistics providers such as FM, these developments are not abstract risks but practical realities.

MALAYSIA TOTAL TRADE

MALAYSIA'S TRADE PERFORMANCE JANUARY-AUGUST 2025



Exports reached RM1 trillion in just 8 months, one month earlier compared to 2024



<https://www.matrade.gov.my/en/open-data/211-malaysian-exporters/trade-performance-2023/5932-trade-performance-august-2023-and-january-august-2023>

https://www.miti.gov.my/miti/resources/Trade%20Performance%20Media/Press_Release_Trade_Performance_Aug_2024.pdf

https://www.dosm.gov.my/uploads/release-content/file_20250729125932.pdf

CHAIRMAN'S STATEMENT (CONTINUED)

The logistics sector's response has been to accelerate diversification, with more emphasis on intra-ASEAN flows and other markets. At the same time, digitalisation, route optimisation and bilateral logistics partnerships are becoming central to ensuring efficiency and resilience.

These developments signal sustained demand drivers in international logistics, especially as Malaysia's trade flows expand in both scale and complexity. This environment highlights the importance of prudent investment, disciplined execution and strengthening customer relationships, while Malaysia's diversified export base and ongoing investment in trade infrastructure provide a measure of resilience. At the same time, the crux of how developed nations influence global markets and the resulting impact on Malaysia presents both challenges and opportunities to sharpen our competitiveness across the region.

Matrade: <https://www.matrade.gov.my/en/export-to-the-world/216-malaysian-exporters/trade-performance-2024>

<https://www.matrade.gov.my/en/export-to-the-world/219-malaysian-exporters/trade-performance-2025>

BNM: <https://www.bnm.gov.my>.

MOF: <https://mof.gov.my/portal/en/news/press-citations/mof-expects-malaysias-economy-to-grow-moderately-in-2026>

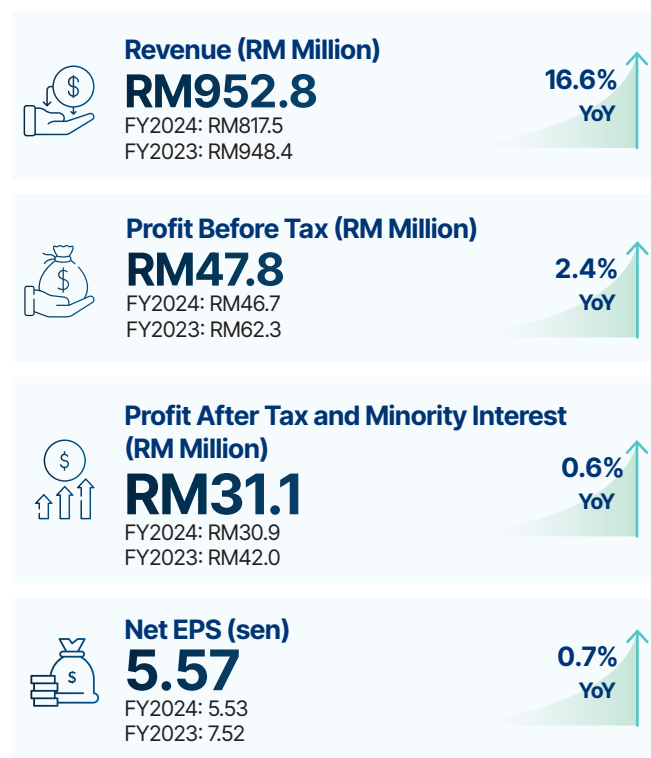
Institute of Strategic & International Studies (ISIS) Malaysia: <https://www.isis.org.my/2025/06/06/trump-trade-and-tariffs-impact-on-malaysia/>



CHAIRMAN'S STATEMENT (CONTINUED)

FINANCIAL PERFORMANCE

POSITIVE RESULTS FOR ALL KEY FINANCIAL METRICS



During FY2025, steady growth was recorded across key financial metrics, anchored by a strong operational foundation. Revenue, profitability and shipments handled all improved, reflecting FM's adaptability in a challenging landscape.

Group revenue rose 16.6% YoY to RM952.8 million (FY2024: RM817.5 million), marking the strongest annual revenue since FY2022. Sustained demand across our logistics network supported the increase.

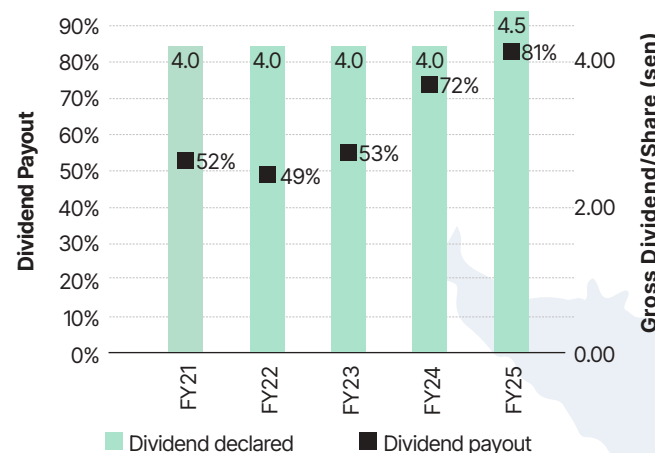
International Freight remained the key growth driver, with revenue rising by 22.8% to RM710.3 million (FY2024: RM578.2 million), supported by a 4.9% increase in throughput, primarily from Sea and Land Freight. Air Freight recorded an 8.4% growth in cargo handled, reflecting sustained demand across major trade lanes.

Domestic Logistics revenue remained largely stable, increasing slightly to RM242.5 million from RM239.3 million, a modest 1.3% increase YoY. Within this segment, 3PL, Warehousing & Distribution registered softer demand due to shifting storage trends, dipping 10.1%. Supporting Services posted strong growth, with revenue increasing 15.4% YoY to RM124.0 million from RM107.5 million, driven by higher demand for value-added solutions.

Profit Before Tax ("PBT") rose 2.4% to RM47.8 million (FY2024: RM46.7 million), with margins maintained despite cost pressures and stricter trade compliance. All segments stayed profitable except 3PL, Warehousing & Distribution, while Singapore operations were weighed down by lower transshipment activity. Profit After Tax and Minority Interests ("PATAMI") rose slightly to RM31.1 million from RM30.9 million in FY2024, translating into earnings per share of 5.57 sen.

For FY2025, I am pleased to state that the Group declared a total dividend of 4.5 sen per share or RM25.1 million, including a third interim single-tier dividend of 2.0 sen. At 80.8% of PATAMI, this represents the highest payout ratio in FM's history, reflecting a strong cash position and deliberate balance between rewarding shareholders and reinvesting for sustainable growth.

DIVIDEND PAYOUT



Notes:

1. FY2025 third interim single-tier dividend of 2.0 sen declared and to be paid in Sept 2025. Total dividend of 4.5 sen for FY2025.

For a more detailed overview, please refer to the MD&A for an in-depth analysis of Financial Performance.

CHAIRMAN'S STATEMENT (CONTINUED)

GOVERNANCE IN OPERATIONAL RESILIENCE

During FY2025, we took definitive steps to strengthen governance practices with a clear focus on reinforcing internal controls and mitigating supply chain risks inherent to cross-border logistics. Operating in multiple jurisdictions with differing regulatory regimes requires a governance framework that is both rigorous and adaptable.

FM maintained compliance with ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018, upholding standards in quality management, environmental responsibility and workplace safety. Group-wide training on Anti-Bribery and Anti-Corruption ("ABAC") and Whistleblowing procedures was expanded to raise awareness, provide practical guidance and align behaviour with regulatory and ethical expectations. Embedding these protocols across our supply chain helps safeguard service reliability and mitigate exposure to unethical practices or operational disruptions.

By raising awareness and infusing compliance protocols into partner and supply chain engagements, FM is countering exposure to fraud, unethical practices and operational disruptions that can compromise service reliability.

Governance is an ongoing journey of continuous improvement. By incorporating strong controls and ethical practices across our operations and supply chains, FM enhances service reliability, mitigates operational risks and upholds the standards expected by customers, employees, investors, partners and regulators. This approach protects the integrity of our business while supporting sustainable, dependable growth across all stakeholder relationships.

For a more detailed overview, please refer to the MD&A, Statement on Risk Management and Internal Control and the Sustainability Report.

MANAGING EMISSIONS THROUGH FLEET AND ENERGY TRANSITION

Reducing carbon emissions is a complex but necessary part of FM's sustainability journey. While the transition is not without challenges, we are taking measured steps that balance operational needs with long-term environmental goals.

In FY2025, progress was made on two fronts: fleet modernisation and renewable energy adoption. Through partnerships with Scania Malaysia, JAC Motors Malaysia and Solarvest Energy, FM procured 20 Euro 5-compliant prime movers, two electric trucks for urban logistics and expanded solar installations across our warehouses.

These initiatives are beginning to show results. The new vehicles reduce fuel consumption and maintenance downtime, while expanded solar capacity, now producing close to 2,000 megawatt-hours annually, lessens reliance on the national grid and curbs greenhouse gas emissions. Plans for the Lot 24 and Lot 16 warehouses to integrate solar power generation are also underway, adding renewable capacity that will further strengthen the resilience and efficiency of our logistics network.

Given its reliance on road transport and warehousing, the logistics sector plays a pivotal role in Malaysia's carbon reduction agenda. We are gearing up to shoulder greater responsibility in reducing transport-related emissions, extending to our facilities and the broader supply chain.

FM's efforts, though gradual, reflect this crucial direction. Our approach is to first strengthen emission-reduction measures within Malaysia and then progressively implement these practices to regional operations. In doing so, we not only support the country's climate goals but also build a more resilient platform to meet the evolving expectations of our diversified customer base, potential clients, regulators and stakeholders.

For a more detailed overview, please refer to the Sustainability Report.

CHAIRMAN'S STATEMENT (CONTINUED)

WHAT COMES NEXT

Over the past years, our decision to expand internationally has strengthened the Group's business and contributed positively to overall performance. Today, our Overseas Operations account for approximately 35% of Group revenue, complementing the steady foundation of our Malaysian operations. Overall, our international business except Singapore, remains profitable, validating our disciplined approach to entering new markets.

Our Singapore operations, acquired in 2023, are still in its early phase of integration. While near-term performance is moderated by external factors such as elevated costs and shifting regional trade flows, Singapore's strategic position as a regional logistics hub supports our longer-term growth agenda.

<https://theedgemalaysia.com/node/767151>

We remain selective in our expansion, evaluating risks and opportunities in mature markets, while focusing on geographies where we can build scale and cultivate long-term relationships.

Financially, the Group's revenue rose 16.6% in FY2025, with PBT up 2.4%, though higher operating costs moderated overall profitability. We remain prudent in our capital allocation and investment strategy, directing resources to strengthen the logistics ecosystem. Fleet renewal, warehousing expansion and upgrades, and route optimisation enable us to serve customers more efficiently, while positioning the Group for growth despite uncontrollable external pressures from shifting global trade and market conditions.



CHAIRMAN'S STATEMENT (CONTINUED)

**ACKNOWLEDGING THE PEOPLE AND PARTNERSHIPS
BEHIND US**

Because **SERVICE MATTERS**, I want to take this opportunity, on behalf of the Board of Directors, to express our heartfelt thanks to all who continue to mould FM's journey. The launch of our new identity, including our refreshed logo and branding, reflects a renewed sense of purpose and confidence as we embrace the opportunities ahead and reinforce our commitment to delivering reliable, high-quality service to our customers and stakeholders.

To our shareholders, customers, regulatory authorities, partners and stakeholders, your trust enables us to adapt and deliver consistent growth year after year. Your confidence allows us to stay focused, even amid uncertainty, and to remain forward-looking as we take measured steps, balancing bold initiatives with calculated risks to expand and strengthen our business in a dynamic environment.

To our Management Team and employees, you are the embodiment of **SERVICE MATTERS**. Your discipline, professionalism and commitment to delivering value every single day are what sustain FM's reputation and performance. It is through your efforts that we have been able to sharpen our capabilities, expand our network and continue to serve customers by combining efficiency with a level of care and consistency that defines the FM standard.

In conclusion, I would like to commend my fellow Board Members for their guidance, insight and oversight. It is at this time, as FM grows in size and scale, that the Board's steadfast resolve has kept us on course, ensuring responsible, accountable decision-making and a focus on long-term value creation.

