MUDAJAYA GROUP BERHAD
200301003119 (605539-H)
ANNUAL REPORT
Advancing The Future Together

AT A GLANCE

TOTAL REVENUE
RM372.2
MILLION

OPERATING PROFIT
RM78.1
MILLION

TOTAL ASSETS
RM2.0
BILLION

OVER
50 YEARS
OF EXPERIENCE

ADVANCING THE FUTURE TOGETHER

The cover design connotes all business segments, weaved together in a cohesive and consolidated fashion of Mudajaya Group Berhad ("**Mudajaya**").

Its core activities span across the earth, steadily, moving ahead, its long-term vision of building a foundation of resilience as the Group strives to produce sustainable growth and value for its shareholders.

JUNE
4
2025

22ND ANNUAL GENERAL MEETING

TIME: 2.30 p.m.
MEETING VENUE:
Crystal Plaza,
Ground Floor,
Lobby 1, Hall 2

APRIL
30
2025

Notice of 22nd Annual General Meeting and issuance of Annual Report 2024

OUR PRIDE

- FIRST CONSTRUCTION COMPANY IN MALAYSIA CERTIFIED FOR THE ISO 37001: 2016 ANTI-BRIBERY MANAGEMENT SYSTEM (ABMS), WITH ACCREDITATION FROM UNITED KINGDOM ACCREDITATION SERVICE (UKAS)
- AWARDED 5-STAR IN THE SAFETY AND HEALTH ASSESSMENT SYSTEM IN CONSTRUCTION FROM CIDB MALAYSIA
- ACHIEVED 4-STAR IN THE CIDB SCORE ASSESSMENT

FINANCIAL CALENDAR

ANNOUNCEMENT OF QUARTERLY RESULTS

30 MAY 2024

Announcement of the unaudited consolidated results for the 1st quarter ended 31 March 2024

29 AUGUST 2024

Announcement of the unaudited consolidated results for the 2nd quarter ended 30 June 2024

28 NOVEMBER 2024

Announcement of the unaudited consolidated results for the 3rd quarter ended 30 September 2024

27 FEBRUARY 2025

Announcement of the unaudited consolidated results for the 4th quarter and financial year ended 31 December 2024

WHAT'S INSIDE

49 MW Solar Photovoltaic Power Plant, Sungai Siput, Perak.

LRT3 GS01 Station and Viaduct near Kampung Sungai Kayu Ara.

The online version of Mudajaya's Annual Report 2024 is available from our website. Go to **https://www.mudajaya.com** or scan the QR code with your smartphone.

1. Download the "QR Code Reader" on Apple App Store or Google Play Store.
2. Run the QR Code Reader app and point your camera to the QR Code.
3. Get access to our online version of Mudajaya's Annual Report 2024.

REPORTING SCOPE AND BOUNDARIES

OUR VISION

To be the preferred leader in the Construction, Property Development and Renewable Energy industry.

To provide good infrastructure and energy requirement to society.

Strive in looking ahead beyond expectations and goals by integrating technical excellence, commitment and leveraging on the competency of our people.

OUR MISSION

Committed to continuously improve performance by meeting international quality standards, timely completion, customer satisfaction and enhancement of shareholders value.

Committed to improve overall to continuously attract, engage, retain and develop human capital.

WE CONTINUE TO STRENGTHEN OUR POSITION BY COLLABORATING WITH OUR CRITICAL STAKEHOLDERS TO MEET THE CURRENT AND FUTURE CHALLENGES OF OUR BUSINESS, CREATING VALUE.

OUR CORPORATE VALUES

The essence of Mudajaya's corporate culture is captured succinctly by the acronym, TULIP and signifies five distinct values which guide the organisation's principles and practices in its never-ending journey for excellence. Each value is set out below:

T

TRUST

Trust is the basis of all good relationships, be it personal or at work. Being open, transparent and respectful

U

UNITY

Unity is strength, when there is teamwork, where people come together and collaborate, wonderful things can be achieved and success is inevitable

L

LEARNING

Change is the result of all true learning where there is no beginning and no end but continuous improvement and growth. We advance together

I

INTEGRITY

Consistency in our actions, values, methods, measures & principles, expectations and outcomes

P

PROGRESSION

Success is the progressive realisation of a worthy goal or ideal, step up to challenges together

REPORTING SCOPE AND BOUNDARIES (CONT'D)

MUDAJAYA GROUP BERHAD ("MUDAJAYA" OR "THE COMPANY")

AND ITS SUBSIDIARIES ("**MUDAJAYA GROUP**" OR "**THE GROUP**") ARE PRIMARILY INVOLVED IN CONSTRUCTION, PROPERTY DEVELOPMENT, POWER, MANUFACTURING AND TRADING. CONSTRUCTION, UNDERTAKEN BY MUDAJAYA CORPORATION BERHAD (MCB), IS THE MAIN CONTRIBUTOR TO THE GROUP'S REVENUE DOMESTICALLY. MCB IS INVOLVED IN GENERAL CONSTRUCTION, IN PARTICULAR CIVIL ENGINEERING AND BUILDING CONSTRUCTION ON BOTH DESIGN AND BUILD, AS WELL AS CONVENTIONAL CONSTRUCTION, CONTRACTS FOR GOVERNMENT, QUASI-GOVERNMENT AND THE PRIVATE SECTOR.

MUDAJAYA GROUP PROFILE

The Mudajaya Group has been involved in a portfolio of contracts (some of which were on joint venture basis) of national relevance, including critical infrastructures such as highways, roads, bridges, power stations, buildings, infrastructure, marine structures, dams and retaining structures, water supply works, drainage and sewerage works.

In fulfilling our purpose of 'Advancing the Future Together', we continue to be committed to progress towards building a more dynamic future for all. The Group remains optimistic of its current market position as well as its future prospects with a strong financial base, experienced management and skilled workforce. Our positive outlook is reinforced by our capacity to design and build, our expertise in power plants and tall chimneys, the potential to diversify and a good business strategy. Collectively, these strengths will put us in good stead to further excel in the business undertaken by the Group.

At Mudajaya, we believe in collaboration as a team - within the organisation as well as with our valued clients - we can step together to meet current and future challenges with confidence, energy and determination.

REPORTING SCOPE AND BOUNDARIES
(CONT'D)

This Integrated Annual Report ("Annual Report 2024") provides a comprehensive overview of Mudajaya Group's financial and non-financial performance for the reporting period from 1 January 2024 to 31 December 2024 ("FY2024").

This report focuses on the sustainability strategy, current performance and future plans of the Group; namely on the material Economic, Environmental, Social and Governance aspects of business operations. Utilising this format of reporting represents the Group's commitment to transparency and quality disclosures on our business performance and our ability to create value for our multiple stakeholders. This report aligns with the content elements suggested by the International Integrated Reporting Council (IIRC) and includes components such as consistency and comparability, strategic focus and future orientation. This report includes both financial and non-financial performance indicators. Our objective is to provide an innovative and effective way to communicate the Group's ability to create value in a sustainable manner over time as we continue to embed integrated thinking into all our decision making processes that drive positive change.

Since year 2017 our annual integrated reports have incorporated our sustainability results with the strategy for our business. In developing this report, we considered input from our many stakeholders as we continued to work on strengthening our strategy formulation and data collection processes and mechanisms. This 2024 report serves as a communications tool and provides a perspective on the issues that matter to our stakeholders; both in the near term as well as long-term.

Our financial statements have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") and the requirements of the Companies Act 2016 in Malaysia. We also adhered to Bursa Malaysia Securities Berhad's Main Market Listing Requirements and their Sustainability Guidelines, as well as the Malaysian Code on Corporate Governance 2021 released by the Securities Commission.

REPORTING SCOPE AND BOUNDARY

This report covers information on our operations of Mudajaya, as well as our core sectors including construction, property development, power, manufacturing and trading. The scope includes our Group performance in the context of governance, risks, opportunities, prospects and sustainability.

As we transition into our eighth year of integrated reporting, we have taken great care in providing accurate data and information to the best of our knowledge and ability. We continue with our efforts to influence sustainability practices along our value chain and we intend to extend them significantly in the years to come.

MATERIALITY DETERMINATION

Materiality determination remains a critical element in defining the strategies that we deploy towards value creation. Mudajaya conducts reassessment on an annual basis to align our material matters with the latest Bursa Malaysia enhanced listing requirements and evolving industry best practices. The process of materiality assessment was conducted based on prescribed guidelines of the Global Reporting Initiative (GRI) Standards.

The Board of Directors ("**the Board**") of Mudajaya, together with its Board Committee, maintains its central role in continuously evaluating the Group's current and emerging risks as well as opportunities for growth and expansion.

FORWARD - LOOKING STATEMENTS

Certain statements in this report regarding our business operations and strategies may constitute forward-looking statements and can be identified by words such as 'believes' 'anticipates', 'expects', 'intends', 'may', 'will', 'plan' or any other words of similar meaning which indicate a future operating or financial performance. Any forward-looking statements contained in this document represent the views of management only as of the date hereof and are presented for the purpose of assisting our stakeholders understand our financial position, objectives and priorities.

Such statements are necessarily dependent on assumptions, methods or data that may later be imprecise or incorrect and as such are not guaranteed to be an indicator of future results. Instead, these constitute our expectations based on reasonable assumptions and may change as a result.

STATEMENT OF THE BOARD OF DIRECTORS OF MUDAJAYA GROUP

The Board acknowledges responsibility for the presentation, integrity and completeness of the Integrated Report. The Board confirms that it has collectively reviewed the content of the Integrated Report and is satisfied that this Integrated Report is a fair representation of the performance of the Group for the year under review.

REPORTING PRINCIPLES

MUDAJAYA GROUP BERHAD
200301003119 (605539-H)

BALANCED INFORMATION

We have attempted to share information on our successes as well as challenges during the reporting year. We strongly believe that balanced information will help our stakeholders to evaluate our performance holistically.

TRANSPARENCY

Transparency in business is a driver for exponential progress and promotes all-round satisfaction to all stakeholders. Thus, we have included disclosures providing our stakeholders with a clearer understanding of our businesses and our value proposition. As we continue to meet all compliance requirements, we are still improving on the quality of our reporting.

COMPARABILITY

As with our previous Integrated Reports, wherever possible we have also included data for a minimum of three (3) years to allow for comparisons and to reflect on our progress year-on-year. Comparability will allow our stakeholders to more accurately assess the Group's development and its future aspirations.

INTEGRATED THINKING

We understand that integrated reporting promotes integrated thinking and is fundamental to the way we do business. This cohesiveness will promote the flow of information and result in a more efficient and productive allocation of capital which in turn, will drive our performance and growth. As we strategise how these capitals are deployed on the back of favourable market conditions, our robust risk management framework, and our corporate values, we are able to create value and increase understanding of our performance for all our stakeholders.

MANUFACTURED CAPITAL

Manufactured Capital are the physical assets, products and services of the Group and encompass landbanks, township, commercial space, solar photovoltaic plants, precast concrete production and construction works. As we strive to provide seamless delivery of our products and services, we depend on the competency of our people, efficiency of the equipment, tools and transportation as well as quality materials.

FINANCIAL CAPITAL

Financial Capital refers to the Group's existing financial resources which are generated either through business operations or via its shareholder funds. As we continue to manage our four core businesses namely construction, property, power as well as trading, manufacturing and others, we are able to generate income to sustain and grow the organisation. A stable financial capital base provides us with the opportunity to consistently invest in potential opportunities for growth and expansion, stakeholder engagement and talent development; while also fulfilling our responsibility to the community.

HUMAN CAPITAL

Human Capital is the heart and soul of any organisation and drives business productivity, enhances customer relationships, and allows business growth. Whether directly or indirectly, all decisions, financials and systems are strategically aligned to ensure that the organisations human talent is central to all aspects of its operations. At Mudajaya, we place high value on this key organisational asset and we want to ensure their work has meaningful impact not only to us, but to the community as well. Employee experience and engagement are our main priorities in nurturing highly skilled and adept professionals; as investing in human capital will pay off in terms of higher productivity and in turn ensure efficient business operations and growth.

SOCIAL CAPITAL

Social Capital refers to the relationships that make our organisation run effectively and include various stakeholders such as employees, shareholders, regulators, customers, suppliers and the communities in which we operate. We continue to invest in strengthening our relationships with these various stakeholders based on trust and integrity in order to enhance individual and collective wellbeing; recognising that social capital is vital to our business' success.

NATURAL CAPITAL

Natural Capital refers to all renewable and non-renewable environmental resources and processes that we utilise while delivering our solutions and we realise that an organisation would not be able to prosper without due consideration for its impact on the environment. The Group's operating sectors are highly dependent on the existing natural landscape in developing projects which are of great importance for human and natural habitats. As a responsible business, we strive to operate using environmentally friendly practices and technologies in order to minimise our direct impact on the environment and resources.

INTELLECTUAL CAPITAL

Intellectual Capital refers to our decades of industry experience and expertise, our credible brand as well as our knowledge; which combine to contribute to our evolution as a successful business. The Group's reputation grows and is reinforced through our bespoke and purpose-built construction, property and power plant projects. We continue to uphold and demonstrate our strengths and capabilities in all our core sectors and are supported by our recognised subsidiaries.

MENARA
MUDAJAYA

VALUE CREATION BUSINESS MODEL

OUR VALUE CREATION MODEL

INPUTS (CAPITAL RESOURCES)		LEVERAGES
MANUFACTURED	Land bank of **51.62 acres** & fixed assets worth over **RM241.6 million** **1 TOWNSHIP, 4 POWER PLANTS** & a total land area of approximately **1.5 MILLION** square feet of cement and clinker production plant	**ASSETS MANAGEMENT** Diversify specific assets which are able to deliver more stable income
FINANCIAL	Total assets of **RM2.0 billion** **RM823.5 million** of total equity	**FINANCIAL MANAGEMENT** Maintain no-dividend policy and proposed to conserve cash by reducing debts and monetising current as well as future assets
HUMAN	**TRAINING PROGRAMMES** with a total of **997 hours** were attended by **more than 400** total number of contract and permanent employees	**EMPLOYEE ENGAGEMENT** Encourage teamwork and open-dialogue session with higher level management to promote productivity, performance and improving motivation level
SOCIAL	Collaborated with **NOT LESS THAN 11** **regulatory authorities & government agencies**	**CORPORATE SOCIAL RESPONSIBILITY** Promote volunteerism, corporate social responsibility and active participation in community services by rewarding off-days or work leaves
NATURAL	Governed project sites with stringent policies on **ENVIRONMENTAL PROTECTION** Policies incorporated for environmental management	**ENVIRONMENTAL STEWARDSHIP** Strengthen internally ISO 14001:2015 by abiding to local environmental regulations and compliance requirements
INTELLECTUAL	Over **50 years** of experience in **GENERAL CONSTRUCTION** with **30 years** experiences in **POWER GENERATION**. Fully functional in-house technical and O&M capabilities for solar plants	**BRANDING ENHANCEMENT** Improving reputation through our commitment to our stakeholders

VALUE CREATION BUSINESS MODEL
(CONT'D)

Our value creation model is designed to address the significant capitals (as inputs) and material topics in context of value creation for our multiple stakeholders.