At every level, service is what connects us, and it is what will continue to propel FM forward.

Thank you.

TENGGU NURUL AZIAN BINTI TENGGU SHAHRIMAN
Chairperson



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Disclaimer: The following Management Discussion and Analysis ("MD&A") is intended to convey the Management's perspective on the operating performance and financial review of FM for the financial year ended 30 June 2025 ("FY2025"). We recommend you read the MD&A in conjunction with the Financial Statements, notes thereto, and other information included in the Annual Report. The MD&A is presented according to the Main Market Listing Requirements ("MMLR") of Bursa Securities and the Malaysian Financial Reporting Standards ("MFRS"), and relates to the disclosure requirements per the Malaysian Code on Corporate Governance. Significant details on the Group's business operations, performance and strategy, as well as financial review and position, governance, risks and capital management, are covered in the MD&A. Your attention is also drawn to sections on our human capital management and sustainability efforts. This MD&A contains forward-looking statements that enable investors to gauge FM's business prospects and make informed investment decisions. However, they involve inherent risks and uncertainties and other factors that are, in many cases, beyond our control. The forward-looking statements include, but are not limited to, for instance, our FY2025 business prospects and outlook, as well as our expectations regarding the macroeconomic and socio-geographic conditions and their anticipated impact on the Group's business operations. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'expect', 'intend', 'plan', 'believe' and words of similar substance in connection with any discussion of future performance. Although FM believes that the expectations of its Management as reflected by such forward-looking statements are reasonable based on current information, no assurance can be given that such expectations will prove to have been correct. Should one or more of the risks and uncertainties materialise, actual results may vary materially from those anticipated or projected.

MANAGEMENT DISCUSSION & ANALYSIS

THE YEAR IN REVIEW

GLOBAL TRADE AND ECONOMIC TRENDS

After a record-setting year in 2024, global trade has entered a more volatile, recalibrating phase in 2025. In 2024, total trade value reached roughly US\$33 trillion, with growth driven disproportionately by services while goods trade advanced more slowly. However, the momentum in 2025 is less certain. The World Trade Organization ("WTO") has revised its 2025 merchandise trade growth forecast upward to 2.4%, attributing the rebound to strong demand for AI-related goods and pre-tariff import frontloading, a notable upgrade from its earlier 0.9% estimate. (*World Trade Organization+2Politico Pro+2*). At the same time, WTO cautions that tariff shifts, trade policy uncertainty and supply chain reconfiguration continue to pose downside risks. (*World Trade Organization+1*)

These risks have deepened in 2025. The resurgence of import frontloading, especially into the United States of America ("the USA") ahead of potential tariff changes has distorted trade flows; while escalating trade policy uncertainty (as tracked by UNCTAD) and unilateral tariff actions are raising compliance, rerouting and inventory costs for many businesses. This environment of disruption and opportunity is adding friction to global logistics, disproportionately affecting economies with tighter buffers and more limited flexibility.

On the macro side, the International Monetary Fund ("IMF") has adjusted its outlook to reflect this fragile balance: global GDP growth is projected at roughly 3.0% for 2025, easing slightly from 3.2% in 2024, and expected to edge up to 3.1 % in 2026. (*Source: IMF+1*) For logistics players, this environment means tighter margins and more stress on efficiency, especially in markets more exposed to trade volatility and shifting global demand.

For FM, these conditions affirm that sustained growth will depend less on exposure to the USA market and more on strengthening trade flows within ASEAN and other diversified corridors. The Group's operational efficiency, regional partnerships and agility in managing compliance requirements remain critical levers. Malaysia, however, is anticipated to demonstrate resilience. Malaysia's total trade for January to August 2025 rose to RM2.0 trillion, reflecting a 3.8% year-on-year ("YoY") increase, marking the highest cumulative trade value recorded for this period. Exports increased by 3.9% to RM1.0 trillion while imports grew by 3.6% to reach RM945.6 billion, resulting in a trade surplus of RM86.1 billion. (<https://www.matrade.gov.my/en/about-matrade/mediapress-releases/6427-malaysia-s-january-august-trade-grows-3-8-y-o-y-as-exports-surpass-rm1-trillion-mark-a-month-earlier>)

Growth was supported by stronger flows with ASEAN, China, the USA, the European Union ("EU") and Taiwan as well as heightened activity in Free Trade Agreement ("FTA") markets such as Canada, Türkiye and Mexico. Nonetheless, USA-driven trade actions introduced additional cost and regulatory complexity for navigating shifting trade flows and ensuring efficiency in cross-border movements as supply chains become more fragmented.

Emerging risks linked to climate regulation, including carbon border adjustment mechanisms and tighter fuel efficiency standards, are also expected to reconfigure logistics cost structures, underscoring the need for continued adaptation across FM's network. (<https://unctad.org/news/uncertainty-new-tariff-costing-global-trade-and-hurting-developing-economies>)



MANAGEMENT DISCUSSION & ANALYSIS (CONTINUED)

MALAYSIA'S TRADE PERFORMANCE IN A SHIFTING GLOBAL CONTEXT

While global trade momentum has slowed in 2025 due to tariffs, policy unpredictability and geopolitical frictions, Malaysia's external sector has remained resilient despite a more uncertain global environment. In 2024, total trade expanded by 9.2% to RM2.9 trillion, reflecting the country's continued strength in manufacturing, commodities and logistics connectivity.

For the period January to August 2025, total trade rose 3.8% year-on-year to RM2.0 trillion, supported by stronger domestic demand and stable regional trade flows. Exports increased 3.9% to RM1.0 trillion, while imports grew 3.6% to RM945.6 billion, resulting in a trade surplus of RM86.1 billion. (<https://www.matrade.gov.my/en/about-matrade/media/press-releases/6427-malaysia-s-january-august-trade-grows-3-8-y-o-y-as-exports-surpass-rm1-trillion-mark-a-month-earlier>)

Compared to the same period in 2024, Malaysia's trade momentum demonstrates continued adaptability within its supply chain ecosystem, underpinned by efficient port and logistics infrastructure. While the pace of expansion has moderated in line with softer global demand, Malaysia's position within ASEAN remains strong.

Malaysia's trade growth is projected at around 5% in 2025, driven by resilient exports, firm domestic demand and steady regional integration. Total trade is expected to reach close to RM3.0 trillion by year-end, reflecting continued stability in the nation's external sector despite global uncertainties.

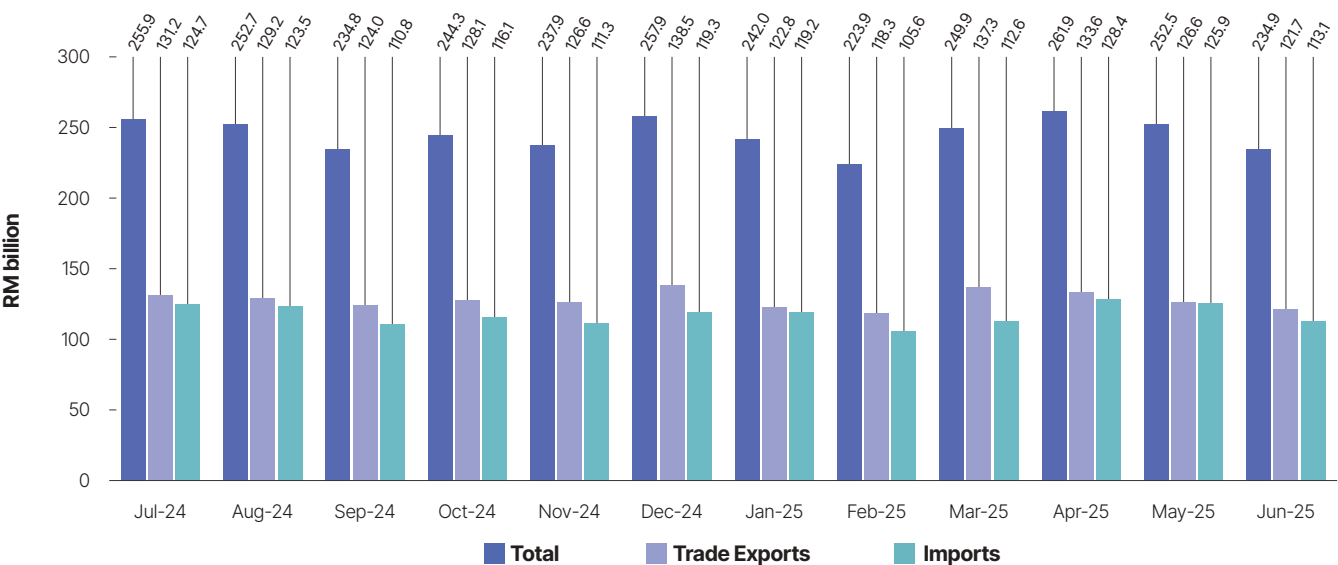
(https://www.malaymail.com/news/money/2025/08/07/miti-malaysia-set-for-rm104b-in-2025-investments-trade-target-unchanged-despite-global-headwinds/186720?utm_source=chatgpt.com)

This outlook reflects confidence in Malaysia's trade resilience, though persistent geopolitical and tariff-related uncertainties continue to weigh on sentiment.

Export performance benefited from Malaysia's diversified trading relationships and active FTA utilisation, which provided crucial buffers against geopolitical and market uncertainties. Renewed momentum in FTA markets, alongside steady demand from advanced economies, has reinforced Malaysia's trade resilience and helped offset external headwinds.

Recent US trade actions created cost and regulatory burdens for exporters and logistics providers, underscoring the need for Malaysia to deepen intra-ASEAN trade, strengthen logistics infrastructure and accelerate digital integration.

Malaysia's Trade Performance: July 2024 - June 2025



Total Trade: RM2,949 billion
Exports: RM1,538 billion
Imports: RM1,411 billion

WTO: https://www.wto.org/english/res_e/booksp_e/trade_outlook25;
unctad.org: <https://unctad.org/news/uncertainty-new-tariff-costing-global-trade-and-hurting-developing-economies>
Matrade: <https://www.matrade.gov.my/en/export-to-the-world/216-malaysian-exporters/trade-performance-2024>
BNM: <https://www.bnm.gov.my>
MOF: <https://mof.gov.my/portal/en/news/press-citations/mof-expects-malysias-economy-to-grow-moderately-in-2026>
Institute of Strategic & International Studies ("ISIS") Malaysia: <https://www.isis.org.my/2025/06/06/trump-trade-and-tariffs-impact-on-malaysia/>

MANAGEMENT DISCUSSION & ANALYSIS (CONTINUED)

FINANCIAL PERFORMANCE IN FY2025

In Financial Year 2025 ("FY2025"), FM Global Logistics Holdings Berhad ("FM") saw an uplift across its core financial metrics, surpassing FY2024's performance. This positive movement reflects the Group's agility in recalibrating operations within a more stabilised trade environment, including gains from its international operations and selective overseas footprint.

The rebound comes after two years of normalisation following the pandemic-driven peak in FY2022, when elevated freight rates had pushed up revenue to record levels. As rates normalised in FY2023 and FY2024, topline and margins moderated even as core integrated logistics activities remained steady. Against this backdrop, FY2025 marks a return to growth on a more sustainable footing, positioning FM for steadier long-term performance.

Amidst an increasingly complex global operating environment, marked by shifting trade policies, cost pressures and supply chain disruptions, FM sustained business momentum. Increases in Group Revenue, Profit Before Tax ("PBT") and net profit reflect the Group's ability to adapt to external challenges while strengthening its financial and operational fundamentals and service delivery.

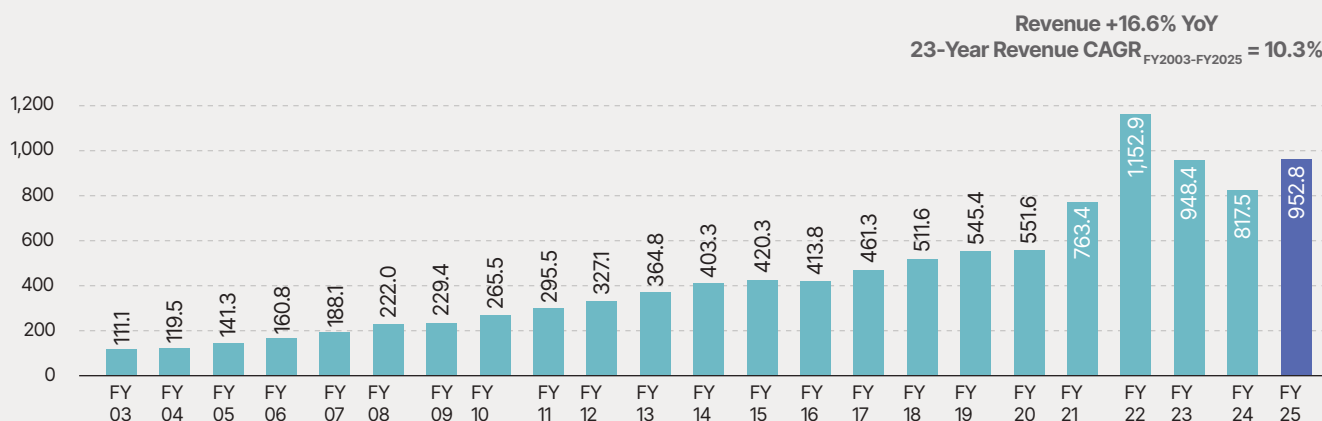


SUSTAINED GROWTH ACROSS CORE LOGISTICS SEGMENTS

Group Revenue increased to RM952.8 million for FY2025, representing a 16.6% YoY increase from RM817.5 million previously. This was the highest level recorded since FY2022 and reflected renewed momentum in topline performance.

Over the longer term, FM continues to demonstrate strong and consistent revenue growth, achieving a 23-year compounded annual growth rate ("CAGR") of 10.3% from FY2003 to FY2025.

Consistent Revenue Growth



MANAGEMENT DISCUSSION & ANALYSIS (CONTINUED)

The International Freight Division was the principal growth driver in FY2025, delivering revenue of RM710.3 million, up 22.8% from RM578.2 million in FY2024. Strong performance was recorded across both the Sea Freight and Land Freight segments, registering a 4.9% YoY increase to reach a total of 137,462 TEUs collectively.

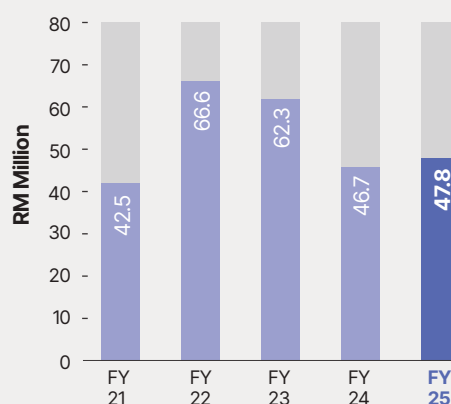
Sea Freight growth was supported by increased utilisation of key trade lanes and higher container throughput, while Land Freight maintained steady momentum, underpinned by additional asset deployment and new customer acquisitions. Air Freight expanded on the back of improved load factors and the widening of regional routes.

Domestic Logistics contributed RM242.5 million, a moderate increase of 1.3% from RM239.3 million in FY2024, reflecting stable demand in domestic supply chain services. Meanwhile, the 3PL, Warehousing & Distribution segment recorded revenue of RM118.5 million, down 10.1% from RM131.8 million in FY2024, primarily due to higher operating costs associated with the transition to the new Port Klang warehouse at Lot 16.

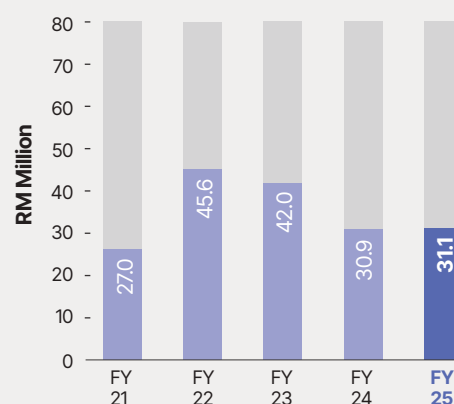
Overall, FM's segmental performance indicates resilient underlying demand across key trade lanes, with global tariff uncertainty impacting cost structures more than freight volumes.

The increase in TEUs reflects the Group's ability to manage operational complexity while maintaining service consistency. This was supported by robust engagement with business partners, expanded routing options and a continued focus on regional connectivity. Strategic efforts to enhance network agility and extend market reach are intended to support and cushion the effects of intensifying competition.

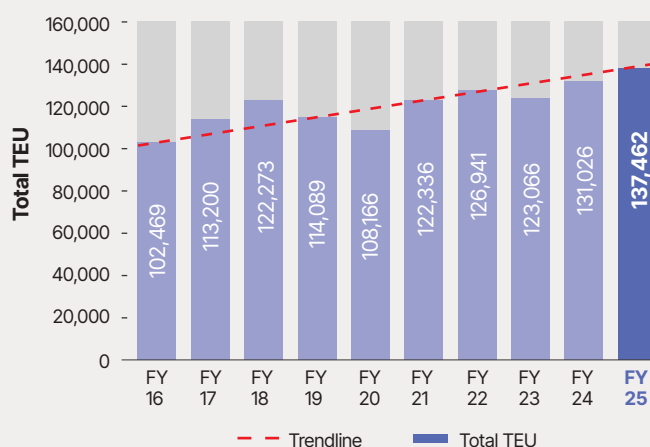
Long Term Profit - PBT



Earnings Track Record - PATAMI



Rising Volume in Twenty-Foot Equivalent Units ("TEU")



MANAGEMENT DISCUSSION & ANALYSIS (CONTINUED)

SUSTAINING PROFITABILITY AMIDST COST PRESSURES

FM maintained stable profitability in FY2025, with Profit Before Tax ("PBT") rising 2.4% YoY to RM47.8 million (FY2024: RM46.7 million). Profit After Tax and Minority Interests ("PATAMI") recorded a 0.6% increase to RM31.1 million (FY2024: RM30.9 million), while Earnings Per Share ("EPS") edged up 0.7% to 5.57 Sen from 5.53 Sen in the previous reporting period.

The results underscore the Group's financial resilience and its capacity to navigate a complex operating environment impacted by elevated freight costs and shifting trade dynamics. While tariffs do not directly impact FM, they influence global shipping flows and customer behaviour, particularly through frontloading orders and pull-forward demand ahead of policy changes. Against this backdrop, all core logistics segments, including the International and Domestic Logistics Divisions, remained profitable. All countries in which FM operates contributed positively to Group performance in FY2025, with the sole exception of Singapore.

REVIEW OF FINANCIAL POSITION

As of 30 June 2025, FM maintained a sound financial position, supported by steady asset growth and a conservative capital structure. Total assets increased 4.4% YoY to RM861.1 million (FY2024: RM824.8 million), reflecting continued investment in strategic infrastructure and operational capabilities.

The Group's balance sheet remains well-managed, with prudent capital allocation and supported long-term growth while preserving financial flexibility. The debt to equity ratio inched up slightly to 0.34 times ("x") in FY2025 (FY2024: 0.32x), reflecting higher borrowings to fund strategic infrastructure investments including the new warehouse development. Despite the slight increase, the Group continues to maintain a healthy capital structure, providing ample flexibility to support ongoing operations and growth initiatives.

SOLID ASSET BASE

Current assets totalled RM350.3 million (FY2024: RM325.0 million), a 7.8% increase. These assets were supported by RM250.3 million in receivables and RM96.7 million in cash and bank balances. These levels reflect strong liquidity and the Group's ability to meet short-term obligations, fund ongoing operations and support dividend commitments.

The Group's non-current assets were anchored by RM280.3 million in property, plant and equipment (FY2024: RM258.7 million) and RM194.8 million in right-of-use assets (FY2024: RM202.8 million).

These represent long-term investments in logistics infrastructure and capacity, aligned with FM's strategy of scaling operations across high-growth trade corridors.

LIABILITIES AND FUNDING STRUCTURE

In FY2025, FM's total liabilities increased by 11.1% to RM413.7 million (FY2024: RM372.4 million), reflecting higher short-term borrowings of RM87.9 million (FY2024: RM71.8 million) and an increase in non-current liabilities to RM172.9 million (FY2024: RM169.3 million). Within this, long-term borrowings rose to RM103.4 million from RM96.6 million previously. Current liabilities increased to RM240.9 million from RM203.1 million, up 18.6% compared to the previous reporting period.

This repositioning reflects a measured approach to capital management where reducing outstanding payables has strengthened supplier confidence, while increased borrowings have been strategically channelled into long-term investments, particularly in logistics infrastructure and capacity expansion across high-growth trade corridors. By aligning its balance sheet with growth priorities, FM has demonstrated a prudent yet progressive funding strategy that supports scalability and competitiveness, positioning the Group to capture the recovery momentum in global trade flows anticipated in 2026.

The shift from supplier credit reliance in FY2024 to debt-financed growth in FY2025 marks a deliberate recalibration of FM's funding mix. Despite the rise in borrowings, the Group maintained a resilient capital structure and liquidity position, supported by stable operating cash flows and ample reserves. This financial flexibility enables FM to pursue long-term growth initiatives without compromising operational resilience.

By embedding this capital strategy within its broader growth agenda, FM is well-placed to respond to evolving trade dynamics and seize emerging opportunities, particularly as global trade flows begin to stabilise and rebound in the coming year.

MANAGEMENT DISCUSSION & ANALYSIS (CONTINUED)

EQUITY STRENGTH REFLECTING SUSTAINED RETURNS

Shareholders' equity stood at RM427.0 million as of 30 June 2025 compared with RM432.2 million in FY2024. Return on Equity ("ROE") registered at 7.3% (FY2024: 7.1%), reflecting FM's continued ability to generate consistent and sustainable value creation for shareholders, albeit at a slightly moderated level in a more demanding and competitive environment.

FM's equity base continues to provide a strong platform for growth, reinforcing confidence in the Group's capital position. A focus on operational excellence, cost control and measured reinvestment ensures that shareholder value is not only preserved but steadily compounded over time. This capital stewardship positions FM to pursue expansion opportunities while maintaining attractive returns for its investors.

CAPITAL RETURNS STRENGTHENED BY DIVIDEND GROWTH

FM has upheld its long-standing commitment to shareholder distributions, declaring dividends consistently for 23 consecutive years. This track record exemplifies the Group's emphasis on capital returns alongside operational growth.

For FY2025, the Board declared a total dividend of 4.5 Sen per ordinary share, a 12.5% increase from 4.0 Sen per share in FY2024. This included a third interim single-tier dividend of 2.0 Sen, declared in August 2025 and paid in September 2025. In value terms, the total dividend distribution amounted to RM25.1 million, representing a 12.6% increase from RM22.3 million in FY2024. The payout ratio of 80.8% of PATAMI marks the highest in the Group's history.

The elevated distribution reflects strong cash generation and structured capital management, while ensuring adequate financial capacity to fund growth initiatives. The Group's dividend declaration will continue to be guided by earnings visibility, cash flow strength and strategic investment priorities, anchoring FM's focus on creating sustainable long-term value for shareholders.

STRATEGIC DIRECTION AND OPERATIONAL OUTCOMES

INTERNATIONAL FREIGHT DIVISION PERFORMANCE

International Freight remained the largest contributor to Group revenue in FY2025, accounting for 74.5% of Group Revenue. Segmental revenue rose 22.8% YoY to RM710.3 million (FY2024: RM578.2 million), driven by stronger performance across Sea Freight, Land Freight and Air Freight services.



Sea Freight revenue increased 24.3% to RM559.8 million (FY2024: RM450.2 million), driven by higher utilisation of strategic trade lanes and improved throughput efficiency. Land Freight revenue improved 10.3% to RM41.6 million (FY2024: RM37.7 million), supported by expanded asset deployment and new customer acquisitions. Air Freight revenue increased 20.4% to RM108.7 million (FY2024: RM90.3 million), reflecting stronger load factors and the widening of regional route coverage.

In total, Sea Freight and Land Freight cargo handled rose by 4.9%, while Air Freight growth improved as well. Collectively, the Division's performance reflects FM's operational agility and strategic alignment with evolving market conditions. Investments in routing flexibility, customer diversification and operational resilience translated into tangible revenue and measurable improvements across operations, reinforcing International Freight as a key growth engine within the Group's integrated logistics portfolio.