MUDAJAYA'S CORE BUSINESSES

CONSTRUCTION

POWER

PROPERTY DEVELOPMENT

MANUFACTURING, TRADING & OTHERS

TREND	MATERIAL TOPICS	
URBANISATION	FINANCIAL	MARKET
INDUSTRIALISATION	ENVIRONMENTAL, SAFETY & HEALTH	DEVELOPMENT STRATEGY
ECONOMIC GROWTH	PROJECT DEVELOPMENT & EXECUTION	TALENT & RESOURCE MANAGEMENT
FINANCIAL	UTILITIES & SUPPLY	

STRATEGIES PRIORITIES IN 2024

OUTPUT

Manufactured Capital
- Completed and on-going mega projects in **construction** and **power sectors** with a total contract sum of > **RM4.9 billion**
- Cement production plant with maximum annual capacity of **1 million** tonnes per annum

Financial Capital
RM372.2 million of revenue reported in **FY2024**

Human Capital
- Awarded **5-STAR** in the safety and health assessment system in construction from CIDB Malaysia
- Compliance with amendments to the Employment Act 1955

Social Capital
Various **CSR events/programmes, sport activities & staff engagement** carried out in current year

Natural Capital
Solar Facility:
- Produced more than 100 Gwh of clean and renewable energy
- Eliminated approxiamately over **72,000 ton** of CO_2 per annum

Intellectual Capital
Awards Granted:

(i) **Focused Recognition Award** for good performance from Petronas, **IFAWPCA Silver Medal for Civil Engineering Construction** from International Federation of Asian and Western Pacific Contractors' Associations, **Anugerah Kecemerlangan Industri Pembinaan Malaysia** ("MCIEA"), **Anugerah IBS** from Lembaga Pembangunan Industri Pembinaan Malaysia ("CIDB"), Member of the Malaysian Photovoltaic Industry Association

(ii) Sinar Kamiri Sdn Bhd won the **2022 JCI Malaysia Sustainable Development Award** under SDG No. 7

(iii) Platinum Service Award (20 years) from Master Builders Association Malaysia ("MBAM")

CORPORATE INFORMATION

BOARD OF DIRECTORS

IR. JAMES WONG TET FOH
Non-Independent Executive Chairman

DATUK WIRA ARHAM BIN ABDUL RAHMAN
Independent Non-Executive Director

LEONG CHOON MENG
Independent Non-Executive Director

OEI SU LEE
Independent Non-Executive Director

AUDIT, RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

Leong Choon Meng (Chairman)
Datuk Wira Arham Bin Abdul Rahman
Oei Su Lee

COMBINED NOMINATION AND REMUNERATION COMMITTEE

Oei Su Lee (Chairperson)
Datuk Wira Arham Bin Abdul Rahman
Leong Choon Meng

INVESTMENT COMMITTEE

Datuk Wira Arham Bin Abdul Rahman (Chairman)
Leong Choon Meng
Oei Su Lee

COMPANY SECRETARIES

Tan Chin Boo
(MIA 46824)
(SSM PC No. 202408000126)

Beh Siew Siew
(MAICSA 7066637)
(SSM PC No. 202008001904)

AUDITORS

Deloitte PLT
Chartered Accountants

REGISTERED OFFICE

PH1, Menara Mudajaya
No. 12A, Jalan PJU 7/3
Mutiara Damansara
47810 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel No : (603) 7806 7899
Fax No : (603) 7806 7900
Email : abby.beh@mudajaya.com

SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd
Registration No. 199601006647 (378993-D)
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel No : (603) 7890 4700
Fax No : (603) 7890 4670
Helpdesk Email : bsr.helpdesk@boardroomlimited.com

PRINCIPAL BANKERS

AmBank Islamic Berhad
Al Rajhi Banking & Investment Corporation (Malaysia) Bhd
OCBC Bank (Malaysia) Berhad
HSBC Bank Malaysia Berhad
CIMB Bank Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Name : MUDAJYA
Stock Code : 5085

WEBSITE ADDRESS

www.mudajaya.com

INVESTOR RELATIONS

Email : info@mudajaya.com
Tel No : (603) 7806 7899

DIRECTORS' PROFILE

IR. JAMES WONG TET FOH

Non-Independent Executive Chairman

Aged 64 | Male | Malaysian

IR JAMES WONG, graduated with a Bachelor of Science (1st Class Honours) in Civil Engineering in 1984 and a Master of Science in 1985 from Imperial College of Science, Technology & Medicine, United Kingdom. He also completed a Master of Business Administration (Finance) Programme from Nottingham University Business School in 2015.

He attained his Professional Engineer registration with the Board of Engineers Malaysia (BEM) in 1989 after having spent the first 5 years of his career with a forensic engineering consultancy firm specialising in distressed buildings or infrastructure works covering the fields of geotechnical, structural and material investigations.

He joined the UEM Group of Companies in 1989 where he served for 21 years in various capacities such as Chief Operating Officer for UE Construction Sdn. Bhd. (2002-2004) and Director of International Projects for UEM Builders Berhad (2004-2009). His stint with UEM covered projects in India, Middle East, Indonesia and Singapore. In 2009, he moved to Lafarge Concrete (M) Sdn. Bhd. as Vice President of Marketing and Strategy (Asia). Prior to joining Mudajaya, he served as Business Development Director of IJM Corporation Bhd and subsequently as Managing Director of IJM's toll highway concession asset companies in Malaysia and India.

Ir James Wong joined the Board of Mudajaya as Executive Director and served as Managing Director of Mudajaya Corporation Berhad on 2 May 2014. He was later appointed as the Group Managing Director & Chief Executive Officer of Mudajaya on 1 April 2015 and subsequently redesignated as Executive Chairman of Mudajaya on 1 April 2024. Following his redesignation, Ir James Wong relinquished his role as a member of the Risk Management Committee and Investment Committee.

Ir James Wong's directorship in non-listed public company is Mudajaya Corporation Berhad. He has no directorships in other listed issuers.

DIRECTORS' PROFILE
(CONT'D)

YBHG DATUK WIRA ARHAM ABDUL RAHMAN

Independent Non-Executive Director

Aged 62 | Male | Malaysian

YBHG DATUK WIRA ARHAM, holds a Bachelor's degree in Economics from the National University of Malaysia. He has further enhanced his expertise by completing the Senior Executive Course at Harvard University's Kennedy School of Government in 2011 and the Leading Economic Growth Online Programme in 2020.

YBhg Datuk Wira Arham illustrious career spanning 34 years in Malaysian Investment Development Authority ("**MIDA**") began in 1989 as an Economic Affairs Officer within the Resource Based Industry Division, followed by the Foreign Investment Division, a MIDA spearheading division for attracting and facilitating foreign investments into Malaysia. In September 1994, YBhg Datuk Wira Arham was appointed as the Deputy Director of MIDA Cologne, Germany for 6 years, where he spearheaded MIDA's investment promotion initiatives across Germany, The Netherlands, Belgium, Austria and other Eastern European countries. In 2009, he expanded his expertise by leading MIDA New York for 4 years. During his tenure, he played a pivotal role in advancing investment promotion efforts along the East Coast of the United States of America. Upon his return to Malaysia in 2013, he was entrusted with overseeing the Foreign Investment Promotion Division in MIDA. His remarkable contributions led to his appointment as the Executive Director of Investment Promotion in 2015, where he successfully managed 3 key MIDA divisions under his purview. In recognition of his outstanding dedication, YBhg Datuk Wira Arham was appointed as MIDA's Deputy Chief Executive Officer on 1 February 2019. With his wealth of experience spanning over 3 decades, he had held various instrumental roles within the organisation making substantial contributions to the economic development of Malaysia. On 1 April 2021, he was promoted to the position of Chief Executive Officer of MIDA, a position he held until his retirement on 17 April 2024.

YBhg Datuk Wira Arham was appointed to the Board on 31 December 2024 and he also serves as Chairman of the Investment Committee as well as a member of the Audit, Risk Management and Sustainability Committee, and Combined Nomination and Remuneration Committee.

YBhg Datuk Wira Arham is currently an Independent Non-Executive Director of Malaysian Pacific Industries Bhd and the member of the Audit and Risk Management Committee, and Nomination Committee. His directorship in non-listed public company is Invest Sabah Berhad.

DIRECTORS' PROFILE
(CONT'D)

OEI SU LEE
Independent Non-Executive Director
Aged 55 | Female | Malaysian

MS OEI, graduated with a Bachelor of Economics (Accounting and Finance) Degree from Macquarie University, Sydney, Australia and a Master of Business Administration (MBA) from Macquarie Graduate School of Management, Sydney, Australia. She is a member of the Institute of Chartered Accountants, Australia and New Zealand; a Certified Tax Advisor of the Institute of Taxation of Australia; an associate member of the Financial Services Institute of Australia; and a graduate member of the Australian Institute of Company Directors.

Ms Oei is a senior finance executive with over 30 years of diversified financial management experience covering accounting, tax, compliance, business strategy and venture capital advisory. She has served as the Chief Financial Officer of MKS Capital Australia, part of the MKS Group, a global financial services organisation specialising in precious metals with 15 offices worldwide and headquartered in Geneva, Switzerland. Prior to that, she specialised in taxation services for the banking and finance sector whilst at PwC in Sydney. Subsequently, Ms Oei was a Director at Camphin Boston Chartered Accountants, a mid-tier Australian accounting firm specialising in advice for SMEs. She currently holds an advisory role with the firm. Her other past roles included being the Director of Corporate Expansion in N2N Connect Australia Pty Limited, a fully owned subsidiary of N2N Connect Berhad (Malaysia) to guide their successful global expansion through investing in Australian fintech businesses. In 2019, Ms Oei was appointed adviser to the Chief Executive Officer of Emerald Foods Pty Limited (which owned New Zealand Natural Ice Cream) as part of its business development drive in Southeast Asia and its eventual and successful sale to investors in its home country of New Zealand. Since December 2021, she has been appointed Strategic Adviser to the Chief Innovation Officer at Fueltech Pty Limited, an Australian company with partners in South Korea, China and Indonesia in the new energy transportation sector for the development of industrial and transport solutions based around electric vehicles and hydrogen infrastructure. Her corporate work aside, Ms Oei is a dedicated fan of the performing arts. She is actively engaged by bringing people from various backgrounds together to promote music for the enjoyment of a wider audience. Her professional experience is also utilised in fundraising activities for a range of artistic and social causes.

Ms Oei was appointed to the Board on 22 April 2022. She has been serving as the Chairman of the Investment Committee and as a member of the Audit Committee, the Combined Nomination and Remuneration Committee, and the Risk Management Committee. Effective 31 December 2024, as part of the Board Committees restructuring, she was redesignated as the Chairperson of the Combined Nomination and Remuneration Committee and redesignated as a member of the Investment Committee.

Ms Oei has no directorships in other listed issuers or non-listed public companies.

DIRECTORS' PROFILE
(CONT'D)

LEONG CHOON MENG
Independent Non-Executive Director

Aged 61 | Male | Malaysian

MR LEONG, is a member of the Malaysian Institute of Accountants and Chartered Institute of Management Accountants.

Mr Leong has extensive experience in corporate leadership, strategy, and finance, with expertise spanning investment banking, corporate finance, property development, construction, manufacturing, and governance. He has held key leadership roles in prominent organisations, including Sunway Group Berhad, Alliance Investment Bank Bhd and Tropicana Corporation Bhd, where he led strategic initiatives, mergers and acquisitions, corporate restructuring, and capital market activities.

Mr Leong was appointed to the Board on 31 December 2024 and he also serves as Chairman of the Audit, Risk Management and Sustainability Committee as well as a member of the Combined Nomination and Remuneration Committee, and Investment Committee.

He has no directorships in other listed issuers or non-listed public companies.

NOTES:

1. ***Family Relationship with Director and/or Major Shareholder***
   None of the Directors has any family relationship with any director and/or major shareholder of Mudajaya.
2 ***Conflict of Interest***
   None of the Directors has any conflict of interest or potential conflict of interest, including interest in any competing business with Mudajaya or its subsidiaries.
3. ***Conviction for Offences***
   None of the Directors has any conviction for offences within the past 5 years (other than traffic offences, if any). There were no public sanctions and/or penalties imposed on the Directors by the relevant regulatory bodies during the financial year.
4. ***Attendance of Board Meetings***
   The attendance of the Directors at Board Meetings held during the financial year ended 31 December 2024 is disclosed in the Corporate Governance Overview Statement.

SENIOR MANAGEMENT'S PROFILE

ALVIN CHEW CHEE WAI

Acting Group Chief Operating Officer – Mudajaya Group Berhad

Managing Director – Mudajaya Corporation Berhad

Age	46 years	Nationality	Malaysian	Gender	Male

MR ALVIN CHEW CHEE WAI joined Mudajaya as the General Manager for China Operations on 3 January 2022. He was also overseeing the local procurement division.

He was appointed as the Managing Director of Mudajaya Corporation Berhad on 16 October 2023, heading the Construction division. Further to this, he was appointed as the Acting Group Chief Operating Officer for Mudajaya Group on 1 April 2024, overseeing the operations across the Construction, Trading and Manufacturing, Property, and Power divisions.

Mr Alvin Chew has over 20 years' experience in the sales & marketing of building materials. Prior to joining Mudajaya, he operated his business as a contractor in the construction industry, supplying and trading building materials, both in China and Malaysia. He also has vast sources in China to create synergies and further enhance the business growth in Malaysia.