MANAGEMENT DISCUSSION & ANALYSIS (CONTINUED)

EXPANDING GLOBAL FOOTPRINT AND MARKET PENETRATION

FM's regional playbook has been shaped around measured growth and focused market entry, enabling the Group to scale across Southeast Asia and expand into key global trade corridors. Within ASEAN, FM maintains a strong and growing presence in Malaysia, Thailand, Indonesia, the Philippines, Singapore and Vietnam, markets that remain a key source of its growth engine. Beyond ASEAN, the Group has strategically extended its footprint to Australia, India, the USA and China, reinforcing its capabilities in high-potential international markets and diversifying its revenue base.

FM's expansion into the USA has been earnings-accretive, establishing a strong platform in forwarding and customs brokerage. Beyond the initial profit contribution, the USA operations have continued to generate incremental revenue streams, particularly from customs brokerage and expanded service offerings. This has effectively broadened FM's revenue base and reduced concentration risk, strengthening the resilience of its global portfolio.

FM's market-by-market approach ensures that expansion is grounded in demand validation and return potential.

DOMESTIC LOGISTICS DIVISION PERFORMANCE

The Domestic Logistics Division posted revenue of RM242.5 million in FY2025 compared with RM239.3 million in FY2024, a marginal increase of 1.3%, reflecting a mixed performance across its sub-segments.

Revenue from the 3PL, Warehousing & Distribution segment declined by 10.1% to RM118.5 million (FY2024: RM131.8 million), primarily due to elevated operating costs following the commencement of operations at the new Lot 16 warehouse in April 2025. While this weighed on near-term performance, the facility is expected to drive cost efficiencies and significantly enhance FM's long-term warehousing capacity.

Conversely, the Supporting Services segment (customs brokerage, haulage, e-fulfilment and last-mile distribution) delivered commendable revenue growth of 15.4%, rising to RM124.0 million from RM107.5 million in FY2024. The uptick was due to higher demand for haulage services and continued expansion in customs brokerage, demonstrating the resilience of FM's domestic network.

The Division's overall performance illustrates FM's agility in managing transitional costs while continuing to build scale in growth-supportive areas. With the Lot 16 warehouse expected to normalise costs and broaden service capacity, the Division is laying the groundwork for improved cost efficiency and scalability to achieve better earnings trajectory.

EXPANSION, NETWORK REACH AND WORKFORCE DEVELOPMENT

In FY2025, FM strengthened its footprint through selective infrastructure investments, broader service offerings and operational upgrades across its freight and logistics operations.

Key initiatives included:

STRATEGIC EXPANSION AND NETWORK STRENGTHENING**TARGETED NETWORK EXPANSION**

Acquired land banks for the development of new warehouses and fulfilment hubs to strengthen customer coverage and improve operational efficiency.

**SERVICE DIVERSIFICATION**

Expanded integrated 3PL solutions, e-fulfilment and value-added services to cater to evolving customer demands.

**DIGITAL ENABLEMENT**

Deployed tracking and analytics tools to provide real-time visibility, support capacity planning and monitor performance.

**WORKFORCE UPSKILLING**

Implemented training and development programmes to deepen operational expertise, equip employees with digital and technology-driven capabilities and support the adoption of modern logistics solutions.

These measures were implemented to strengthen FM's market presence further, improve operational flexibility and scale growth platforms. The Group continues to build on these efforts in the new financial period to sustain competitiveness and adapt to evolving market conditions.

MANAGEMENT DISCUSSION & ANALYSIS (CONTINUED)

CAPACITY EXPANSION AND ASSET OPTIMISATION

- ASSET BASE FOR SCALABLE LOGISTICS

FM currently operates approximately 1,300,000 sq ft of warehouse space, of which about 760,000 sq ft is owned and the balance leased. Warehouse capacity is treated as a strategic asset that strengthens our 3PL and Distribution offerings, rather than as a passive property portfolio. Every square foot is an enabler for our integrated services, with capacity aligned to customer demand rather than speculative supply.

Most of our major property-related capital expenditure ("CAPEX") has been executed, including the fully operational 200,000 sq ft facility at Lot 16 in Port Klang. In parallel, FM is steadily progressing with the acquisition of four parcels of land in Setia Alaman Industrial Park, totalling 11.34 acres. Agreements were signed in January and March 2024 for RM75.6 million, with payments progressing in stages under the respective Sale and Purchase Agreements ("SPAs"). Barring unforeseen circumstances, completion of the acquisitions is expected by 2026.

The newly acquired landbanks are located within a well-established industrial hub, offering direct access to major highways such as the NKVE-Setia Alam Link, NKVE, NNKSB, WCE, KESAS and Federal Highway, connectivity that is vital to efficient logistics. With these acquisitions, FM secures the headroom to grow its 3PL, Warehousing & Distribution services when customer volumes justify additional scale, ensuring that growth can be captured without delay.

FM's infrastructure strategy remains anchored in long-term scalability, service integration and network resilience. These developments are aligned with FM's strategy to future-proof its logistics network, enhance throughput capacity and ensure readiness to scale in response to customer demand and regional trade flows.

By prudently managing capacity and assets, we are positioning ourselves to grow sustainably, matching investment with customer demand, protecting margins and ensuring long-term resilience in a competitive logistics market.

- FLEET RENEWAL AND SUSTAINABLE MOBILITY

As part of its ongoing fleet renewal programme, FM invested approximately RM13.1 million in FY2025 to enhance operational efficiency and support its decarbonisation agenda. A key milestone was the signing ceremony in February 2025, where the Group acquired 20 Scania trucks equipped with Euro 5-compliant Super powertrains for RM11.0 million. These advanced vehicles are expected to deliver up to 8% fuel savings per unit, contributing to lower operating costs and reduced emissions.

Complementing this, FM also procured two JAC i75 electric trucks valued at RM557,000, marking its initial foray into electric mobility for last-mile distribution. Together, these investments reflect FM's commitment to sustainable transport solutions and its strategy to align logistics operations with evolving environmental standards and customer expectations.

As of 30 June 2025, the Group operated a transportation fleet of 331 vehicles, which remains a core asset for providing flexibility and customisation in integrated logistics solutions. Alongside fleet renewal, FM continued to rationalise underperforming assets and consolidate overlapping functions, improving utilisation and expenditure optimisation across its logistics network.

These investments, complemented by the progressive upgrade to electrical material handling equipment ("MHE") in warehouses, demonstrate FM's measured approach to embedding sustainability into operational practices. While still at an early stage, such initiatives provide the base for the Group's long-term aspirations to reduce its environmental footprint without compromising service quality or responsible capital allocation.

MANAGEMENT DISCUSSION & ANALYSIS (CONTINUED)

GEOGRAPHIC AND OPERATIONAL PERFORMANCE REVIEW

The Group's geographic performance in FY2025 reflected both the resilience of established markets and the acceleration of growth in newer territories. While Malaysia remained the cornerstone of revenue generation, increased contributions from India, the USA and Vietnam signalled a broadening base of growth drivers.

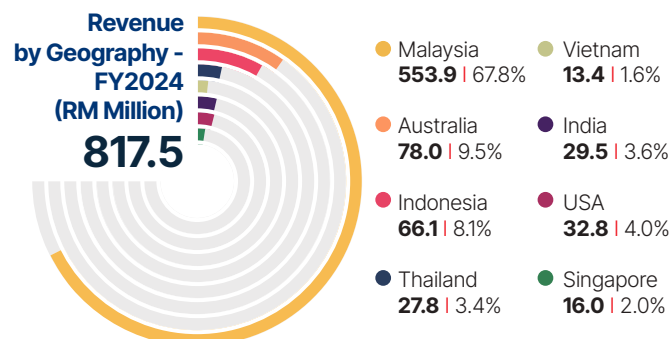
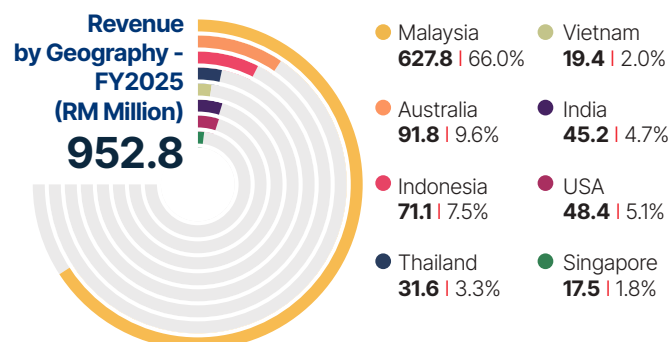
Malaysia delivered RM627.8 million in revenue compared with RM553.9 million in FY2024, an increase of RM73.9 million or 13.3%. This expansion was due to heightened activity across trade lanes and continued uptake of integrated logistics solutions.

India and the USA stood out as the fastest-growing markets. Revenue from India reached RM45.2 million from RM29.5 million, representing a YoY improvement of RM15.7 million or 53.2%, as customer penetration deepened and service offerings expanded. The USA operations contributed RM48.4 million, up from RM32.8 million, marking an increase of RM15.6 million or 47.6%, supported by improved load factors and rising demand on trans-Pacific routes.

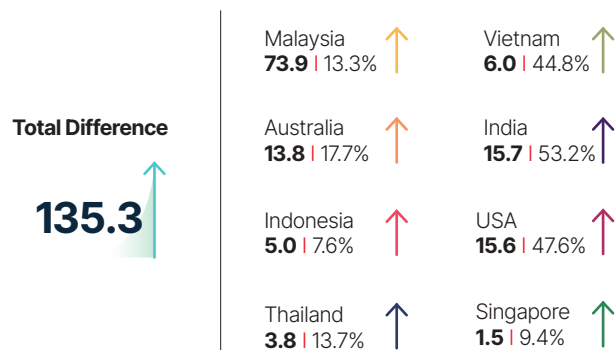
Among the more established international markets, Australia reported RM91.8 million compared with RM78.0 million in FY2024, reflecting an increase of RM13.8 million or 17.7%, while Vietnam rose to RM19.4 million from RM13.4 million, adding RM6.0 million or 44.8%. Both markets benefited from diversification of trade flows and stronger regional demand.

Growth was also recorded in Indonesia, which moved to RM71.1 million from RM66.1 million, up 7.6%; Thailand at RM31.6 million compared with RM27.8 million, increasing 13.7%; and Singapore at RM17.5 million, rising 8.7% against RM16.0 million posted in FY2024. These gains, though more modest, reinforced the consistency of performance across the Group's geographic portfolio.

Cumulatively, Malaysia's largest incremental revenue contribution in absolute terms reaffirmed its role as the Group's anchor market. At the same time, the outsized growth rates in India, the USA and Vietnam underscored FM's ability to capture opportunities across diverse trade corridors, balancing scale with emerging growth momentum.



Revenue by Geography: YoY Growth, FY2024 vs. FY2025 (RM Million)



MANAGEMENT DISCUSSION & ANALYSIS (CONTINUED)

INTEGRATED PERSPECTIVE ON GEOGRAPHIC PERFORMANCE

Cumulatively, Malaysia delivered the largest incremental revenue contribution in absolute terms, reaffirming its role as the Group's anchor market. As FM's most established and strategically positioned geography, Malaysia is expected to lead the Group's next phase of growth by driving Environmental, Social and Governance ("ESG") integration, accelerating digital transformation and advancing workforce capability. The Group's operational agility has been strengthened through disciplined capital deployment, digital enablement and the continuous development of a skilled, future-ready workforce through upskilling, multi-skilling and succession planning.

These outcomes reflect the deliberate and interconnected application of FM's six capitals: financial, manufactured, intellectual, human, social and natural to generate sustainable value.

Further details on these interdependencies and impact are outlined in the Sustainability Report.

MANAGING RISKS AND OPPORTUNITIES

OPERATING IN A HEIGHTENED RISK ENVIRONMENT

In an environment influenced by shifting trade policies, uneven global recovery and rising geopolitical tensions, risk management has become central to the Group's strategic and operational priorities. Unexpected developments, coupled with persistent cost pressures and currency fluctuations, underscored the need for a more responsive and forward-looking risk framework.

FM's continued expansion across international markets brings both opportunity and complexity, requiring closer scrutiny of operational, financial and compliance risks at the local level. Over the past four years, the global economic instability has reinforced the importance of agility in managing risks. In response, FM has continued to enhance its Enterprise Risk Management ("ERM") system to improve efficiency, adaptability and strategic responsiveness.



Against this backdrop, the Group has strengthened its internal processes to anticipate, assess and respond to a broader spectrum of risks. This includes aligning governance structures, refining business continuity measures and ensuring that resilience is embedded across all aspects of the business.

This approach has allowed the Group to remain operationally resilient while adapting to constant external pressures. The ERM framework continues to be reviewed and strengthened to ensure that risk identification, escalation and mitigation are consistent across all operations, both domestic and international.

Cybersecurity was identified as a key risk area in FY2023 and remained a top priority during the reporting period. In response, FM implemented a comprehensive mitigation strategy to strengthen its digital infrastructure and reduce exposure to cyber threats. As a result of these measures, the Group's overall cybersecurity risk profile has improved. While vigilance remained high throughout FY2025, the effectiveness of daily monitoring, swift response protocols and tightened access controls has contributed to a more secure and resilient digital environment.

MANAGEMENT DISCUSSION & ANALYSIS (CONTINUED)

COMPREHENSIVE APPROACH TO RISK MANAGEMENT

FM's risk management approach goes beyond prevention, focusing on proactive measures to manage and mitigate the impact of potential threats.

This extends across several key areas:

EFFECTIVE IMPACT CONTROL

Our strategy focuses on more than just risk avoidance; it empowers us to proactively manage and mitigate the impact when threats arise.

ENHANCED DECISION-MAKING

By implementing risk management practices, we instill confidence in our decision-making processes, ensuring that choices are well informed and aligned with our long-term objectives.

ATTAINING STRATEGIC GOALS & KEY PERFORMANCE INDICATORS ("KPIs")

Our risk management framework is tailored to safeguard against potential disruptions and advance toward our strategic goals/KPIs, ensuring stability and growth.

BUILDING TRUST

We cultivate trust among our valued stakeholders, including customers, employees and partners, by demonstrating our commitment to responsible risk management.

OPERATIONAL STABILITY

Our approach contributes to stabilising our commercial operations, safeguarding against unforeseen disruptions that could impact our day-to-day activities.

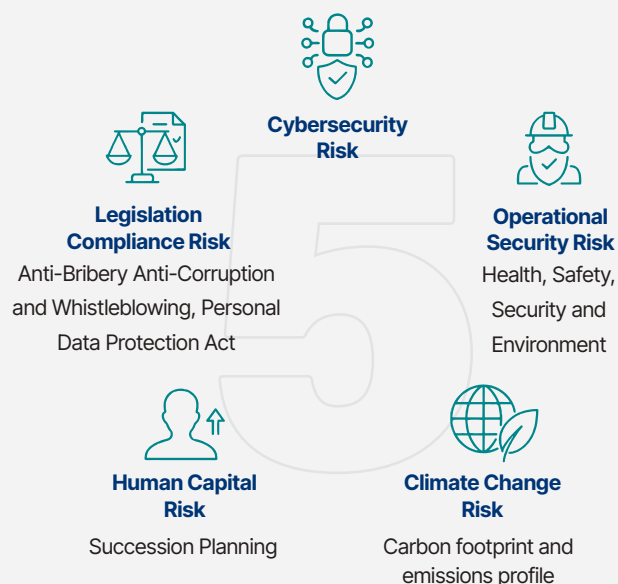
ASSET PROTECTION

We prioritise the protection of our valuable human resources and assets, ensuring resilience in overcoming various risks and threats.

ECONOMIC GAINS

Our proactive efforts lead to economic gains by preventing potential losses, bolstering our financial health and fostering sustainability in a volatile business landscape.

THE TOP FIVE HIGH RISK AREAS IDENTIFIED IN FY2025



1. ECONOMIC RISKS

Economic risks remain a constant consideration, particularly given the continued unpredictability in global markets. Shifts in customer demand, trade policies and currency fluctuations can affect pricing, margins and operational planning. Inconsistent customer volumes and supply chain inefficiencies may also result in overcapacity or missed opportunities, especially during periods of heightened uncertainty.

MITIGATION: To manage demand-related risks, FM places strong emphasis on customer engagement, data-driven analysis and scenario planning. Feedback forms and regular client interactions provide insights that support service adjustments, improve forecasting and guide commercial decisions.

The Group continues to build a diversified customer base and maintain contingency plans to support emergency responses. In addition, FM monitors the impact of currency movements on operating costs and profitability. Where possible, contractual safeguards are incorporated, while diversification across markets and services offers further protection against economic shocks.

MANAGEMENT DISCUSSION & ANALYSIS (CONTINUED)

2. COMPETITION RISKS

Loss of sales due to competitive market and pricing pressures remains a key concern. Rapid growth driven by innovation and technology presents opportunities, but also intensifies competition, strains resources and raises customer expectations. The departure of key personnel to competitors risks loss of critical knowledge and weakens FM's competitive position.

MITIGATION: FM conducts sales meetings to forecast revenue and expenses, enabling proactive responses to performance fluctuations. Operational costs and competitor pricing are regularly reviewed, with flexible pricing and targeted market segmentation.

Customer retention is prioritised alongside new business development, with a strategic focus on niche markets. Access to resources and technology innovation supports operational productivity and adaptability.

Succession planning and talent retention strategies, including competitive compensation and career development, mitigate the risk of losing key staff. Non-compete clauses and retention agreements further safeguard our long-term growth and reputation.

3. OPERATIONAL RISKS

Operational risks arise from service execution gaps that may affect customer satisfaction and business continuity. These include failure to meet contractual obligations, delays in responsiveness and errors in documentation, all of which can disrupt workflows, incur penalties or result in reputational loss.

MITIGATION:

FM maintains close engagement with customers to ensure service expectations are clearly understood and met. Dedicated key account monitoring, supported by the customer portal, helps improve communication and track performance in real time. Internally, clear deadlines and an outcome-driven culture support timely and efficient service delivery.

To reduce the risk of documentation errors, employees are trained to uphold strict accountability. Submissions for customs processing are subject to internal checks and require prior customer confirmation. The use of a centralised Harmonised System ("HS") Code reference list further ensures accuracy, while close coordination with overseas agents helps streamline inbound notifications and avoid delays.

4. SOCIAL ASPECT (WORKPLACE / MARKETPLACE COMMUNITY)**OPERATIONAL SAFETY RISKS**

Failure to provide a safe working environment that complies with Health, Safety, Security and Environment ("HSSE") policies and regulations can lead to hazardous conditions. Beyond inadequate training and misuse of personal protective equipment ("PPE"), risks also arise from gaps in awareness, understanding and consistent adherence to standard operating procedures. Non-compliance, whether due to human behaviour, disregard for instructions or weak enforcement, heightens the likelihood of accidents, injuries or fatalities. Such lapses not only compromise employee welfare but can also lead to legal liabilities, operational disruptions and reputational harm.

MITIGATION: FM implements structured safety training programmes steered by clear guidelines and supported by comprehensive training records. Weekly sessions, informed by Potential Incident Near Miss ("PINM") reports and annual refresher programmes, reinforce HSSE principles and promote a culture of vigilance. To deepen operational capability, targeted job-specific training is conducted to ensure employees understand both the procedures and the rationale behind them.

Risk mitigation is reinforced through regular hazard assessments, unannounced spot checks and the appointment of dedicated safety supervisors. These measures are backed by clear escalation protocols and prompt corrective measures when non-compliance is identified. A proactive safety culture is cultivated through visible leadership engagement, ongoing communication initiatives and the recognition of safe work practices.

Within the Transport and Haulage Division, drivers undergo annual training and assessments, complemented by periodic toolbox talks. Advanced GPS tracking and telematics monitor driver behaviour in real time, enabling timely interventions to reduce accident risk. FM also promotes fatigue management, strict adherence to rest hours and regular health checks for drivers to ensure sustained operational safety.

Collectively, these measures embed safety into daily operations, strengthen accountability at all levels and mitigate the risk of incidents that could compromise employee welfare, legal compliance or the Group's reputation.

5. ENVIRONMENTAL ASPECT – CLIMATE CHANGE RISK

The long-term impact of greenhouse gas (“GHG”) emissions on climate change extends beyond environmental degradation, influencing the resilience of communities, supply chains and global trade flows on which FM's business depends. As a logistics provider, FM's operations, ranging from freight movement to warehousing and haulage, are inherently linked to energy consumption and fuel use, making the Group's emissions profile a material consideration in both risk and opportunity management.

Heightened regulatory scrutiny, evolving customer expectations and the shift towards lower-carbon supply chains create pressures that can affect competitiveness if not proactively managed. To address this, FM continues to broaden the scope of measurement and disclosure of its emissions, aligning with recognised reporting standards and benchmarks. These insights strengthen strategic decision-making by identifying emission “hot spots” across operational segments, enabling targeted efficiency measures, fleet modernisation and investment in cleaner technologies.

By embedding climate-related risks and opportunities into business planning, FM seeks to enhance its long-term environmental positioning, safeguard its licence to operate, and support stakeholders' transition towards more sustainable trade and logistics networks.

MITIGATION: FM is progressively capturing opportunities from the global transition towards low-carbon logistics. The partnership with Solarvest, formalised in February 2025, facilitates the integration of renewable energy solutions into warehouse operations, reducing reliance on the grid and stabilising long-term energy costs.

The Group's fleet upgrade programme involves the phased replacement of older vehicles with Scania's EURO-standard models and JAC Motors' electric trucks, supporting both emissions reduction and cost efficiency over the asset lifecycle. Conventional diesel and gas-powered MHE are also being replaced with electric models, enhancing energy efficiency and supporting more sustainable warehouse operations. While the Malaysia operations are leading the implementation of these initiatives, a gradual roll-out to FM offices worldwide is underway.

Collectively, these measures strengthen FM's capacity to meet customer demand for greener supply chains, build resilience against tightening regulations and reinforce its positioning as an environmentally responsible logistics provider.

MANAGEMENT DISCUSSION & ANALYSIS (CONTINUED)

6. SOCIAL (WORKPLACE) ASPECT - HUMAN CAPITAL RISK

High staff turnover driven by inadequate welfare, excessive workloads and low morale can erode productivity, elevate recruitment costs and weaken organisational resilience. In parallel, insufficient succession planning may widen talent gaps, hinder leadership continuity and disrupt long-term growth. Addressing these risks is critical to sustaining operational stability and maintaining a skilled, motivated workforce.

MITIGATION: FM manages workforce-related risks by fostering a supportive work environment through flexible work arrangements, balanced workloads and open communication channels. A pilot recognition programme has been introduced to strengthen morale, complemented by structured engagement initiatives and mentorship support. Targeted training and on-the-job development opportunities are implemented to enhance capability and career progression. Succession planning is being streamlined to build a strong leadership pipeline, ensuring continuity, reducing talent gaps and reinforcing organisational stability over the long term.



MANAGEMENT DISCUSSION & ANALYSIS (CONTINUED)

7. GOVERNANCE ASPECT - LEGISLATION AND COMPLIANCE RISKS

Non-compliance with applicable laws and regulations exposes FM to legal, financial and reputational risks. Key areas of exposure include:

Anti-Corruption and Anti-Bribery ("ABAC"): Failure to comply with the Malaysian Anti-Corruption Commission ("MACC") Act 2009, together with broader ABAC requirements in overseas jurisdictions, could result in regulatory sanctions, penalties and loss of stakeholder trust.

Whistleblowing ("WB"): Weaknesses in whistleblowing mechanisms may discourage employees or stakeholders from reporting misconduct, leading to unaddressed breaches of integrity.

Data Privacy and Cybersecurity: Non-compliance with the Personal Data Protection Act ("PDPA") and equivalent international privacy laws can result in penalties, reputational harm and erosion of stakeholder confidence.

Operational and Trade Regulations: Non-adherence to customs, trade and transport-related laws, such as import/export documentation standards, hazardous goods handling requirements and occupational safety regulations, could disrupt operations, incur penalties and impact FM's licence to operate.

Corporate Governance Standards: Gaps in internal oversight, Board reporting and stakeholder disclosures may undermine transparency and accountability, weakening investor confidence.

MITIGATION: FM has established comprehensive governance structures to mitigate these risks.

ABAC and WB: Group-wide ABAC and WB policies are in place, reinforced by mandatory onboarding and annual refresher training. Full compliance has been achieved in Malaysia, with rollout to overseas operations ongoing. The respective Head of Department is required to report all breaches to both the Legal and Compliance teams.

In line with Bursa Malaysia's requirements, an ABAC risk assessment was also conducted and disclosed in the Sustainability Report, further strengthening the Group's governance framework and commitment to ethical conduct.