Mr Alvin Chew's directorship in non-listed public company is Mudajaya Corporation Berhad. He has no directorships in any listed issuers.

Age	69 years	Nationality	Chinese	Gender	Male

MR NG QING HAI, has over 25 years of experience in the cement-related business. Mr Ng completed a 3-year course in finance and accounting in building materials industry in 1983. He is a non-practising member of The Chinese Institute of Certified Public Accountants. Mr Ng was the 6th Vice Chairman of Shanghai Cement Industrial Association of the People's Republic of China, and was a fellow member of the Asian Knowledge Management Association from November 2005 to November 2006. He was appointed as a member of 11th and 12th Shandong Provincial Committee of the Chinese People's Political Consultative Conference in January 2013 and January 2018 respectively. Mr Ng was an Executive Director of Allied Cement Holdings Limited (now known as Tongfang Kontafarma Holdings Limited) from December 2011 to September 2018, and a Non-Executive Director of China Shanshui Cement Group Limited from December 2015 to February 2016.

He has entered into a service contract with Shanghai Allied Cement Holdings Limited, a subsidiary of Real Jade Limited, for a term of 3 years commencing from 19 October 2024.

Mr Ng has no directorships in any listed issuers or non-listed public companies in Malaysia.

NG QING HAI

Managing Director, Shanghai Allied Cement Holdings Limited

SENIOR MANAGEMENT'S PROFILE
(CONT'D)

DANIEL TAN AH KOW

General Manager – Construction, Mudajaya Corporation Berhad

Age	60 years	Nationality	Malaysian	Gender	Male

MR DANIEL TAN AH KOW joined Mudajaya Corporation Berhad as the Assistant General Manager under the Construction Division on 1 April 2016. Since then, he has completed construction projects such as RAPID Warehouse, MRT Package V207, and Earthwork for Gurun Power Plant as the Project Leader. On 1 January 2024, he was promoted to General Manager, where he now oversees all construction projects within Mudajaya Corporation Berhad.

Mr Daniel Tan graduated with a Bachelor of Engineering in Civil Engineering from University of Malaya. He has over 33 years of experience in the field of engineering and construction. He started his career in an engineering consultancy firm in 1990, and subsequently worked with other established construction companies in Malaysia such as Zelan Berhad, MCT Consortium Berhad and Putrajaya Perdana Berhad, managing various types of projects ranging from power plant, airport to high rise buildings.

Mr Daniel Tan has no directorships in any listed issuers or non-listed public companies in Malaysia.

Age	57 years	Nationality	Malaysian	Gender	Female

MS SAMANTHA LEE TZE LIU was appointed as the General Manager of the Property Division on 1 November 2015. She is a Bachelor of Law graduate from University of London, with extensive experience in property and township development, leasing and maintenance.

Ms Lee started her working career in 1993 with MBF Property Services as a Marketing Executive. She later joined Mudajaya Corporation Berhad in 1995 as a Senior Marketing Executive and rose in ranks to Marketing & Sales Manager in 1997. She was appointed as the Director of MJC City Development Sdn Bhd in 2004 which undertakes the company's flagship township development at Batu Kawah New Township located in Kuching, Sarawak. She was promoted to the Assistant General Manager of the Property Division in 2007 and Director of Mudajaya Land Sdn Bhd in 2015. During her tenure with Mudajaya, she had successfully launched and sold more than RM1.3 billion worth of properties for the Group in Kuala Lumpur which include the luxury Lumi Tropicana lifestyle apartments and the 256-acre Batu Kawah New Township. This contemporary integrated township has won 3 awards from SHEDA, namely SHEDA Excellence Awards for Innovative Design & Lifestyle Concept 2009 (One Residency), Merit Award in Master Plan (Completed Development) (Batu Kawah New Township) 2011 and Outstanding Development Award for Residential: High Rise Strata Development 2013 (Skyvilla Residences).

Ms Lee has no directorships in any listed issuers or non-listed public companies.

SAMANTHA LEE TZE LIU

General Manager – Property, Mudajaya Land Sdn Bhd

SENIOR MANAGEMENT'S PROFILE
(CONT'D)

SIVARAJAN A/L KUPPA RAJOO

Assistant General Manager – Mudajaya Facilities Management Sdn Bhd

Age	**53 years**	Nationality	**Malaysian**	Gender	**Male**

MR SIVARAJAN A/L KUPPA RAJOO joined Mudajaya Corporation Berhad as a Senior Construction Manager for the Tanjung Bin 4 Power Plant project in August 2013. In July 2015, he was transferred to the Concession Assets division as a Senior Project Manager and was subsequently appointed Acting Head of Concession Assets on 1 February 2023. He was promoted to Assistant General Manager, effective 1 April 2025.

Mr Sivarajan graduated with a Certificate in Land Survey from Polytechnic Kuching, Sarawak in 1992. While working, he further attained his Diploma in Civil Engineering in 2001 from University of Technology Malaysia and Executive Bachelor in Engineering Management in 2018 from Asia e University.

He has more than 32 years of working experience in construction as well as operation and maintenance roles in Malaysia, India and Indonesia. He started his career as a Land Surveyor with Pilecon Engineering Berhad in 1993 and worked with a few other public listed construction companies in Malaysia, involved in various projects. He also has 5 years of working experience in India as Senior Project Manager with UEM Builders in various road construction works from 2008 till 2012, and worked as Head of Maintenance with IJM Tollway, India in various road operation and maintenance works from 2012 until 2013.

After joining Mudajaya in 2013, he was later transferred to Indonesia in 2015 for the construction of the Baruta Coal Fired Power Plant in Sulawesi. In June 2016, he was appointed as Chief Operating Officer for PT Harmony Energy Indonesia, an associate of Mudajaya Energy Sdn Bhd, bringing his total work experience in Indonesia to over five years.

Mr Sivarajan has no directorships in any listed issuers or non-listed public companies.

Age	**34 years**	Nationality	**Malaysian**	Gender	**Male**

MR TAN CHIN BOO graduated with a BSc (Hons) Degree in Applied Accounting from Oxford Brookes University. He is a Fellow Member of the Malaysian Institute of Accountants (MIA) and a Fellow Member of Association of Chartered Certified Accountants (FCCA).

Mr Tan joined Mudajaya as the Financial Controller on 1 November 2019 and was subsequently redesignated as the Head of Finance on 1 August 2022. Effective 1 April 2024, he has been appointed as the person primarily responsible for the management of the financial affairs of the Group.

Before joining Mudajaya, Mr Tan had a professional career with KPMG Malaysia, where he worked for six years starting in 2013. During his time at KPMG, he was engaged and involved in audits of public listed and private companies across various industries, including manufacturing, trading, property development, retail, oil and gas, shipping, and services.

Mr Tan has no directorships in any listed issuers or non-listed public companies in Malaysia.

TAN CHIN BOO

Head of Finance and Company Secretary – Mudajaya Corporation Berhad

NOTES:

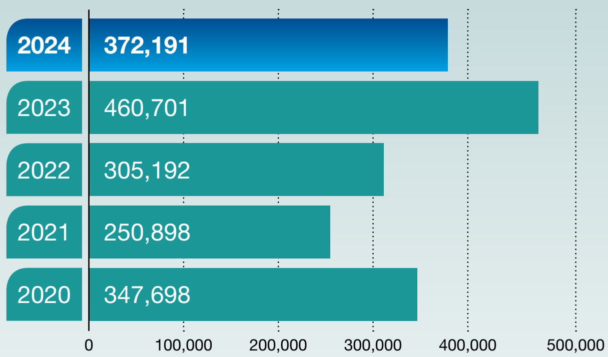
1. ***Family Relationship with Director and/or Major Shareholder***
   None of the senior management has any family relationship with any director and/or major shareholder of Mudajaya.
2. ***Conflict of Interest***
   None of the senior management has any conflict of interest or potential conflict of interest, including interest in any competing business with Mudajaya or its subsidiaries.
3. ***Conviction for Offences***
   None of the senior management has any conviction for offences within the past 5 years (other than traffic offences, if any). There were no public sanctions and/or penalties imposed on the senior management by the relevant regulatory bodies during the financial year.
4. ***Shareholdings in the Company or its subsidiaries***
   None of the senior management held any shares in Mudajaya or its subsidiaries during the financial year, except for Mr Ng Qing Hai, who holds 18,300,000 shares in Mudajaya, representing approximately 0.69% of the total issued share capital and Mr Alvin Chew Chee Wai, who holds 779, 800 shares indirectly through his spouse. Further details are provided on page 236 of this Annual Report.

FIVE YEARS' FINANCIAL HIGHLIGHTS

	2024 RM'000	2023 RM'000	2022 RM'000 (Restated)	2021 RM'000 (Restated)	2020 RM'000 (Restated)
ASSETS					
Non-Current Assets	**798,960**	642,450	631,738	478,599	469,483
Current Assets	**1,221,280**	1,537,847	1,292,024	541,499	770,462
Total Assets	**2,020,240**	2,180,297	1,923,762	1,020,098	1,239,945
EQUITY AND LIABILITIES					
Capital and reserves					
Share Capital	**788,940**	667,683	663,450	502,054	397,730
Reserves	**(228,483)**	(329,150)	(262,444)	(237,341)	(287,416)
Equity Attributable To					
Owners Of The Company	**560,457**	338,533	401,006	264,713	110,314
Non-Controlling Interests	**263,079**	283,144	274,844	38,088	42,238
Total Equity	**823,536**	621,677	675,850	302,801	152,552
Liabilities					
Non-Current Liabilities	**392,368**	383,461	554,513	369,324	507,497
Current Liabilities	**804,336**	1,175,159	693,399	347,973	579,896
Total Liabilities	**1,196,704**	1,558,620	1,247,912	717,297	1,087,393
Total Equity And Liabilities	**2,020,240**	2,180,297	1,923,762	1,020,098	1,239,945
GROUP RESULTS					
Revenue	**372,191**	460,701	305,192	250,898	347,698
Profit/(Loss) Before Tax	**109,031**	(21,041)	26,751	19,993	(41,591)
Tax expense	**(11,583)**	(10,212)	(5,424)	(6,092)	(3,544)
Non-Controlling Interests	**10,355**	17,271	6,872	1,573	2,643
Profit/(Loss) Attributable To Owners Of The Company	**87,093**	(48,524)	14,455	12,328	(47,919)
SELECTED RATIOS					
Earnings/(Loss) Per Share (Sen) - Basic and Diluted	**4.00**	(2.59)	0.77	1.57	(7.86)
Net Assets Per Share Attributable To Owners Of The Company (RM)	**0.21**	0.18	0.21	0.20	0.17
Return on Equity (%)	**15.54**	(14.33)	3.60	4.66	(43.44)
Gearing Ratio (Times)	**1.19**	2.61	1.82	1.82	7.66
Share Price (Year-End Closing) (RM)	**0.12**	0.17	0.23	0.18	0.33

FIVE YEARS' FINANCIAL HIGHLIGHTS (CONT'D)

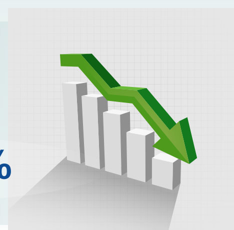
REVENUE *(RM'000)*



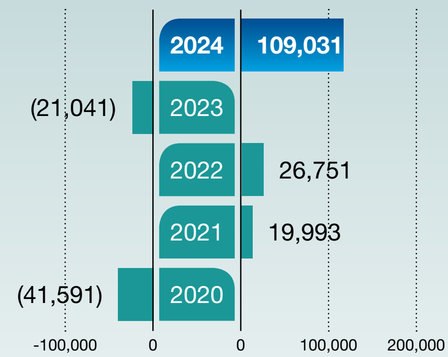
RM372,191 million

2023: RM 460,701

DECREASE **19.2%**



PROFIT/(LOSS) BEFORE TAX *(RM'000)*

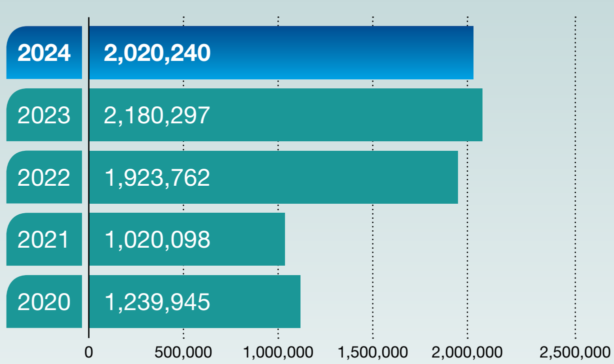


RM109,031 million

2023: (RM21,041)

INCREASE **>100%**

TOTAL ASSETS *(RM'000)*

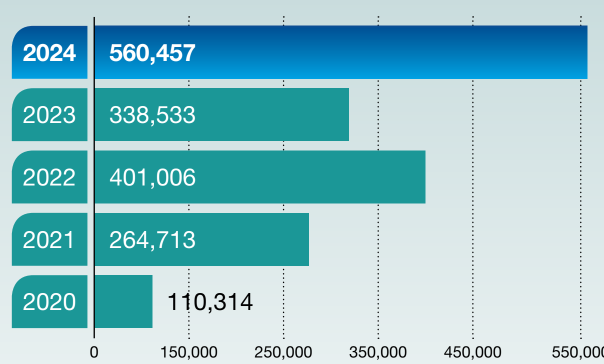


RM2,020,240 million

2023: RM2,180,297

DECREASE **7.3%**

EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY *(RM'000)*



RM560,457 million

2023: RM338,533

INCREASE **65.6%**

MESSAGE
FROM THE CHAIRMAN

DEAR VALUED STAKEHOLDERS,

ON BEHALF OF THE BOARD OF DIRECTORS, I AM PLEASED TO PRESENT MUDAJAYA'S ANNUAL REPORT 2024. AS I PEN THIS STATEMENT, MUDAJAYA'S BOLD EXPANSION BEYOND MALAYSIAN BORDERS HAS BEGUN TO YIELD TANGIBLE RETURNS, UNLOCKING NEW OPPORTUNITIES THAT WILL DRIVE SUSTAINABLE AND ROBUST GROWTH FOR THE GROUP.