Controls and Audits: Procurement processes incorporate integrity checks and vendor performance assessments. Internal audits, spot reviews and Board-level updates ensure accountability and continuous improvement.

Data Protection and Cybersecurity: PDPA compliance is maintained through updated policies, employee training, regular data audits and strengthened cybersecurity controls. Incidents are logged and reported in line with regulatory guidelines.

Operational Compliance: Standard operating procedures are aligned with customs, transport and HSSE regulations. Training and audits ensure adherence to local and international standards, reducing operational and legal risk.

Governance Oversight: Periodic Board reporting, combined with a culture of transparency, reinforces accountability and strengthens stakeholder confidence.



8. FINANCIAL MANAGEMENT RISKS

The recovery of trade receivables and effective cash flow management remain critical to FM's financial stability. Trade receivables form a significant component of the Group's assets, requiring careful judgment in assessing allowances for impairment losses.

Bad debts can lead to higher provisions and cash flow strain if credit controls are not strictly enforced. In addition, a high volume of credit notes may signal systemic weaknesses in billing or service fulfilment, with potential implications for revenue accuracy, audit exposure and even fraud risk.

MITIGATION: FM addresses these risks through structured credit control processes, including credit and background checks prior to extending terms, clear contractual agreements and ongoing monitoring of receivables. Payment reminders and, where necessary, service disruption clauses protect cash flow and reduce credit exposure. Close follow-ups and targeted collection efforts strengthen debt recovery.

Root cause analyses are carried out to manage credit note volumes, with corrective actions implemented through quality control measures. Initiatives such as automated quote generation, standardised price tolerance terms and reduced manual input enhance accuracy, efficiency and financial oversight.

Audit procedures, carried out with the involvement of component auditors, included reviewing ageing analyses, testing subsequent collections, assessing the adequacy of impairment allowances and ensuring disclosures were appropriate.

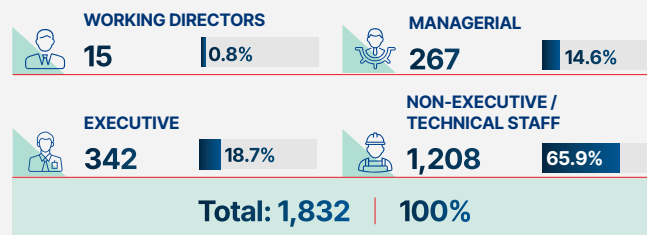
Further details on these procedures and results are provided in the Statement of Risk Management and Internal Control, Sustainability Report and Independent Auditors' Report in this Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS (CONTINUED)

STRENGTHENING HUMAN CAPITAL TO CATALYSE PROGRESS

With a workforce of over 1,800 employees as of 30 June 2025, FM focused on strengthening capabilities, closing skills gaps and ensuring the Group is equipped to meet both immediate operational demands and long-term strategic growth. Restructuring and process consolidation during the year enabled more effective talent deployment, streamlining functions and aligning manpower with areas of highest impact. Targeted upskilling and multi-skilling initiatives enhanced workforce versatility, enabling employees to contribute across segments of the logistics value chain.

The workforce composition reflects FM's operational priorities: non-executive and technical employees comprise more than two-thirds of total headcount, executive staff account for nearly a quarter, while management represents a smaller proportion. This structure supports a lean leadership model underpinned by a strong base of technical and professional talent.



Despite turnover pressures in a competitive logistics sector, FM's tenure profile remains stable. Long-serving employees reflect the Group's pragmatic approach to people management, where balanced workloads, opportunities for advancement and a culture of inclusivity have fostered loyalty and retention. The higher female representation across all employment categories, especially at executive and non-executive levels, underscores the strength of FM's diverse talent pool.

Overall, FM's investment in people ensures that technical expertise, service orientation and adaptability are embedded throughout the Group. This positions the workforce not only as an operational backbone but also as a catalyst for growth within FM's integrated logistics model.

MANAGEMENT DISCUSSION & ANALYSIS (CONTINUED)

ENHANCING TALENT CAPABILITIES

Developing internal talent remained a strategic priority during the reporting period. Increased investment in training and upskilling supported FM's aim of building a capable, future-ready workforce. Programmes were structured to meet evolving operational needs, with coverage across all job levels.

Learning initiatives focused on technical competencies and leadership development strengthened organisational resilience in a competitive market. These efforts also reflect FM's ongoing focus on workforce sustainability and internal succession planning.

OPERATIONAL EXCELLENCE AND COMPLIANCE AS DIFFERENTIATORS

FM continues to raise the bar on operational excellence, maintaining compliance with globally recognised standards, including ISO 9001:2015 Quality Management System, ISO 45001:2018 Occupational Health and Safety Management System and ISO 14001:2015 Environmental Management System. These certifications underpin the Group's ability to deliver consistent, high-quality services across diverse markets.

The retention of the Authorised Economic Operator ("AEO") certification further streamlines FM's customs processes, enabling faster, more efficient cross-border transactions for clients. Complementing this, specialised certifications, including Good Distribution Practice for Medical Devices ("GDPMD") and Halal certifications from the Department of Islamic Development Malaysia ("JAKIM"), highlight FM's ability to support highly regulated sectors with precision and reliability.

SUSTAINING QUALITY VIA BEST PRACTICES

FM continued to uphold industry best practices by maintaining all key operational certifications in FY2025, affirming adherence to international quality standards, regulatory compliance and customer assurance across logistics and warehousing services. These certifications validate FM's operational discipline and reflect its commitment to continuous improvement and global alignment.

Beyond Malaysia, selected certifications were extended to overseas operations, further embedding a consistent framework of quality, safety and environmental management across the Group's regional network.

CERTIFICATIONS RETAINED IN FY2025 (MALAYSIA)

- ISO 9001:2015 Quality Management System
- ISO 14001:2015 Environmental Management Systems
- ISO 45001:2018 Occupational Health and Safety Management System
- Halal Certifications for Transport and Warehousing (JAKIM)
 - MS 2400-1:2019 (Transportation)
 - MS 2400-2:2019 (Warehousing)
- Good Distribution Practice for Medical Devices ("GDPMD")
- Authorised Economic Operator ("AEO")

CERTIFICATIONS ACHIEVED AT OVERSEAS OFFICES



These targeted achievements underscore FM's commitment to harmonised quality standards at critical sites in the region, strengthening stakeholder confidence and helping to ensure consistent service delivery where it matters most.

MANAGEMENT DISCUSSION & ANALYSIS (CONTINUED)

ESG INVESTMENTS DRIVING VALUE CREATION

ON TRACK WITH DECARBONISATION EFFORTS

FM recognises that long-term resilience depends on managing both financial and non-financial drivers of value. While the Group remains committed to all pillars of sustainability, FY2025 efforts focused on climate change mitigation, reflecting its material relevance to logistics operations and stakeholder expectations.

Through partnerships with Scania Malaysia, JAC Motors Malaysia and Solarvest Energy, FM invested approximately RM13.1 million in environmental initiatives during the year. This comprised the procurement of 20 Scania Euro 5-compliant prime movers (RM11.0 million), the purchase of two JAC i75 electric trucks for urban logistics (RM0.6 million) and the installation of solar systems in warehouses by Solarvest (RM1.5 million). These investments represent not only a commitment to sustainability but also a strategic allocation of capital aimed at enhancing efficiency and long-term competitiveness.

The tangible outcomes include lower fuel consumption, reduced operating costs and measurable cuts in the Group's carbon footprint. The non-tangible outcomes extend to improved stakeholder trust, strengthened customer relationships through greener supply chains and closer alignment with global decarbonisation trends.

Employees are actively engaged in this transition, from training drivers to operate energy-efficient vehicles to warehouse teams managing solar-powered facilities and technical staff overseeing the deployment of new equipment. This involvement fosters ownership, embeds ESG awareness across the workforce and ensures that sustainability practices are carried out on the ground.

Together, these measures demonstrate FM's move beyond compliance-driven activities towards ESG investments that directly link operational efficiency with long-term value creation. As these initiatives gain traction across the Group's network, they reinforce FM's positioning as a responsible logistics partner, capable of balancing business performance with environmental and social impact.

This integrated approach reflects a shift from compliance-driven initiatives to strategic ESG investments that embed environmental considerations into FM's core operating model. The Group plans to progressively extend these practices across its regional offices, ensuring consistency in standards and reinforcing its role as a responsible enabler of global trade.



MANAGEMENT DISCUSSION & ANALYSIS (CONTINUED)

STRENGTHENING SOCIAL AND COMMUNITY BONDS

FM's social initiatives are anchored in the conviction that strong relationships within the workplace and with surrounding communities are integral to sustainable growth. In FY2025, efforts centred on fostering a culture of inclusivity among employees, while extending meaningful engagement to the communities in which the Group operates.

Cultural and festive events, employee appreciation ceremonies and inter-departmental activities reinforced unity across a multi-racial and multi-religious workforce. This diversity strengthens FM's ability to operate with international-level professionalism while maintaining a local touch, ensuring relevance and resonance in every market where it is present.

These initiatives are not merely symbolic as they provide platforms for employees to engage meaningfully with one another and to participate in volunteerism and social responsibility programmes that support education, wellbeing and community development. By embedding these practices across its network, FM reinforces cohesion internally and trust externally.

The result is more than social goodwill. Through these interactions, a cohesive workforce can drive higher productivity and retention, while strong community relationships enhance stakeholder trust and operational continuity.

For further details, please refer to the Sustainability Statement in this Annual Report.

OUTLOOK AND PROSPECTS

In 2025, the trade and logistics landscape is less about steady momentum and more about how quickly operators can adapt to volatility. For FM, this means sharpening focus on agility, risk management and the ability to capture new opportunities as the environment shifts. Key trends expected to define FM's operating context include:

SUPPLY CHAIN RESILIENCE OVER COST EFFICIENCY

Organisations are increasingly prioritising diversified supplier networks, regional sourcing and multiple transit routes to buffer against disruptions. FM's broad coverage and integrated service model position it to support customers as resilience becomes as important as lowest-cost sourcing.

REGULATORY DIVERGENCE AND TARIFF RISK

Emerging trade policies, protectionist measures and non-tariff barriers are creating friction in cross-border logistics. FM's governance practices and regional presence provide the agility to manage compliance requirements and reduce customer disruption.

TECHNOLOGY, DIGITALISATION AND DATA VISIBILITY

Advances in Artificial Intelligence ("AI"), Internet of Things ("IoT") and analytics are unlocking better forecasting, real-time tracking and more agile decision-making. FM's investment in digital platforms and telematics strengthens operational reliability, reduces waste and improves supply chain visibility.

COST PRESSURES FROM INFLATION AND INPUT VOLATILITY

Rising costs of energy, fuel, raw materials and labour are tightening margins. In Malaysia, inflation is projected to average about 2.0% to 3.5% in 2025 and the removal of subsidies (e.g., fuel) presents both a risk to the cost base and an opportunity for more optimised energy usage and investments in efficiency. FM counters these pressures through strategic cost management and efficiency initiatives, including renewable energy deployment and the transition to fuel-efficient fleets.



MANAGEMENT DISCUSSION & ANALYSIS (CONTINUED)

EXPORT GROWTH UNDER UNCERTAINTY

While demand remains firm in key sectors (for example, electronics, agriculture), global demand volatility and trade policy uncertainty are dampening the recovery of trade volumes. Malaysia's economic growth is forecasted between 4.0% and 4.8% for 2025, with exports sensitive to external tariffs and non-trade barriers. FM's presence along intra-Asia corridors and its ability to support supply chain diversification create opportunities to capture growth despite global headwinds.

For FM, these structural shifts of intra-Asia trade and the acceleration of nearshoring strategies reaffirm the importance of the value of our regional presence and measured expansion. By building on our integrated service model, strengthening regional connectivity and maintaining a clear focus on operational reliability, we are positioned to support customers navigating an evolving trade environment. While uncertainties remain, our emphasis on scalable solutions and long-term partnerships allows us to participate meaningfully in emerging growth corridors without compromising financial prudence or overextending our capability and capacity in uncertain conditions.

FM remains cautiously optimistic about its prospects. The Group's international footprint, spanning 10 countries, continues to provide resilience and strategic flexibility, with overseas operations contributing around one-third of revenue and profit. This geographic diversification has helped buffer the business against a range of external shocks, including shifts in global trade policies and market dynamics.