IR. JAMES WONG TET FOH
Executive Chairman

MESSAGE FROM THE CHAIRMAN (CONT'D)

Mudajaya achieved an impressive turnaround, posting a surge in net profit, shifting from a loss of RM31.3 million in FY2023 to a profit of RM97.4 million in FY2024, despite revenue declining 19.2% to RM372.2 million. Earnings Per Share also improved from -2.59 in FY2023 to 4.00 in FY2024. This is mainly attributed to a recognition of a gain in the valuation of the Group's investment in RKM Powergen Private Limited (RKM) that owns a power plant project in India.

THRIVING FINANCIAL PERFORMANCE IN A DYNAMIC LANDSCAPE

The global economy faced challenges from monetary tightening, recession fears, and escalating geopolitical tensions, including U.S. tariffs that impacted economic stability. Regionally, ongoing US-China trade tensions may affect project rollouts, though Southeast Asia remains a growth hub, particularly in data centres and manufacturing sectors. This highlights the critical need for stable utility infrastructure and housing, presenting opportunities for Mudajaya's expertise across our property development, construction, and power generation businesses.

Despite the instability in the property market, we remain confident in the recovery of the China market, with the government of China prioritising property market stabilisation in its 2025 agenda, this will support the demand for cement and other building materials in the country.

PROPELLING GROWTH THROUGH NEW ACHIEVEMENTS

Building on our solid foundations in the construction segment, we have achieved key milestones across several projects. The Certificate of Practical Completion for the construction of the Earthworks Package related to the 1,200MW combined cycle gas power plant in Gurun, Kedah had been obtained on 1 August 2024. Meanwhile, the East Coast Rail Link (ECRL) project in Terengganu has reached 34% progress, and construction of Kotra Pharma's warehouse in Malacca is progressing steadily at 51% completion as of 31 December 2024. In addition, our contract with the Public Works Department of Sarawak (PWDS) for the design and construction of a vehicle yard and associated facilities at Senari Port (Phase 1) is nearing completion. Upon completion in January 2025, it is expected that Phase 2 of the facilities will commence once site instruction from PWDS is received. These developments reflect our continued commitment to delivering quality infrastructure efficiently and responsibly. The current order book stands at RM288 million as of 31 December 2024, with RM70 million new contracts replenished this year.

Our manufacturing and trading segment in China faced challenges from continued property market instability and slowing infrastructure investments. However, we have achieved significant milestones, with our subsidiary JiFeng Trading business recording an unprecedented sales of equivalent RM24.5 million and RM1.9 million in profit. In alignment with local government initiatives to enhance cement production efficiency and environmental standards, we are expanding Real Jade Group's daily production capacity from 2,500 to 4,000 tonnes, this upgrading exercise is expected to complete by the end of 2025. This modernisation will improve efficiency, reduce costs, and reinforce our commitment to sustainable operations, contributing significantly to the Group's financials in FY2026 onwards.

Our property segment achieved improved revenue and profit before tax by clearing its existing inventory and launching a new RM66 million, 17-storey condominium development in Batu Kawah, Kuching. The project is expected to be completed by fourth quarter in 2026.

Our power segment continued to record notable achievements. This includes the RKM delivering its highest annual power generation of 6,757 GWh since its inception in 2016 and Sinar Kamiri Sdn Bhd achieving a record generation of 87,430MWh since beginning operations in 2019.

We continue our strategic collaboration with Concord New Energy Group Ltd ("CNE") on key regional energy initiatives, including Singapore cross-border electricity sales, a 400MW / 1,600MWh Battery Energy Storage System ("BESS") for Peninsular Malaysia, Large Scale Solar Farm (LSSF6) projects, targeted renewable energy acquisitions in Indonesia, and power-related manufacturing operations in Malaysia.

The prospects for the sustainable energy industry remain positive, driven by Malaysia's commitment to achieving a 70% renewable energy ("RE") mix by 2050. This ambition is reinforced by strong government support through favourable policies such as the National Energy Transition Roadmap, the lifting of the RE export ban, and initiatives like the Bursa Carbon Exchange. In alignment with these national efforts, Mudajaya is actively contributing to the energy transition by leveraging its expertise as an EPCC contractor for large-scale solar power plants and BESS across both public and private sectors. Furthermore, Mudajaya continues to explore strategic collaborations, including its recent Memorandum of Understanding with CNE, to drive sustainable growth and higher revenue recognition in the RE sector within the ASEAN region.

MESSAGE FROM THE CHAIRMAN
(CONT'D)

SUSTAINING A PATHWAY TO GROWTH

We completed the Rights Issue with Warrants exercise, issuing 531,476,608 Rights Shares at RM0.17 per share, along with an equal number of warrants, raising RM90.35 million in total proceeds. The funds have been fully utilised for settlement of vendor financing and working capital requirements.

Our capacity to maintain and increase our business's success depends on achieving specific Environmental, Social, and Governance ("ESG") performance objectives. In today's post-pandemic environment, an organization's relevance, competitiveness, and resilience against risks hinge on robust management of ESG matters. Advancing our sustainability journey remains pivotal to our long-term strategy for creating shared value, as we drive our ESG agenda forward by reviewing progress against internal targets and ensuring our strategies enhance our capacity to deliver sustainable performance across all business segments.

Bolstered by our heightened focus and oversight across the ESG spectrum, we underscored our commitment to climate change action through Net Zero Emissions by 2050 target. In conjunction, we have identified numerous near-term and long-term strategies to achieve our targets, alongside the education of our workforce to promote good energy practices.

Further details of our commitment towards ESG are highlighted in the Sustainability Statement in this Annual Report.

MOVING FORWARD

The external headwinds have caused challenging market conditions for the construction industry. The Group's strategic plans continue to move forward by leveraging on the businesses of other divisions, such as property and power, to support the earnings of the Group.

A total of RM86 billion in development expenditures was announced in Malaysia's Budget 2025, including the Pan Borneo Highway and Penang LRT. Mudajaya is poised to ride on the wave of recovery with its full-fledged integrated capabilities. We are fresh from the recent successful completion of the WP08 Package of the Pan Borneo Highway in Sarawak and Light Rail Transit 3 Project Package GS01. To-date, the team has participated in tenders worth RM4.3 billion related to some of the projects mentioned in the budget.

At the same time, we are cognisant of the inflationary pressures and ongoing geopolitical tensions that may affect the pace of economic growth. Nevertheless, we are cautiously optimistic about registering positive growth in 2025 and are well-positioned to adapt our strategy to the challenges and opportunities that may arise in a highly dynamic industry. As the adage says, crisis breeds opportunity, and we are always on the scout for the acquisition of assets in power or land at price levels that meet the Group's investment thresholds in terms of financial returns.

IN APPRECIATION

On behalf of the Board of Directors, I would like to express my heartfelt appreciation to our employees. Your passion, dedication, and tenacity are the driving force behind the Group's success. My sincere gratitude to my fellow members of the Board for your stewardship in assuring the highest standards of governance, oversight, and direction on strategic matters that are essential to the Group. I also wish to thank Mr Chew Hoy Ping, who had served dedicatedly with the Board over the past 11 years as he retired from the Board in December 2024. Additionally, I extend my heartfelt thanks to Dato' Amin Rafie Bin Othman, who resigned on 31 March 2025, for his dedicated service over the past 7 years. Their insights and leadership have greatly supported the Board's work throughout their tenures.

To all our stakeholders, I thank you for your confidence and trust. We look forward to continuing the mutually rewarding relationship as we pursue our journey towards progressive growth.

All apartment unit facing mountain view comes with balconies to all 3 bedrooms.

MANAGEMENT DISCUSSION & ANALYSIS

LRT3 GS01 Elevated Station and Viaduct at Kayu Ara, Petaling Jaya, Selangor.

SEGMENTAL ANALYSIS:

CONSTRUCTION SECTOR

MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

SECTORAL LANDSCAPE

Looking ahead to 2025, Malaysia's construction industry is poised to continue playing a pivotal role in the nation's economic growth. However, it will encounter new challenges and opportunities that will shape its trajectory. Government investment in infrastructure is expected to remain a key driver, aligning with long-term economic and sustainability objectives.

Malaysia's Budget 2025 of RM86 billion for construction sector, is more than just a financial plan; it represents a strategic vision for national growth and sustainability. Amid global economic uncertainties and the growing need for climate resilience, the Malaysian government has outlined an ambitious agenda focused on infrastructure development. Key projects include the Penang Light Rail Transit (LRT), the expansion of the Kulim Hi-Tech Park, airport upgrades in Tawau and Miri, and flood mitigation initiatives such as the Sungai Langat and Sungai Samagagah projects. Notable infrastructure undertakings include the RM6.1 billion Northern Coastal Highway in Sarawak, the RM5.6 billion Sabah-Sarawak Link Road Phase 2, and the RM4.4 billion Pan Borneo Sabah Phase 1B. Additionally, the RM4 billion Sungai Perak Raw Water Transfer project is set to contribute significantly. The budget also includes rural development and public-private partnership (PPP) initiatives, reinforcing the sector's growth outlook.

ACHIEVEMENTS IN 2024

In 2024, several key projects are approaching completion. The Vehicular Yard at Senari Port in Kuching is ahead of schedule, while significant progress is being made on the LRT3 GS01 project, with station construction nearly completed and major external works set to conclude by Q4 2024.

Other ongoing projects include the Kotra Pharma Warehouse in Malacca and the ECRL Station Package 3 (encompassing stations in Dungun, Kemasik, and Chukai, Terengganu), where teams are actively working closely together, successfully addressing challenges and staying well-aligned with the projects.

Mudajaya secured two new contracts valued at RM65 million in 2025: the proposed 17-storey high-rise condominium in Batu Kawah New Township, Kuching, and the extension of the vehicle yard and facilities at Senari Port, Kuching. Both projects are being implemented efficiently and effective coordination across all teams.

EXTERNAL FACTORS IMPACTING THE INDUSTRY IN 2025

Several external factors will influence the Malaysian construction industry in 2025. These include the economic influence of China, ongoing trade tensions between the US and China, global interest rate trends (especially in the US), and their impact on foreign investment flows into Malaysia. The rapid advancements in technology, particularly in AI and automation, will be crucial for maintaining competitiveness. Additionally, evolving environmental regulations and policies will likely shape project designs and operational practices.

Vehicle Yard and Associated Facilities at Senari Port, Kuching.

MANAGEMENT DISCUSSION & ANALYSIS
(CONT'D)

Vehicle Yard and Associated Facilities at Senari Port, Kuching.

Kotra Pharma Block C Warehouse, Teknologi Cheng, Melaka (Interior view).

Kotra Pharma Block C Warehouse, Teknologi Cheng, Melaka (Exterior view).

ECRL Project (Package 3) at Dungun, Kemasik & Chukai, Terengganu.

WAY FORWARD

The Malaysian construction sector is forecasted to achieve a 29% growth in 2025, fueled by government infrastructure projects, data center developments, and increasing foreign direct investment (FDI). The New Industrial Master Plan 2030 (NIMP 2030) is expected to result in significant private sector-driven infrastructure projects, ensuring continued vibrancy in the sector, particularly with substantial investments in semiconductor foundries and data centers.

Major infrastructure projects will continue to be central, including highways, bridges, ports, airports, and public transportation systems. The sector is also focused on addressing the rising demand for affordable housing and commercial spaces in response to evolving demographic trends. The government's emphasis on public-private partnerships (PPPs) and large-scale infrastructure projects demonstrates a commitment to enhancing connectivity and creating jobs.

As digital transformation takes hold, technological innovations will be instrumental in improving productivity, reducing costs, and driving long-term efficiency. Mudajaya remains actively engaged in infrastructure project tenders and is exploring new opportunities in both building construction and large-scale infrastructure projects across Malaysia and China.

However, the industry faces several challenges, including a shortage of skilled labor, risks associated with climate change, and the urgent need for more resilient infrastructure. These factors will play a critical role in shaping Malaysia's construction landscape and its broader economic growth in 2025.

In our pursuit of excellence, we remain committed to innovation, sustainability, and workforce development. By staying agile and responsive to industry changes, Mudajaya will continue navigating the opportunities and challenges of the construction sector in 2025 and beyond, ensuring continued growth and resilience as one of key stakeholders in Malaysia's construction industry.

Aerial view of cement manufacturing plant in Shandong, China.

SEGMENTAL ANALYSIS:

MANUFACTURING, TRADING AND OTHER SECTOR

MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

SECTORAL LANDSCAPE

Mudajaya's trading, manufacturing and other units mainly covers the trading, production, and investment divisions. The main activities in Malaysia include trading construction materials, production of ready-mixed concrete and precast concrete products.

ACHIEVEMENT IN 2024

Notwithstanding the delays in the launch of several mega insfrastructure projects, MJC Precast managed to secure a contract for the supply and delivery of precast pre-tensioned U-beams for the WCE project, specifically section 7 (Assam Jawa Interchange to Tanjung Karang Interchange).

Precast Pre-Tensioned U Beams for Ganda Imbuhan – Project WCE – BRS7-2.

WAY FORWARD

Notwithstanding the challenges experienced in FY2024, it is anticipated that FY2025 will see an improvement to the construction sector.

We believe that the start of several mega projects in 2025, including the Penang Light Rail Transit (LRT), the Mega Road Project connecting Miri to Long Lama, the Flood Mitigation Project, New Pantai Expressway Phase 2 (NPE 2), and the KVMRT3, which are also in the pipeline, will enable us to continuously secure projects and increase our order book.

Box Culverts & RE wall panels at the MJC Precast plant in Ijok

MJC Precast intends to participate selectively in various tenders to replenish its manufacturing order book of RM18 million, based on current market scenario.

MANAGEMENT DISCUSSION & ANALYSIS
(CONT'D)

Production of aggregates in the cement plant in Shandong, China.

SECTORAL LANDSCAPE

The Group's operations in the People's Republic of China ("PRC") encompass the manufacture and sales of cement and clinker, trading of cement, manufacture and sales of building materials, and energy conservation and environmental protection.

ACHIEVEMENTS IN 2024

In 2024, China's economy faced growing external pressures and internal challenges, showing a "high at the start, low in the middle, and rebound later" V-shaped growth pattern. The real estate sector continued its prolonged adjustment, which reduced annual cement demand. This worsened the supply-demand imbalance in the industry and caused industry profits to drop significantly.