For FY2026, we anticipate building on continuous momentum, supported by improved operational efficiency, prudent cost management and growing traction across both domestic and international segments. Internal restructuring and enhanced asset utilisation are expected to support margin expansion.

As a homegrown Malaysian enterprise with nearly four decades of operational excellence, FM stands on the precipice that legacy and agility can co-exist. The Group's journey, from its founding vision to its current regional footprint, ideally reiterates that scale, resilience and global competitiveness are achievable without compromising the values that built the business. By leveraging its integrated logistics model, diversified customer base and regional connectivity, FM has set its pace to navigate evolving trade patterns and deliver on its promise that **SERVICE MATTERS**, in every interaction, and in every market it serves.

World Trade Organization: https://www.wto.org/english/res_e/booksp_e/trade_outlook25
unctad.org: <https://unctad.org/news/uncertainty-new-tariff-costing-global-trade-and-hurting-developing-economies>

Matrade: <https://www.mtrade.gov.my/en/export-to-the-world/216-malaysian-exporters/trade-performance-2024>

BNM: <https://www.bnm.gov.my>

MOF: <https://mof.gov.my/portal/en/news/press-citations/mof-expects-malaysias-economy-to-grow-moderately-in-2026>

Institute of Strategic & International Studies (ISIS) Malaysia: <https://www.isis.org.my/2025/06/06/trump-trade-and-tariffs-impact-on-malaysia/>

S&P Global: <https://www.spglobal.com/en/research-insights/market-insights/geopolitical-risk/supply-chain-resilience>

World Economic Forum: <https://www.weforum.org/stories/2025/01/5-key-actions-business-fragmented-geoeconomic-landscape/>

Reuters: <https://www.reuters.com/world/asia-pacific/malaysias-economy-projected-grow-4-48-this-year-central-bank-says-2025-07-28/>





02

PERFORMANCE & LEADERSHIP

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FINANCIAL HIGHLIGHTS

STATEMENTS OF COMPREHENSIVE INCOME (RM'000)

	FY2021	FY2022	FY2023	FY2024	FY2025
Revenue	763,431	1,152,945	948,361	817,477	952,780
Profit Before Taxation ("PBT")	42,496	66,613	62,252	46,656	47,764
Profit After Tax and Minority Interest ("PATAMI")	27,035	45,585	42,007	30,895	31,100
Net Earnings Per Share (sen)	4.84	8.16	7.52	5.53	5.57
Gross Dividend Per Share (sen)	4.00	4.00	4.00	4.00	4.50

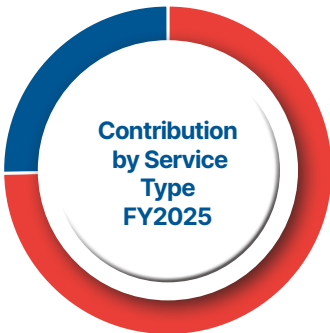
STATEMENTS OF FINANCIAL POSITION (RM'000)

	FY2021	FY2022	FY2023	FY2024	FY2025
No. of Shares in Issue ('000)	558,445	558,445	558,445	558,445	558,445
Paid-up Share Capital	104,290	104,290	104,290	104,290	104,290
Reserves	228,109	257,285	279,729	327,953	322,667
Net Assets Per Share (RM)	0.60	0.65	0.69	0.77	0.76

REVENUE ANALYSIS (RM Million)

Contribution by Service Type

	FY2021	FY2022	FY2023	FY2024	FY2025
International Freight	609.7	988.9	715.3	578.2	710.3
Domestic Logistics	153.7	164.0	233.0	239.3	242.5
Total	763.4	1,152.9	948.4	817.5	952.8



■ International Freight
74.5%
FY2024: 70.7%

■ Domestic Logistics
25.5%
FY2024: 29.3%



■ Malaysia
66.0%
FY2024: 67.8%

■ Australia
9.6%
FY2024: 9.5%

■ Indonesia
7.5%
FY2024: 8.1%

■ USA
5.1%
FY2024: 4.0%

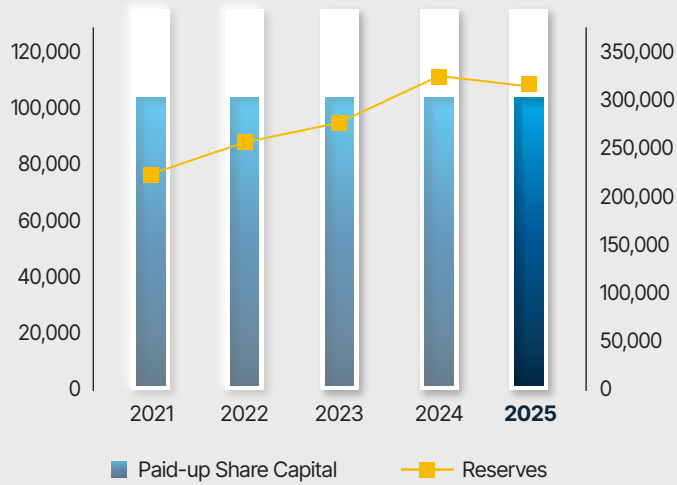
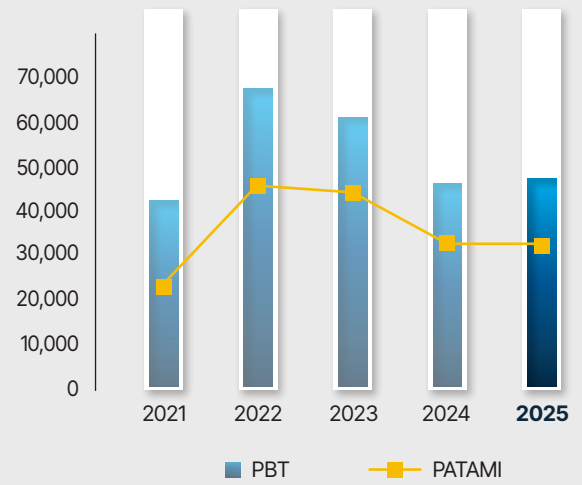
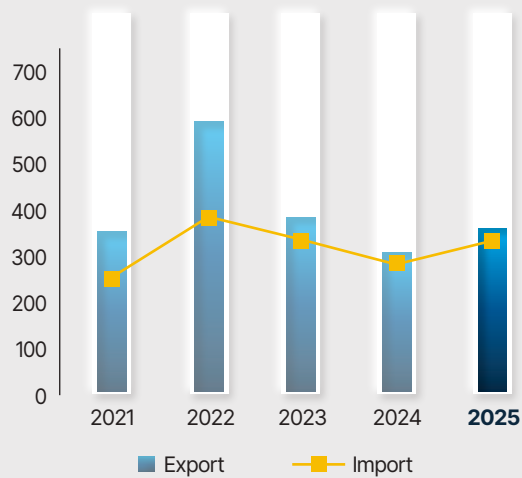
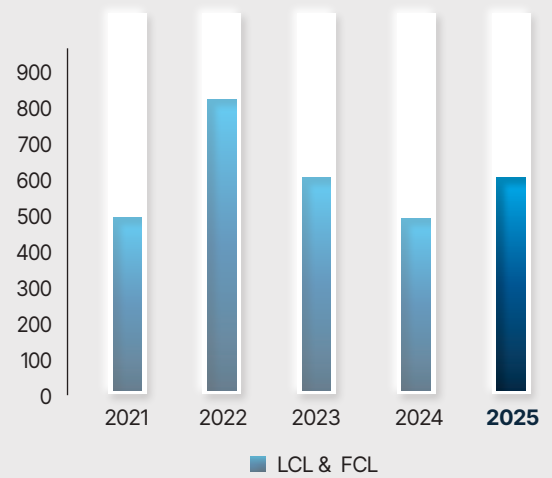
■ India
4.7%
FY2024: 3.6%

■ Thailand
3.3%
FY2024: 3.4%

■ Singapore
1.8%
FY2024: 2.0%

■ Vietnam
2.0%
FY2024: 1.6%

FINANCIAL HIGHLIGHTS (CONTINUED)

SHAREHOLDERS' FUNDS
(RM'000)PROFIT BEFORE TAX ("PBT")/
PROFIT AFTER TAX AND MINORITY
INTEREST ("PATAMI") (RM'000)REVENUE ANALYSIS BY SERVICE TYPE
(RM Million)REVENUE ANALYSIS BY CONTAINER MODE
(RM Million)

CORPORATE INFORMATION

BOARD OF DIRECTORS

Tengku Nurul Azian
Binti Tengku Shahriman
*Chairperson/
 Independent Non-Executive Director*

Chew Chong Keat
Group Managing Director

Yang Heng Lam
Executive Director

Gan Siew Yong
Executive Director

Ong Looi Chai
Executive Director

Soh Chin Teck
Independent Non-Executive Director

Lau Swee Chin
Independent Non-Executive Director

Francis Lee Fook Wah
Non-Independent Non-Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Chairman
Soh Chin Teck
 Independent Non-Executive Director

Members
Tengku Nurul Azian
Binti Tengku Shahriman
 Independent Non-Executive Director

Lau Swee Chin
 Independent Non-Executive Director

NOMINATION AND REMUNERATION COMMITTEE

Chairperson
Lau Swee Chin
 Independent Non-Executive Director

Members
Tengku Nurul Azian
Binti Tengku Shahriman
 Independent Non-Executive Director

Soh Chin Teck
 Independent Non-Executive Director

COMPANY SECRETARIES

Foo Pei Koon (MAICSA 7067238)
 (SSM Practicing Certificate No. 202108000380)

Te Hock Wee (MAICSA 7054787)
 (SSM Practicing Certificate No. 202008002124)

REGISTERED OFFICE

Unit 30-01, Level 30, Tower A,
 Vertical Business Suite, Avenue 3,
 Bangsar South, No. 8, Jalan Kerinchi,
 59200 Kuala Lumpur, Malaysia.

+603-2783 9191

+603-2783 9111

info@vistra.com

HEAD/MANAGEMENT OFFICE

Lot 37, Lebuhr Sultan Mohamed 1,
 Kawasan Perindustrian Bandar Sultan
 Suleiman, 42000 Port Klang,
 Selangor Darul Ehsan, Malaysia.

+603-3176 1111 /

+603-3322 3111

+603-3176 8634

www.fmgloballogistics.com

PRINCIPAL BANKERS

Bangkok Bank Berhad
 Hong Leong Bank Berhad
 HSBC Amanah Malaysia Berhad
 Maybank Islamic Berhad
 OCBC Al-Amin Bank Berhad
 RHB Islamic Bank Berhad

AUDITORS

Crowe Malaysia PLT
 [Firm No. 201906000005
 (LLP0018817-LCA) & AF 1018]
 Chartered Accountants
 Level 16, Tower C, Megan Avenue II,
 12, Jalan Yap Kwan Seng,
 50450 Kuala Lumpur, Malaysia.

+603-2788 9999

+603-2788 9998

www.crowe.my

SOLICITORS

Wong Lu Peen & Tunku Alina
 Advocates & Solicitors

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn. Bhd.

[Registration No. 197101000970 (11324-H)]
 Unit 32-01, Level 32, Tower A,
 Vertical Business Suite, Avenue 3,
 Bangsar South, No. 8, Jalan Kerinchi,
 59200 Kuala Lumpur, Malaysia.