During the year, we sold about 410,000 tons of cement and clinker through our production facility in Shandong and traded approximately 1,800,000 tons of cement through our trading division in Shanghai.

WAY FORWARD

Looking ahead to 2025, the Chinese cement industry is expected to continue facing a challenging market environment, with weak market demand remaining a significant issue. However, the sector is likely to benefit from several positive developments, including enhanced industry self-discipline, the implementation of staggered production schedules, and the gradual impact of capacity control policies. These factors are expected to collectively support a recovery in industry profitability. Cement prices in 2025 are projected to follow a "low in the early year, high later" trend, with the overall price level shifting upward.

The Group's Cement Segment is undertaking a capacity upgrade of its clinker production line in Shandong, which has been in operation for over 20 years. The upgrade will increase its daily production capacity from 2,500 tons to 4,000 tons, with completion and commissioning expected by the end of December 2025. Once operational, the upgraded facility is anticipated to achieve industry-leading standards in terms of economic efficiency, technical performance, and environmental compliance, thereby significantly enhancing the Group's competitive position within the market.

Aerial view of cement manufacturing plant in Shandong, China.

MANAGEMENT DISCUSSION & ANALYSIS

49 MW Solar Photovoltaic Power Plant, Sungai Siput, Perak.

SEGMENTAL ANALYSIS:

POWER SECTOR

MANAGEMENT DISCUSSION & ANALYSIS
(CONT'D)

SECTORAL LANDSCAPE

Mudajaya's Power Segment undertakes the concession and IPP assets within the energy sector. At present, Mudajaya operates, owns, and manages two solar PV assets with total capacity of approximately 59MW. The first 10MW Solar PV plant is located at Gebeng, Pahang and the second 49MW plant is located at Sungai Siput, Perak. Mudajaya's historical assets in the power generation sector include a 2x7MW Coal-fired Power Plant in Sulawesi, Indonesia and a 4 x 360 MW Coal-fired Power Plant in Chhattisgarh, India.

ACHIEVEMENTS IN 2024

During 2024, Mudajaya's Solar PV plants generated approximately 100 GWh of clean and renewable energy and eliminated over 72,000 ton of CO^2. The energy generation in 2024 for the two solar PV plant is comparatively higher than the generation in 2023 due to better irradiation. Notably, the 49MW Solar Plant achieved its highest recorded annual generation in 2024 since inception, reaching 108% of its MAQ.

Mudajaya's 2 x 7 MW Coal fired Power Plant in Sulawesi, Indonesia generated 82,939 MWh of electricity with better profits attributed to higher generation revenue and coal price allocation.

The power plant in India also have recorded a profit for the year 2024 amounted to RM199 million from its operations and with the growing demands for power in India, this performance is expected to further improve in 2025.

WAY FORWARD

With the Government of Malaysia's commitment towards the Paris Agreement targets remain intact, the government have revised and increase its national RE capacity to 70 percent of the generation mix by 2025. In 2023, the Government of Malaysia published the National Energy Transition Roadmap (NETR) that sets goal to accelerate energy transition and change the way energy is generated to improve climate resilience. NETR has developed the Responsible Transition (RT) Pathway 2050 to shift Malaysia's energy systems from fossil fuel-based to greener and low-carbon systems.

With the increase in RE target mix to 70%, Mudajaya anticipates that Suruhanjaya Tenaga will rollout sizeable large scale solar (LSS) projects through LSS6 in 2025, along with the ongoing Corporate Renewable Energy Supply Scheme (CRESS) and the upcoming Battery Energy Storage System (BESS) Program in which Mudajaya will actively participate.

In addition to Solar PV projects, Mudajaya will explore other renewable energy opportunities to further expand the Group's RE portfolio.

49 MW Solar Photovoltaic Power Plant, Sungai Siput, Perak.

MANAGEMENT DISCUSSION & ANALYSIS
(CONT'D)

The proposed sky garden at Eaven, Skyvilla Block E, Batu Kawah New Township.

SEGMENTAL ANALYSIS:
PROPERTY SECTOR

MANAGEMENT DISCUSSION & ANALYSIS
(CONT'D)

SECTORIAL LANDSCAPE

The property sector experienced a positive growth in the first 9 months but slowed down in the last quarter of 2024, juxtaposed with mixed sentiment amongst buyers and investors facing rising costs and global economic uncertainty. As the market improved post Covid, the developers took the opportunity to dispose of its inventories and launching projects in smaller scale or broke into phases, to adapt to the market demand.

PROPERTY SECTOR ACHIEVEMENTS IN 2024

In 2024, our Property Division demonstrated strategic growth and continued value creation across key developments, underscoring our commitment to community-building, product innovation, and market responsiveness.

MJC City Development Sdn Bhd signed the Sale & Purchase Agreement with the Titular Superior Of The Institute Of The Marist Brothers Of The Schools for the setting up of an international school in MJC Township, Kuching.

Strategic Township Development: Batu Kawah New Township (MJC)

Batu Kawah New Township, known locally as MJC, continued to thrive as a vibrant satellite community in Kuching. The 256-acre development has matured steadily in line with its "Back to Nature" master plan, with civic amenities such as linear parks and town squares enriching community life. A major milestone was achieved with the signing of a Sale and Purchase Agreement with the Titular Superior Of The Institute Of The Marist Brothers Of The Schools to establish St. Joseph's International School within the township. This addition is expected to inject long-term vitality and uplift the value and demand for future phases of development.

MANAGEMENT DISCUSSION & ANALYSIS
(CONT'D)

Stunningly stylish apartment unit at Eaven, Skyvilla Block E, Batu Kawah New Township, offers luxurious and non-fussy living space to their owners.

MANAGEMENT DISCUSSION & ANALYSIS
(CONT'D)

Residential Excellence: Skyvilla Residences

The Skyvilla Residences development reached a new high with the successful delivery of 560 units across four towers. The launch of its final tower, Eaven, marked a significant highlight in 2024. Comprising 128 well-appointed units ranging from 882 to 1,566 sq. ft., Eaven was designed with post-pandemic lifestyle changes in mind—particularly to meet the needs of professionals seeking flexible work-from-home spaces. Thoughtfully curated communal facilities like a guest lounge, sky garden with cooking amenities, and gathering spaces have fostered strong community ties and promoted resident well-being. A dedicated sales gallery and showhouse at Papillion Street Mall further enhanced the project's market presence.

Block E Skyvilla or Eaven offers refreshing panoramic view of the mountains.

The 1,566 sf unit comes with 4 bedrooms which can be converted to a spaciuos study room for one that work from home.

All bedrooms in Eaven can accommodate a queen size bed.

MANAGEMENT DISCUSSION & ANALYSIS
(CONT'D)

Glass clad facade allow luxurious sunlight into the office and meeting rooms which are equipped with state-of-the-art meeting facilities, Menara Mudajaya.

MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

Commercial Innovation:
The Office Club at Menara Mudajaya

In response to high demand, The Office Club at Menara Mudajaya expanded to include Level 11, offering premium office suites in a boutique, members-only format. The expansion features a British India-inspired lounge, communal pantry with scenic views of Penchala Hill, private phone booths, and meeting rooms—all designed to enhance productivity and elevate the professional workspace experience. The open, light-filled architecture and refined interiors cater to an emerging class of discerning business users seeking flexibility, elegance, and function.

This well-rounded performance across residential, commercial, and township segments highlight our strategic adaptability, customer-centric approach, and long-term value generation in the Property Sector.

No matter what you need, the landlord has your back, at Menara Mudajaya.

The Office Club is inspired by our expatriate tenants thus an interior design theme which provides the home away from home concept.

Taking advantage of the tropical climate, we let the sunlight in to provide a light and easy environment to our tenants.

WAY FORWARD

Looking ahead, the property development business will focus on sustainability, smart living, mixed-use developments, and strategic initiatives to improve revenue and profit, including the rebranding and rejuvenation of the Batu Kawah New Township project. Additionally, the company envisions emphasizing green building technologies, energy efficiency, and eco-friendly designs, future projects will align with global sustainability trends.

The company is exploring to include community spaces into all its building design especially for the retirees so that they have a place to relax and conduct activities which will give back to the society. Efforts to optimize project efficiency, enhance market positioning, and explore new revenue streams will be prioritized to drive long-term financial growth.

MANAGEMENT DISCUSSION & ANALYSIS
(CONT'D)

FINANCIAL POSITION ANALYSIS

in RM'000	31.12.2024	31.12.2023	Variance
Non-current assets	798,960	642,450	24%
Current assets	1,221,280	1,537,847	-21%
Total assets	2,020,240	2,180,297	-7%
Equity attributable to owners of the Company	560,467	338,533	66%
Non-current liabilities	392,368	383,461	2%
Current liabilities	804,336	1,175,159	-32%
Total liabilities	1,196,704	1,558,620	-23%

Total assets and total liabilities

As at 31 December 2024, the Group's total assets and total liabilities amouted to RM2,020 million and RM1,197 million, respectively, representing a decrease of 7% and 23% compared to RM2,180 million and RM1,559 million as at 31 December 2023. The decrease was primarily due to a reduction in trade and other receivables as well as loans and borrowings. The decrease in trade and other receivables was mainly driven by improved collection efforts. In addition, the proceeds from the corporate exercises carried out during the year were used to settle a portion of the Group's loans and borrowings.

Equity attributable to owners of the Company

Equity attributable to the owners of the Company increased by 66% as at 31 December 2024, compared to 31 December 2023. This is primarily due to the corporate exercises completed during the year and the higher profits attributable to the owners during the year. The share capital, including the warrant reserves, increased from RM668 million to RM813 million following from the completion of these exercises. In addition, the increase in reserves was mainly due to the recognition of a valuation gain during the year arising from the remeasurement of the Group's investment in RKM.

MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

PROFIT OR LOSS ANALYSIS

in RM'000	31.12.2024	31.12.2023	Variance
Revenue	372,191	460,701	-19%
Gross profit	78,121	39,033	100%
Finance cost	(52,185)	(52,418)	0%
Profit/(Loss) before tax	109,031	(21,041)	>100%
Profit/(Loss) for the year	97,448	(31,253)	>100%

Revenue and gross profit

The Group reported revenue of RM372.2 million and gross profit of RM78.1 million for the year ended 31 December 2024, representing a decrease of 19% and an increase of 100% in revenue and gross profit compared to RM460.7 million and RM39.0 million, respectively, in the previous year. The decline in revenue was primarily due to the near completion of certain construction projects, as well as lower cement sales in conjunction with the fall in the selling price of cement. The significant increase in gross profit, on the other hand, is primarily due to the absence of a one-off cost reassessment on a construction contract, which had a negative impact on gross profit in the previous year.

Finance cost

The Group recorded finance costs of RM52.2 million for the year ended 31 December 2024, representing a slight decrease of RM0.2 million compared to RM52.4 million in the previous financial year. As a result of repayment of loans and borrowings during the year, it is estimated net interest savings of RM7.5 million per annum.

Profit/(Loss) before tax ("PBT" or "LBT")

The Group reported PBT of RM109.0 million for the year ended 31 December 2024 as compared to LBT of RM21.0 million in the previous year. The improvement in profitability in the current year was primarily due to the recognition of a valuation gain on remeasurement of the Group's investment in RKM while the LBT recorded in the previous year is mainly due to a one-off cost reassessment on a construction contract.

CASH FLOWS ANALYSIS

in RM'000	2024	2023
Net cash generated from operating activities	137,196	30,868
Net cash generated from/(used in) investing activities	8,849	(112,908)
Net cash (used in)/generated from financing activities	(243,074)	47,747
Net decrease in cash and cash equivalents	(97,029)	(34,293)
Effect of exchange rate fluctuations on cash held	45,064	18,374
Cash and cash equivalents* at 1 Jan	152,450	168,369
Cash and cash equivalents* at 31 Dec	100,485	152,450

** excluded pledged deposits*

As at 31 December 2024, the Group's cash and cash equivalents, excluding pledged deposits, decreased by 34% compared to 31 December 2023.

The improvement in cash flow from operating activities during the year was primarily due to shorter receivable turnover days for FY2024.

The net cash generated from investing activities in 2024, compared to the net cash used in 2023, was mainly due to the release of certain pledged deposits.

Meanwhile, the net cash used in financing activities in 2024, compared to the net cash generated in 2023, was mainly due to higher repayments of loans and borrowings during the year.

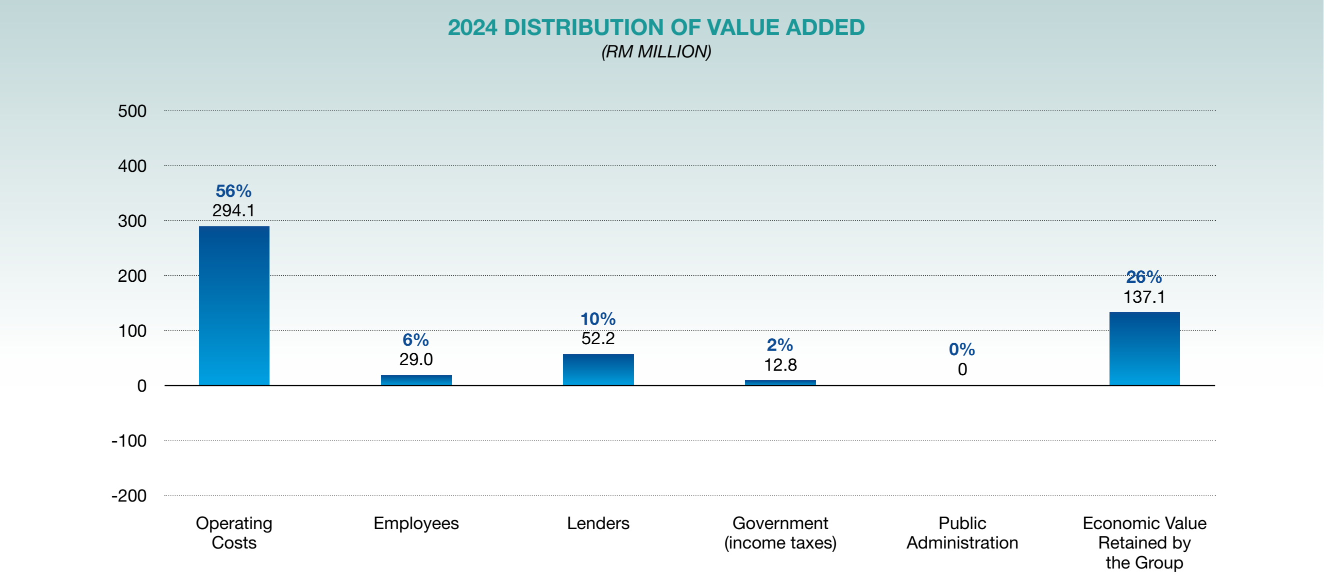
VALUE-ADDED STATEMENT

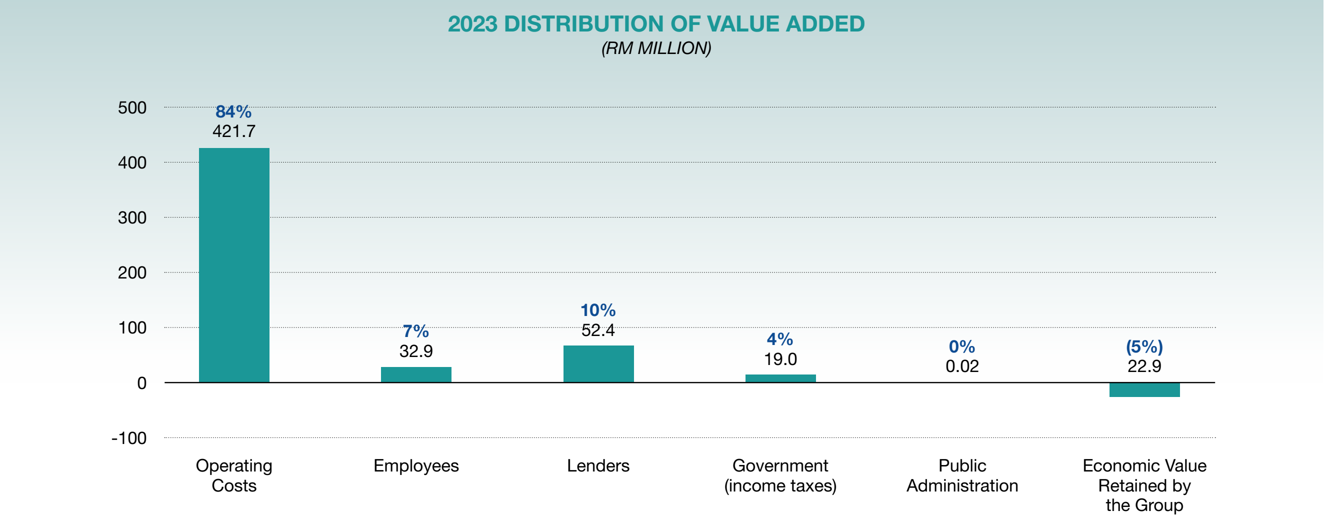
Mudajaya Group aims to create sustainable value by relentlessly looking for opportunities for sustainable revenue growth and enhanced profitability. We work hard to maintain a strong financial position and increase our positive contribution to society to ensure the wellbeing of all our stakeholders.

This statement is a measure of the wealth created by the Group through its various business activities and shows how the Group's economic activities provide value to our employees, partners, shareholders, investors and the community. Mudajaya Group's value added amounted to RM525.2 million (2023: RM503.1 million) – with 56% (2023: 84%) of the value added of RM294.1 million (2023: RM421.7 million) directed to Operating Costs. Additionally, distribution to employees in the form of wages and benefits amounted to RM29.0 million (2023: RM32.9 million).

The Group's retained economic value increased to positive RM137.1 million in 2024, compared to a negative retained economic value of RM22.9 million in 2023.

"WE CONTINUE TO MAKE INVESTMENTS THAT WILL PRIORITIZE OUR STAKEHOLDERS' WELLBEING"





INVESTOR RELATIONS 2024

LRT3 GS01 Elevated Station and Viaduct at Damansara Toll Plaza.

Dear shareholders and stakeholders,

We are pleased to present our Investor Relations Statement for the year ended 31 December 2024. The Mudajaya Group has demonstrated resilience and adaptability in a changing global environment by remaining committed to implementing our strategic initiatives and achieving sustainable growth amidst economic and geopolitical uncertainties.

FINANCIAL PERFORMANCE

The Mudajaya Group's financial performance in 2024 reflects both opportunities and challenges. Revenue declined to RM372 million, mainly due to market fluctuations. Nevertheless, the Group recorded a profit before tax of RM109 million, a significant improvement from the previous year's loss before tax of RM21 million. This positive development is mainly due to the valuation gain from the revaluation of the investment in RKM. Despite the decline in revenue, we remain confident of our long-term growth trajectory and have implemented measures to improve cost efficiency and project execution.

BUSINESS ACTIVITIES

Mudajaya continues to expand its diversified portfolio and is active in the construction, renewable energy, property development and manufacturing segments. The power segment continues to make an important contribution by maintaining stable operations that strengthen our financial performance. The acquisition of Real Jade Ltd. in China has further strengthened our position in the region, enabling us to meet the growing demand for sustainable building materials. The Group is also exploring digital transformation initiatives to increase operational efficiency and improve risk management across all business areas.

FUTURE PROSPECTS

Looking ahead, we expect more robust infrastructure development with key projects such as the nationwide flood mitigation efforts and the anticipated commencement of the Mass Rapid Transit 3 (MRT3). The Malaysian government's focus on renewable energy is also a positive catalyst, with the incentives under the Green Investment Tax Allowance (GITA) and Green Income Tax Exemption (GITE). In addition, the government's push to expand solar energy, including potential new large-scale solar projects, offers significant growth prospects for our Power division.

Internationally, we aim to expand our presence in China by leveraging our expertise in construction project management and commercial contracts. As global demand for sustainable infrastructure increases, we are well positioned to make an important contribution with innovative and environmentally friendly solutions.

We remain committed to strengthening our financial position, increasing value for our stakeholders and managing the changing business environment with flexibility. As we head into 2025, we are optimistic about the opportunities ahead and are confident that our strategic focus on innovation, operational excellence and sustainability will drive long-term success.

Finally, we would like to thank our shareholders and stakeholders for their unwavering support and trust. Their trust in us spurs us on to achieve our strategic goals and achieve sustainable growth. With a reinforced strategy and a stable foundation, we expect a better performance in the coming year, both in terms of revenue growth and profitability.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("**the Board**") of Mudajaya is pleased to provide an overview of the Company's corporate governance practices during the financial year ended 31 December 2024 with reference to the 3 key Principles as set out in the updated Malaysian Code on Corporate Governance 2021 ("**MCCG 2021**") namely (a) Board leadership and effectiveness; (b) Effective audit and risk management; and (c) Integrity in corporate reporting and meaningful relationship with stakeholders. The Company's application of each Practice set out in MCCG 2021 during the financial year 2024 is disclosed in the Company's Corporate Governance Report ("**CG Report**") which is available on the Company's website at *www.mudajaya.com* as well as via the Company's announcement made to Bursa Malaysia Securities Berhad ("**Bursa Securities**").

The Board remains committed to high standards of corporate governance driven by the ultimate objective of protecting and enhancing shareholder value and the financial performance of Mudajaya Group.

The Board recognises that maintaining good corporate governance is critical to business integrity and performance, and key to delivering shareholder value. The Board continuously evaluates and adapts existing corporate governance practices in line with other known best practices and developments in the corporate sector.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

The Board has general oversight of management of the Group. The Board provides direction to Management on the Group's strategy and overall policies for long-term value creation for all stakeholders including shareholders and employees. In fulfilling the role, the Board taking into account the interests of all stakeholders in its decisions.

The Board is responsible for reviewing the Group's financial performance and overseeing the approval of critical business matters, including annual budgets and strategic plans, while ensuring that sustainability and environmental, social and governance ("**ESG**") principles are integrated into the Group's strategic and operational framework.

The Board is not directly involved in the day-to-day management of the Group but implements and monitors adequate guidelines and policies to ensure that Management acts in the best interest of the Group and its stakeholders, and observes and conforms to proper ethical, regulatory and legal requirements. In doing so, the Board has set limits of authority and boundaries for the actions that may be taken by Management and matters that it considers sufficiently material for its deliberation and approval.

In the interest of business efficacy, the Board may delegate authority to achieve the corporate objectives of the Group to the Executive Chairman and Acting Group Chief Operating Officer ("**AGCOO**"), supported by an Executive Committee (a Management-level Committee). The Executive Chairman and AGCOO remain accountable to the Board for all actions taken by them pursuant to any such authority as well as for their performance in accordance with their contracts of service. Notwithstanding, the Board reserves the authority to consider and make decisions on any matter that it deems of significance to stakeholders and the Group. Furthermore, the Board may establish Key Performance Indicators (KPI) for Management to ensure that they meet performance and delivery targets for the Group and will provide incentives for performance, and link remuneration and benefits to performance.

The role of the Independent Directors is to consider the interest of all shareholders and adopt an independent and objective stand on all matters before the Board. Independent Directors must vocalise their views on all matters and act in the best interest of the Group as a whole.

The Board has established Board Committees, namely the Audit Committee ("**AC**"), Combined Nomination and Remuneration Committee ("**CNRC**"), Risk Management Committee ("**RMC**") and Investment Committee ("**IC**") to assist the Board with specific matters within their respective terms of reference. The terms of reference of these Board Committees have been approved by the Board but are continuously evaluated to ensure that they are adequate and relevant. Although specific powers are delegated to the Board Committees, the Board keeps itself abreast through the reports from the respective Chairmen of the Board Committees and the minutes of the Board Committee meetings. The ultimate responsibility for decision-making, however, lies with the Board.

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

I. BOARD RESPONSIBILITIES (CONT'D)

The Board announced on 28 November 2024 that the RMC of the Company was renamed as the Risk Management and Sustainability Committee ("**RMSC**"). The Board further approved the merger of the AC and RMSC into a single committee, which took effect on 31 December 2024. The AC henceforth renamed and be referred to as the 'Audit, Risk Management and Sustainability Committee' ("**ARMSC**"), reflects its expanded scope and responsibilities. The merger aims to enhance the Board's oversight of the Company's framework, strategies, and initiatives related to audit, risk management, and sustainability. The Board approved the revised terms of reference for the ARMSC on 25 February 2025.

Separation of Positions of the Chairman and AGCOO

There is a clear division of responsibilities between the Executive Chairman and the AGCOO to ensure that there is a balance of power and authority such that neither individual has unfettered power over decision-making.

The Executive Chairman is primarily responsible for the vision and strategic direction of the Group as well as leadership of the Board. The Executive Chairman moderates and guides all meetings, and encourages active participation and contribution from all members of the Board. He engages directly with the AGCOO to monitor performance and oversees the implementation of strategies.

The AGCOO is responsible for the day-to-day management of the Group's operations and businesses as well as the implementation of the Board's policies and decisions.

The Executive Chairman is not a member of any Board Committee in compliance with Practice 1.4 of the MCCG 2021.

Company Secretaries

The Board is supported by suitably qualified Company Secretaries who manage and direct the flow of information to the Board and its Committees. They are responsible for developing and maintaining the processes that enable the Board to fulfil their role, ensuring compliance with the Company's Constitution and the relevant guidelines, regulatory and statutory requirements, and advising the Board on all governance matters.

The Board is regularly updated and advised by the Company Secretaries on new statutory and regulatory requirements, and the implications on the Group and the Directors in relation to their duties and responsibilities. The Company Secretaries also oversee the adherence to Board policies and procedures.

Board Meetings and Access to Information and Advice

Each Director, whether as a full Board or individually, have full and unrestricted access to all information pertaining to the Group's business affairs. In discharging their duties, Directors also have unrestricted access to the advice and services of Key Senior Management, the Company Secretaries, Internal Auditors, and External Auditors, in accordance with the Terms of Reference of the Board Committees.

The Board meets quarterly to review financial, operational and business performances, with additional meetings convened when necessary. The Board endeavours to deliberate on all important and material matters at physical/virtual meetings, however, where urgent and unforeseen matters require a decision of the Board and a physical meeting is not possible, the available Directors endeavour to arrive at a consensus by conferring via telephone or other electronic means. The Board may make routine or administrative decisions via circular resolutions. In all cases, the Board decides after receiving the information it requires for an informed decision.

All Directors are provided with an agenda and a set of agenda papers at least 5 business days prior to the Board and Committee meetings to enable the Directors to review and consider the items to be deliberated at the meetings. The Directors may seek advice from Management, or request further explanation, information or updates, where necessary. Additionally, the Board may receive further updates, reports and information to ensure that it is appraised of the latest key business, financial and operational matters.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

I. BOARD RESPONSIBILITIES (CONT'D)

Board Charter

The Board is guided by the Board Charter which sets out amongst others, the roles and responsibilities of the Board, Board Committees, individual Directors and Management in upholding good corporate governance standards and practices. The Board Charter also covers the composition of the Board; division of responsibilities between the Chairman and AGCOO; matters reserved for the Board's consideration and approval; procedures for convening Board meetings; Directors' remuneration and training; financial reporting; investor relations; and shareholder communication.

The Board reviewed the Board Charter during the Board meeting on 28 November 2024, particularly focused on aligning with updates to the Main Market Listing Requirements and MCCG 2021. The revised Board Charter was approved at the Board meeting held on 25 February 2025 and is now available on Mudajaya's website at *www.mudajaya.com*.

Code of Ethics and Conduct

The Board has a formalised Code of Ethics and Conduct ("**the Code**") which reflects Mudajaya's vision and core values of integrity, respect, trust and openness. The Code provides clear direction on the conduct of business, workplace behaviour, relations with stakeholders and the wider community. It also includes guidance on disclosure of conflict of interests; maintaining confidentiality and disclosure of information; good practices and internal controls; compliance with relevant laws and regulations; and the duty to report where there is a breach of the Code, amongst others. The Code is made available on Mudajaya's website at *www.mudajaya.com*.

Whistleblowing Policy & Procedure

Mudajaya has in place a Whistleblowing Policy & Procedure to provide an avenue and mechanism to all employees and stakeholders of the Group to report concerns in strict confidence, about any suspected wrongdoing, inappropriate behaviour or misconduct relating to fraud, corrupt practices and/or other forms of inappropriate or unethical behaviour. Reports can be made anonymously without fear of retaliation or repercussions and will be treated confidentially. There is a process in place to independently investigate all reports received to ensure the appropriate follow-up actions are taken.