+603-2783 9299

+603-2783 9222

is.enquiry@vistra.com

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

Stock Code : FM

Stock No. : 7210

Sector : Transportation & Logistics
 (Listed on Second Board on 3 February 2005)

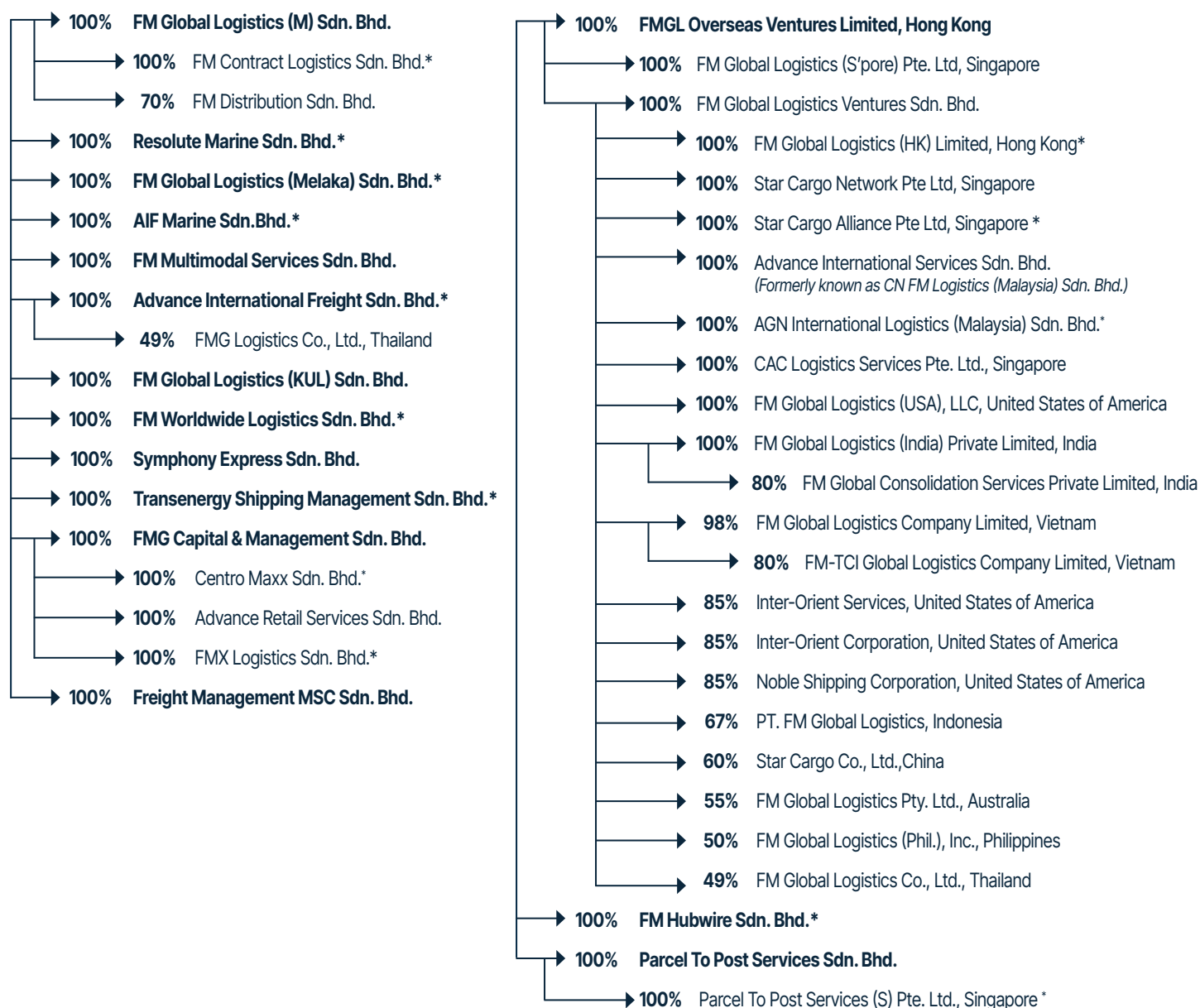
CORPORATE STRUCTURE

as at 30 September 2025



FM GLOBAL LOGISTICS HOLDINGS BERHAD

Registration No: 199601008064 (380410-P)



* Dormant Companies

BOARD OF DIRECTORS' PROFILE

TENGKU NURUL AZIAN BINTI TENGKU SHAHRIMAN

Chairperson/Independent
Non-Executive Director



Age/Gender : **62/Female**

Nationality : **Malaysian**

Tengku Nurul Azian Binti Tengku Shahrman was appointed to the Board on 21 August 2019. She is a member of the Audit and Risk Management Committee and was appointed as a member of the Nomination and Remuneration Committee on 27 August 2024.

She graduated with a Law Degree from the School of Oriental & African Studies, University of London. After graduation, she obtained her Barrister of Law from the Honourable Society of the Inner Temple and was subsequently admitted to and enrolled as an Advocate and Solicitor of the High Court in Malaya.

Tengku Nurul Azian started her career in 1988 as an Advocate and Solicitor with Messrs. Shook Lin & Bok before pursuing a career in investment banking in 1992. She has over 18 years of broad experience in investment banking and corporate finance. Her last position was Head of Corporate Finance in RHB Investment Bank Berhad, a member of the RHB Banking Group, an integrated financial services group in Malaysia.

In 2010, she was appointed as the Director of Education and Human Capital Development in the Performance Management and Delivery Unit ("PEMANDU") and held this position until 2017. She was the Executive Vice President and Partner of PEMANDU Associates Sdn. Bhd., a management consultancy firm until March 2020.

Other than the Company, she is also an Independent Non-Executive Director of Dutch Lady Milk Industries Berhad, PPB Group Berhad and Sunway Healthcare Holdings Berhad.

CHEW CHONG KEAT

Group Managing Director



Age/Gender : **64/Male**

Nationality : **Malaysian**

Mr Chew Chong Keat joined the Board on 20 March 1996.

He graduated from the University of Manchester, the United Kingdom in 1984 with a Bachelor's Degree in Economics. He also holds a Diploma from the Business Education Council National, United Kingdom and a Diploma of Competence in Freight Forwarding from the International Federation of Freight Forwarders ("FIATA").

As one of the Group's co-founders, he serves on the board of some of its subsidiaries and associated companies of the Group. He is principally responsible for managing the Group's business and corporate affairs. With over 35 years of experience in freight forwarding and logistics services, he plays a key role in setting the direction of the Group's business strategies.

YANG HENG LAM

Executive Director



Age/Gender : **62/Male**

Nationality : **Malaysian**

Mr Yang Heng Lam joined the Board on 20 March 1996. He also serves on the board of all subsidiaries and associated companies of the Group. He helms the business development and operations divisions, encompassing the development of global air and ocean agencies, and numerous divisions namely the ocean import, customs brokerage, air freight, parcel, warehouse and transport divisions. He played a key role in identifying suitable partners for the establishment of offices in Thailand, Indonesia, the Philippines, India and the USA.

He founded Cargo World Network and Star Cargo Alliance, part of the global freight forwarding network for the Group and serves as the President of both organisations.

He has over 35 years of experience in the freight forwarding and logistics industry and has been instrumental in securing and maintaining major customers for the Group.

BOARD OF DIRECTORS' PROFILE (CONTINUED)

GAN SIEW YONG

Executive Director

Age/Gender : **63/Female**Nationality : **Malaysian**

Madam Gan Siew Yong joined the Board on 20 March 1996. She also serves on the board of several subsidiary companies of the Group. As the Head of the Export Division, she is principally responsible for the export-related services of the Group and is actively involved in negotiating ocean freight rates and securing container space with the shipping lines.

Backed by more than 35 years of experience and supported by a strong team, she has been instrumental in establishing the Group's Full Container Load ("FCL") and Less than Container Load ("LCL") consolidation business in all the major ports of the world.

ONG LOOI CHAI

Executive Director

Age/Gender : **57/Male**Nationality : **Malaysian**

Mr Ong Looi Chai was appointed to the Board on 1 June 2006. He joined the Group in 1989, securing attachment with the Port Klang headquarters. In 1995, he assumed the position of Branch Manager in Penang and was instrumental in the growth and development of the Penang branch.

He is currently responsible for overall business development in the northern region of West Malaysia and East Malaysia. He also leads the business development of the Group's overseas offices in Thailand and Indonesia.

SOH CHIN TECK

Independent

Non-Executive Director

Age/Gender : **67/Male**Nationality : **Malaysian**

Mr Soh Chin Teck was appointed to the Board on 30 September 2019. He is the Chairman of the Audit and Risk Management Committee and a member of the Nomination and Remuneration Committee (following the merger of the Nomination Committee and Remuneration Committee into a single board committee on 27 August 2024).

He holds a Bachelor of Economics Degree from Monash University, Australia and a Master of Business Administration - International Management from RMIT University, Australia. He is a Fellow of the Chartered Accountants Australia and New Zealand and a member of the Malaysian Institute of Accountants.

He has more than 13 years of experience in member firms of Deloitte Singapore, Sydney and Kuala Lumpur. He was a former Executive Director and General Manager of CSR Building Materials (M) Sdn. Bhd. and was a Business Director and board member of Rockwool Malaysia Sdn. Bhd. He also held the chairmanship of FMM Malaysian Insulation Manufacturers Group and the Deputy Managing Director position of Saint-Gobain Malaysia Sdn. Bhd.

Other than the Company, he is also a Non-Independent Non-Executive Director of PPB Group Berhad.

BOARD OF DIRECTORS' PROFILE (CONTINUED)

LAU SWEE CHIN

Independent
Non-Executive Director



Age/Gender : **62/Female**

Nationality : **Malaysian**

Madam Lau Swee Chin was appointed to the Board on 21 August 2018. She is the Chairperson of the Nomination and Remuneration Committee (following the merger of the Nomination Committee and Remuneration Committee into a single board committee on 27 August 2024) and a member of the Audit and Risk Management Committee.

She started her career in the Audit Department of Hanafiah Raslan & Mohamad before embarking on her studies for the Institute of Chartered Secretaries and Administrators ("ICSA") examination.

She completed her ICSA studies in 1986 and subsequently obtained her Associate Membership of ICSA in 1993. She joined TAMS Secretarial Sdn. Bhd. in 1987 where she was later promoted as Head of the Company Secretarial Department.

In 2003, she joined Miomira Corporate Services Sdn. Bhd. as a Partner and Head of the Company Secretarial Department. Her work covered the incorporation of companies and business enterprises, public listing, company secretarial services, deregistration and liquidation, and included advisory services.

Following her retirement in 2014, she set up a new partnership, Eco Gifts Shoppe, where the company's primary focus on importing natural oils from selected countries for local distribution in Malaysia.

Notes:

FAMILY RELATIONSHIPS: Mdm Gan Siew Yong is the spouse of Mr Chew Chong Keat. Save as disclosed, none of the Directors has any family relationship with any other Director and/or major shareholder of the Company.

DIRECTORSHIP OF PUBLIC COMPANIES: Save as disclosed above, none of the Directors holds any other directorships in public companies and listed issuers in Malaysia other than the Company.

NUMBER OF BOARD MEETINGS ATTENDED: Details of Board meeting attendance of each Director are disclosed in the Corporate Governance Overview Statement of this Annual Report.

CONVICTIONS: None of the Directors has been convicted of any offences (other than traffic offences, if any) within the past 5 years, nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 30 June 2025.

CONFLICT OF INTEREST: None of the Directors has any conflict of interest with the Company.

KEY SENIOR MANAGEMENT: The Executive Directors sitting on the Board also occupy the offices of the Key Senior Management of the Company.

FRANCIS LEE FOOK WAH

Non-Independent
Non-Executive Director



Age/Gender : **59/Male**

Nationality : **Singaporean**

Mr Francis Lee Fook Wah was appointed to the Board on 20 September 2023.

He graduated from the National University of Singapore with a Bachelor's Degree in Accountancy in 1990 and obtained a Master's Degree in Business Administration (Investment and Finance) from the University of Hull, UK in 1993. He is a Chartered Accountant and a non-practising member of the Institute of Singapore Chartered Accountants. He is also a member of the Singapore Institute of Directors.

He was appointed as the Chief Financial Officer of Vibrant Group Limited on 1 April 2019 and on 1 September 2020, he was also appointed as an Executive Director. He is responsible for the overall management of the finance functions of Vibrant Group Limited and its subsidiaries, matters relating to the regulatory compliance and reporting, and for overseeing the groups human resource matters.

Previously, he was the chief financial officer of OKH Global Ltd, a company listed on the SGX-ST from 2015 to 2017. Between 2005 and 2011, he also served as an executive director, finance director and chief financial officer of Man Wah Holdings Ltd, a company listed on the Hong Kong Stock Exchange. He began his career in 1990 in the Commercial Crime Division of the Criminal Investigation Department of Singapore, where he served as a senior investigation officer. In 1993, he served as an assistant manager in OCBC Bank conducting credit analysis. Between 1994 and 2001, he worked as a dealers' representative for Deutsche Morgan Securities. He then served at the Singapore branch of the Bank of China between 2001 and 2004 as a relationship manager. Between 2004 and 2005, he was with AP Oil International Ltd working as an investment and project manager.

He is an independent director of Joyas International Holdings Ltd and Pavillon Holdings Ltd and non-executive, non-independent director of Figtree Holdings Ltd.