The Whistleblowing Policy & Procedure was revised in year 2020 for the purpose of compliance with the ISO 37001:2016 Anti-Bribery Management System ("**ABMS**"). Mudajaya obtained the ISO 37001:2016 ABMS certification on 10 June 2020. The revised Whistleblowing Policy & Procedure which was approved by the Board on 27 February 2020, is published on Mudajaya's website at *www.mudajaya.com*.

Anti-Bribery and Corruption Policies

In compliance with the new Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018 and guided by the principles under the Guidelines for Adequate Procedures and Paragraph 15.29 of the Main Market Listing Requirements of Bursa Securities in relation to anti-bribery, the Board has on 27 February 2020, approved the new Anti-Bribery Policy Statement. On 28 May 2020, the Board adopted the Anti-Bribery Manual and the Anti-Bribery Objectives & Targets.

The Anti-Bribery Policy Statement, Anti-Bribery Manual and the internal policies set out the procedures and measures implemented by Mudajaya to prevent the occurrence of corruption in connection with its business and to ensure compliance with anti-corruption laws in the countries in which the Group operates. These policies serve as control measures to address and manage the risks of fraud, bribery, corruption, misconduct and unethical practices for the benefit of long-term success of the Company.

The Anti-Bribery Policy Statement is published on Mudajaya's website at *www.mudajaya.com*.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

I. BOARD RESPONSIBILITIES (CONT'D)

Directors' Fit and Proper Policy

In compliance with Paragraph 15.01A of the Main Market Listing Requirements of Bursa Securities, the Board has on 27 May 2022, approved the new Directors' Fit and Proper Policy for the appointment and re-election of directors.

The objective of the Directors' Fit and Proper Policy is to guide the CNRC and the Board in their review and assessment of potential candidates for appointment as Directors as well as Directors who are seeking for re-election at the Annual General Meeting ("**AGM**") of the Company. This Policy also aims to ensure that Directors possess the character, personal and financial integrity, relevant range of skills, knowledge, experience, competence and time commitment necessary to effectively fulfill their roles and responsibilities in the best interest of the Company and its stakeholders.

The Directors' Fit and Proper Policy is published on Mudajaya's website at *www.mudajaya.com*.

Sustainability Governance

The Board together with Management are responsible for the governance of sustainability in the Company, including setting the Company's sustainability strategies, priorities and targets. The Management team, led by the AGCOO is continuously enhancing the sustainability management framework and processes to ensure effective implementation and execution of the ESG initiatives.

Mudajaya has a sustainability governance structure that clearly defines the roles and responsibilities of those within the organisation who will be facilitating the development and implementation of sustainable policies and procedures.

The Sustainability Steering Committee ("**SSC**") which was formed in 2021, is responsible for carrying out sustainability programmes and assessing the results of these initiatives. On a day-to-day operational perspective, the SSC is supported by selected executives across departments to implement sustainability initiatives and report progress to the SSC. The AGCOO who chairs the SSC, is tasked to drive the sustainability strategy from an executive level, ensuring that sustainability initiatives are carried out in accordance with their respective objectives and timeframe.

To ensure the long-term expectations of stakeholders are met, Mudajaya continues to monitor its sustainability priorities, including taking the necessary actions to minimise the environmental impact. The senior leadership team is accountable for embedding sustainability initiatives and targets throughout business operations and overseeing the execution.

II. BOARD COMPOSITION

As at the date of this Statement, the Board has 4 members, comprising an Executive Chairman, and 3 Independent Non-Executive Directors. A majority of the Board members consists of Independent Non-Executive Directors, who account for more than half of the members and this allows for more effective oversight of management. The Board composition also complies with Paragraph 15.02(1)(a) of the Main Market Listing Requirements of Bursa Securities, which states that at least 2 directors or one-third of the Board members, whichever is higher, are Independent Directors.

On 22 April 2022, Ms Oei Su Lee was appointed as Independent Non-Executive Director of the Company in compliance with Paragraph 15.02(1)(b) of the Main Market Listing Requirements of Bursa Securities, which states that at least one Director on the Board must be a woman.

The Board has an appropriate mix of relevant skills, knowledge and experience in the areas of business, accounting, finance, banking, construction, engineering, real estate investment and property development, of which are skill sets relevant to the Group. A brief profile of each Director is set out under the Directors' Profile section of this Annual Report.

The composition of Directors during the financial year provides the appropriate size, diversity and balance of expertise, skills and core competencies among the Directors, which are necessary to lead the Group effectively. The Independent Directors provide independent judgement, objectivity, and check and balance on the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

II. BOARD COMPOSITION (CONT'D)

CNRC

The CNRC comprises all Independent Non-Executive Directors. In conformity with MCCG 2021, the CNRC is chaired by an Independent Non-Executive Deputy Chairman, Dato' Amin Rafie Bin Othman during the financial year under reviewed. As at the date of this Statement, Ms Oei Su Lee was designated as Chairperson of the CNRC following the cessation of Dato' Amin Rafie as Chairman of the CNRC on 31 December 2024.

The CNRC has written terms of reference outlines its authority, duties and responsibilities, which is accessible in Mudajaya's website at *www.mudajaya.com*. At its meeting held on 24 February 2025, the CNRC reviewed its terms of reference, with a particular focus on aligning it with the latest updates to the MCCG 2021. The revised terms of reference was approved by the Board on 25 February 2025 and is available on the Company's website.

The activities of the CNRC during the financial year are summarised as follows:-

(a) Reviewed the evaluation results of the Board and Board Committees, and independence assessment of the Independent Directors.

(b) Reviewed the results of the Director's Self & Peer Evaluation and mix of skills, competencies and experience of Directors.

(c) Reviewed the term of office, competency and performance of the AC and its members.

(d) Reviewed the evaluation results of the performance and contribution of the Group Managing Director & Chief Executive Officer ("**CEO**").

(e) Reviewed and recommended the re-election of Director for shareholders' approval at the 2024 AGM.

(f) Reviewed the training programmes attended by the Directors and assessed the training needs of Directors.

(g) Reviewed and recommended for the Board's approval, the offer of employment contract for the Executive Chairman.

(h) Reviewed the succession plans of the Board and Senior Management to ensure appropriate plans are in place to meet the Group's future leadership needs. At the meeting held on 27 March 2024, considered and recommended for Board's approval several key leadership changes, including the resignation of Mr Lee Eng Leong as Non-Independent Executive Chairman and the person primarily responsible for managing the Group's financial affairs. The Committee further endorsed and recommended the redesignation of Ir James Wong Tet Foh from Group Managing Director & CEO to Executive Chairman, the appointment of Mr Alvin Chew Chee Wai as AGCOO, and the appointment of Mr Tan Chin Boo, Head of Finance, as the person primarily responsible for overseeing the Group's financial affairs.

    The CNRC acknowledged that the Group no longer has a CEO following Ir James Wong Tet Foh's redesignation. However, this structure remains in compliance with the MCCG 2021, which recommends that the roles of Chairman and CEO be held by different individuals. The Committee also viewed the appointment of the AGCOO as part of the Group's succession planning and supported the promotion of Mr Alvin Chew Chee Wai, given his relevant experience and contributions. The CNRC expressed its appreciation to Mr Lee Eng Leong for his service and remains confident that the revised leadership structure will support the Group's continued growth and strategic direction.

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

II. BOARD COMPOSITION (CONT'D)

CNRC (Cont'd)

(i) Reviewed and recommended for the Board's approval changes to the composition of the Board and Board Committees. At the meeting held on 27 December 2024, the Committee acknowledged the resignation of Mr Chew Hoy Ping as the Independent Director of the Company, effective 31 December 2024, which was tendered for personal reasons. The Committee further considered and recommended the appointments of Datuk Wira Arham Bin Abdul Rahman and Mr Leong Choon Meng as Independent Directors of the Company. At the same meeting, the Committee also reviewed and recommended the reconstitution of the Board Committees to reflect these changes. These changes aim to refresh and enhance the appropriate balance of experience, expertise and diversity within the Board and its Committees.

The Committee also recorded its appreciation to Mr Chew Hoy Ping for his valuable contributions and dedicated service to the Company.

(j) Subsequent to the financial year ended 2024, the Committee endorsed and recommended for the Board's approval the resignation of Dato' Amin Rafie Bin Othman as the Independent Non-Executive Deputy Chairman of the Company, effective 31 March 2025, which was tendered for personal reasons. The Committee also recorded its appreciation to Dato' Amin Rafie Bin Othman for his valuable contributions and dedicated service to the Company.

The CNRC reports its proceedings and recommendations to the Board for its consideration and approval.

Appointment of New Directors to the Board

The CNRC is responsible to ensure that the procedures for appointing new Directors are transparent and rigorous, with appointments based on merit. The CNRC is guided by the Directors' Fit and Proper Policy in evaluating the suitability of individuals for appointments as new Directors. The CNRC ensures that the Board comprises individuals with the necessary background, skills, knowledge, experience and competencies to complement the existing Board and meet its future needs.

A proposed candidate is first evaluated by the CNRC which considers, among others, the candidate's skills, knowledge, experience, competence, integrity and reputation, financial standing and time commitment of the candidate, before making a recommendation to the Board for approval. A formal procedure and process has been established for the nomination and appointment of new Directors, including conducting an interview or engagement session with the shortlisted candidates, if necessary. Candidates could be sourced through the recommendation of existing Directors, senior management, shareholders, external registries of corporate directors, internal database of potential candidates, third party referrals or from executive search firms.

Diversity of gender, ethnicity and age within the Board is also important, and this includes an appropriate mix of skills, experience and competencies which are relevant to enhance the Board's composition. The Board recognises that the evolution of this mix is a long-term process that is deliberated each time a vacancy arises to ensure a balanced and diverse Board composition is maintained.

The Board does not have a specific policy on gender diversity, however, the CNRC remains mindful to ensuring that all Board appointment processes promotes gender diversity, in line with the recommendations stated in MCCG 2021. The CNRC endeavours to consider both suitable male and women candidates, as well as candidates of all ethnicities, in the recruitment exercise when the need arises. On 22 April 2022, the Board appointed a female Director, Ms Oei Su Lee, who now represents 25% of the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

II. BOARD COMPOSITION (CONT'D)

Appointment of New Directors to the Board (Cont'd)

In year 2024, prior to the appointments of Datuk Wira Arham Bin Abdul Rahman and Mr Leong Choon Meng as Independent Directors of the Company, the CNRC had carefully evaluated their qualifications and experiences, time commitment, existing board positions, independence and potential conflict of interest issues. The evaluations were based on the Particular and Declaration and the Fit and Proper Declaration Forms completed and submitted by them to the CNRC. The CNRC had then recommended the appointments of Datuk Wira Arham Bin Abdul Rahman and Mr Leong Choon Meng to the Board, being satisfied that Datuk Wira Arham Bin Abdul Rahman and Mr Leong Choon Meng have the necessary integrity, professionalism and calibre to exercise independent judgement in the Board decision making process. Datuk Wira Arham Bin Abdul Rahman and Mr Leong Choon Meng were appointed as Independent Non-Executive Directors of the Company with their appointments sourced from external network.

Tenure of Independent Directors and Annual Assessment of Independence

The Board acknowledges the vital role of Independent Directors in ensuring proper checks and balances on the Board. Their ability to provide unbiased and independent views and perspectives in Board deliberations and decision making is essential in safeguarding the interests of the Group and the minority shareholders.

In its annual assessment, the CNRC reviewed the independence of Independent Directors. Based on the assessment, the Board is of the opinion that the Independent Directors consistently provided independent and objective judgement in all Board and Board Committee deliberations. The Board is satisfied with the level of independence demonstrated by the Independent Directors and their ability to act in the best interests of the Company.

Currently, none of the present Independent Non-Executive Directors have served for more than a cumulative term of nine (9) years.

Re-election of Directors

The Company's Constitution provides that one-third of the Directors for the time being, or if their number is not 3 or a multiple of 3, then the number nearest to one-third, shall retire from office at each AGM. Each Director shall retire once at least in each 3 years but shall be eligible for re-election. The Directors to retire each year are those who have served the longest in office since their last election or appointment. As for Directors who are appointed by the Board during the year, namely Datuk Wira Arham Bin Abdul Rahman and Mr Leong Choon Meng, are subject to re-election at the next AGM following their appointments.

The performance of Directors subject to re-election at the AGM will be subject to assessment conducted by the CNRC, whereupon the CNRC's recommendations are made to the Board on the proposed re-election of the Directors concerned for shareholders' approval at the AGM. The re-election of each Director is presented as a separate resolution for shareholders' approval at the AGM.

Annual Evaluation of Directors

The Board conducts an annual evaluation of its performance and governance processes to enhance individual Directors' contributions and improve the effectiveness of the Board and its Committees.

During the financial year, a Board evaluation exercise was carried out to assess the performance and effectiveness of the Board, its Board Committees and each Director's contribution based on a set of pre-determined criteria.

The CNRC reviewed the overall results of the evaluations conducted and subsequently tabled the same to the Board and highlighted those areas which required further and continuous improvement.

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

II. BOARD COMPOSITION (CONT'D)

Time Commitment

During the financial year, the level of time commitment given by the Directors was satisfactory, which was evidenced by the attendance record of the Directors at the Board and Board Committees' meetings held.

To facilitate the Directors' time planning, a schedule of meetings comprising the dates of Board and Board Committees' meetings and AGM, would be prepared and circulated to Directors at the end of each year.

During the financial year ended 31 December 2024, the Board held a total of 4 Board meetings. Subsequent to the financial year ended 2024 and up to the date of approval of this statement, another 1 Board meeting was held to deliberate on matters in respect of financial year ended 31 December 2024. The record of attendance of the Directors is as follows:-

Name of Directors	Attendance during FY2024	Attendance post-FY2024
Ir James Wong Tet Foh	4/4 (100%)	1/1
Oei Su Lee	4/4 (100%)	1/1
Datuk Wira Arham Bin Abdul Rahman *(Appointed on 31 December 2024)*	–*	1/1
Leong Choon Meng *(Appointed on 31 December 2024)*	–*	1/1
Dato' Amin Rafie Bin Othman *(Resigned on 31 March 2025)*	4/4 (100%)	1/1
Chew Hoy Ping *(Resigned on 31 December 2024)*	4/4* (100%)	–
Lee Eng Leong *(Resigned on 1 April 2024)*	1/1* (100%)	–

** Based on the number of meetings attended during the time the Director held office.*

All the Directors have complied with the minimum requirement of at least 50% on attendance of Board meetings during the financial year as stipulated in the Main Market Listing Requirements of Bursa Securities.

In compliance with Paragraph 15.06 of the Main Market Listing Requirements of Bursa Securities, the Directors of the Company hold not more than 5 directorships in public listed companies. This enables them to discharge their duties effectively by ensuring that their commitment, resources and time are focused on the affairs of the Group.

Directors' Training, Development and Induction

The Board acknowledges that continuous education is vital to gain insight into the state of economy, technological advances, regulatory updates and management strategies to enhance the skills and knowledge in discharging its responsibilities.

All the Directors, in addition to attending the Mandatory Accreditation Programme ("**MAP**") as required by Bursa Securities, have also attended various training programmes organised by the relevant regulatory authorities or professional bodies. These training programmes help broaden their knowledge and to keep them abreast with the relevant changes in laws, regulations and the business environment. All Directors attended the MAP Part II during the financial year ended 2023, except for the two newly appointed Directors, who will complete the program in the financial year 2025.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

II. BOARD COMPOSITION (CONT'D)

Directors' Training, Development and Induction (Cont'd)

The Directors recognize the importance of continuously updating their skills and knowledge to actively participate in Board deliberations and maximise their effectiveness throughout their tenure. They have ongoing access to continuing education programmes and are regularly informed of relevant training programmes by the Company Secretary. The records of all training programmes attended by the Directors are maintained by the Company Secretary.

Annually, the Board, through the CNRC, reviews the training programmes attended by the Directors and assesses the training needs to support them in fulfilling their duties as Directors. Details of the training programmes (eg. conferences, workshops, seminars and webinars) attended by the Directors during the financial year ended 31 December 2024 are as follows:-

Name of Directors	Training Programmes Attended	Organiser	Date
Ir James Wong Tet Foh	1) Beyond Compliance: Leveraging AI to Combat Fraud and Financial Crime	KPMG	28 May 2024
	2) ASPAC Board Leadership Centre Webinar 2024 – The Risk Landscape: Navigating Climate Transition Risks in a Circular Economy	KPMG	11 July 2024
	3) The Cooler Earth Series Masterclass – Diversity, Equity and Inclusion in Action: Essentials in Enhancing the Corporate Landscape	CIMB Group	25 July 2024
	4) 10th National Procurement Conference: Revolutionising Governance Through Digital Procurement	Malaysian Institute of Corporate Governance	8 August 2024
	5) MARC Malaysian Bond & Sukuk Conference 2024: Charting the Course for Malaysia's Economy	MARC Rating Corporation Berhad	21 & 22 August 2024
	6) KPMG Board Leadership Center Exclusive – Cybersecurity Oversight: Board Responsibilities in light of the Cybersecurity Bill 2024	KPMG	11 September 2024
Oei Su Lee	1) Ready, Set, Report: Preparing your Board for Mandatory Climate Reporting	Australian Institute of Company Directors	24 October 2024
	2) Climate Governance Forum	Australian Institute of Company Directors	23 August 2024
	3) Preparing for IFRS Sustainability Disclosure Standards in Malaysia	Pricewaterhouse Coopers Malaysia	19 November 2024
	4) AI Governance for Directors: Exploring the Challenges and Opportunities	Australian Institute of Company Directors	19 November 2024
Dato' Amin Rafie Bin Othman *(Resigned on 31 March 2025)*	Board Ethics: Growing Concerns from New Technology, Stakeholder Interests & Conflict of Interest	Bursa Malaysia	16 October 2024

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

II. BOARD COMPOSITION (CONT'D)

Directors' Training, Development and Induction (Cont'd)

Name of Directors	Training Programmes Attended	Organiser	Date
Chew Hoy Ping *(Resigned on 31 December 2024)*	1) Navigating the Updates on International Valuation Standards: Transforming Valuation Practices	Malaysian Institute of Accountants	30 June 2024
	2) Bursa Academy – Conflict of Interest and Governance of Conflict of Interest	Asia School of Business	12 September 2024
	3) Board Ethics: Growing Concerns from New Technology, Stakeholder Interests & Conflict of Interest	Bursa Malaysia	16 October 2024
	4) Sustainability– Related Risks & Opportunities	Malaysian Institute of Corporate Governance	30 October 2024
	5) Audit Oversight Board's Conversation with Audit Committees	Securities Commission Malaysia	19 November 2024
	6) Strategic Date and Frameworks in Board Governance	Institute of Corporate Directors Malaysia	2 December 2024

III. REMUNERATION

Remuneration Policies and Procedures

The objective of Mudajaya's remuneration policies is to attract and retain Directors and key senior management of high calibers needed to run the Company successfully. The remuneration of the Executive Directors is structured on the basis of linking rewards to corporate and individual performance. For Non-Executive Directors, the level of remuneration reflects their experience, expertise and level of responsibilities undertaken by the Non-Executive Directors concerned. The remuneration packages of key senior management are set at industry standards and reflect the roles, responsibilities, level of skills and experience of key senior management.

Market survey data on the remuneration practices of comparable companies is taken into consideration in determining the remuneration packages for the Directors and key senior management.

CNRC

The role of the CNRC is to assist the Board in overseeing the remuneration policies of the Group. The CNRC is authorised to commission independent advice for the purpose of discharging its duties and responsibilities.

The CNRC evaluated the performance of the Executive Chairman and the AGCOO for the financial year 2024, based on the set performance criteria, and reviewed and recommended their compensation packages for the Board's approval, with the Executive Chairman abstaining from the deliberation and voting in relation to his own package. The evaluation was carried out in February 2025.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

III. REMUNERATION

CNRC (Cont'd)

The Board collectively determined the remuneration for the Non-Executive Directors based on the recommendation from the CNRC. Each of the Non-Executive Directors abstained from deliberating and voting in respect to his individual remuneration. Directors' fees and benefits payable to the Non-Executive Directors are subject to the approval of shareholders at the AGM.

The CNRC, in its meeting on 27 December 2024, reviewed and revised the directors' fees for the Company's Non-Executive Directors. The proposed adjustments align with the Group's commitment to cost optimisation. The Board subsequently reviewed and endorsed the CNRC's recommendation, setting the Directors' fees within a range of RM35,000 to RM50,000 per annum.

Details of Remuneration for Directors and Chief Executive's Remuneration

Details of remuneration of the Directors and AGCOO of Mudajaya (received from the Company and on a group basis respectively) for the financial year ended 31 December 2024 are as follows:

Name	Directors' Fees RM'000	Salaries RM'000	Defined Contribution Plan RM'000	Fixed Allowances RM'000	Meeting Attendance Allowances RM'000	Benefits-in-kind RM'000	Total RM'000
Executive Directors							
Ir James Wong Tet Foh	–	583	23	–	–	–	606
Lee Eng Leong *(Resigned on 1 April 2024)*	–	238	28	–	–	–	266
Non-Executive Directors							
Oei Su Lee	80	–	2	6	16	–	104
Datuk Wira Arham Bin Abdul Rahman *(Appointed on 31 December 2024)*	–	–	–	–	–	–	–
Leong Choon Meng *(Appointed on 31 December 2024)*	–	–	–	–	–	–	–
Dato' Amin Rafie Bin Othman *(Resigned on 31 March 2025)*	80	–	3	66	16	–	165
Chew Hoy Ping *(Resigned on 31 December 2024)*	80	–	2	46	16	–	144
Received from the Company	240	821	58	118	48	–	1,285
Executive Directors							
Ir James Wong Tet Foh	–	713	29	–	–	34	776
Lee Eng Leong *(Resigned on 1 April 2024)*	–	194	23	–	–	3	220
Chief Executive – AGCOO							
Alvin Chew Chee Wai	–	444	63	84	–	3	594
Received from a subsidiary	–	1,351	115	84	–	40	1,590
Total Group	**240**	**2,172**	**173**	**202**	**48**	**40**	**2,875**

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AC

The Board is assisted by the AC in governing its oversight of the Group's financial reporting, as well as the quality and integrity of its financial reporting. The quarterly results and audited financial statements are reviewed by the AC and the external auditors (for audited financial statements) and approved by the Board before being released to Bursa Securities.

The AC comprises 3 members, all of whom are Independent Non-Executive Directors. The AC is chaired by Mr Chew Hoy Ping, the Senior Independent Non-Executive Director, who is not the Chairman of the Board. All members of the AC are financially literate and well-equipped with relevant knowledge and experience to effectively discharge their duties and responsibilities as members of the AC. They also have sufficient understanding of the Company's businesses.

During the financial year, the Board reviewed the term of office and assessed the performance of the AC and its members through the annual evaluation exercise. The Board was satisfied with the performance of the AC in discharging its duties and responsibilities in accordance with its terms of reference.

In 2024, the AC members had attended training programmes to keep themselves abreast of the latest developments in accounting/auditing, risk management, regulatory requirements, sustainability and corporate governance.

On 31 December 2024, the Board approved the merger of the AC and RMSC into a single committee, named as ARMSC, effective from that date. The changes to the composition of the ARMSC members are outlined in the ARMSC Report. The current ARMSC Chairman is not the Chairman of the Board.

The ARMSC Report as set out in this Annual Report, provides the details of the AC/ARMSC's activities which among others, include the annual assessment on the suitability, objectivity and independence of the external auditors.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

Sound Framework to Manage Risks

The Board has the ultimate responsibility of approving the risk management framework and policy as well as overseeing the Group's risk management and internal control framework.

Mudajaya has in place an ongoing process for identifying, evaluating and managing significant risks that may affect the achievement of the business objectives of the Group. The Board through oversight of the RMC and reports received from this Committee, makes high level assessments of the key risks inherent in the Group and proposes or endorses mitigating measures for any identified risks, including business disruption risks and investment risks. This responsibility previously assigned to the RMC has now been transferred to ARMSC.

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

Internal Audit and Risk Management Functions

The Board has the ultimate responsibility for the Group's system of internal controls which includes the establishment of an appropriate control environment and framework, and the review of its effectiveness, adequacy and integrity. A sound system of internal controls is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable rather than absolute assurance against material misstatement, loss or fraud.

The Board has established procedures to review the key financial, operational and compliance controls. These procedures, which are subject to regular review, provide an ongoing process for identifying, evaluating and managing the significant risks faced by the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (CONT'D)

The Group has an established internal audit function performed in-house by the Group Internal Audit & Risk Management Department, which reports directly to the AC. Its main role is to undertake regular reviews of the Group's systems of controls, procedures and operations so as to provide independent and objective assurance to the AC regarding the adequacy and effectiveness of internal control, risk management and governance systems. Effective from 31 December 2024, the Group Internal Audit & Risk Management Department reports directly to the ARMSC.

The ARMSC Report as set out in this Annual Report, outlines the details of the activities of the internal audit function.

Directors' Responsibilities Statement in respect of the Audited Financial Statements

The Directors are required by the Companies Act 2016 to prepare financial statements which are in accordance with applicable approved accounting standards and give a true and fair view of the financial position of the Company and the Group at the end of the financial year, as well as of the financial performance and cash flows of the Company and the Group for the financial year.

In preparing the financial statements, the Directors have:

(a) ensured that the financial statements are in accordance with the provisions of the Companies Act 2016, the applicable financial reporting standards and the Main Market Listing Requirements of Bursa Securities;

(b) adopted the appropriate accounting policies and applied them consistently; and

(c) made judgements and estimates that are prudent and reasonable.

The Directors are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy, the financial position of the Company and the Group which enable them to ensure that the financial statements comply with the relevant statutory requirements.

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

I. ENGAGEMENT WITH STAKEHOLDERS

Periodic and Continuous Disclosure

The Board acknowledges the need for shareholders and other stakeholders to be informed of all material matters affecting the business and performance of the Company. Announcements to Bursa Securities are made on developments or events significantly affecting the Group. Financial results are released on a quarterly basis to provide shareholders and other stakeholders with a regular overview of the Group's performance. All announcements made by the Company to Bursa Securities are also available to shareholders and the market on the Investor Relations section of Mudajaya's website.

The Company also arranges press interviews and briefings, and releases press announcements to provide information on the Group's business activities, performance and major developments, as and when necessary.

Company Website

The Company's website, *www.mudajaya.com* provides detailed information on the Group's businesses, projects and latest development, as well as the profiles of the Board and senior management. The website has a dedicated section on investor relations and corporate governance which contains announcements to Bursa Securities, quarterly financial results and annual reports, among others.

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

I. ENGAGEMENT WITH STAKEHOLDERS (CONT'D)

Shareholders and Investors Queries

Whilst the Company aims to provide sufficient information to shareholders and investors about Mudajaya and its activities, it also recognises that shareholders and investors may have specific queries and require additional information.

To ensure that shareholders and investors can obtain all relevant information about the Group, they are encouraged to direct their queries to:

Investor Relations
Mudajaya Group Berhad
PH1, Menara Mudajaya
No. 12A, Jalan PJU 7/3
Mutiara Damansara
47810 Petaling Jaya
Selangor Darul Ehsan
Tel No: (603) 7806 7899
Email : info@mudajaya.com

II. CONDUCT OF GENERAL MEETINGS

Encourage Shareholder Participation at General Meetings

General meetings represent the principal forum for dialogue and interaction with shareholders. The Board fully recognises the rights of shareholders and encourages them to exercise their rights at the AGM.

The Company conducted a virtual AGM and extraordinary general meeting ("**EGM**") on 13 June 2024 from the broadcast venue by leveraging technology in accordance with Section 327 of the Companies Act 2016 and the Securities Commission's 'Guidance and FAQs on the Conduct of General Meetings for Listed Issuers'. The AGM and EGM were conducted through live streaming and online remote voting via Remote Participation and Voting ("**RPV**") facilities provided by the Company's share registrar, Boardroom Share Registrars Sdn Bhd.

The Notice of AGM with sufficient information of businesses to be dealt with thereat, together with the Proxy Form, Administrative Guide for AGM and Request Form (for printed copy of Annual Report and Share Buy-Back Statement), were sent to shareholders more than 28 days ahead of the meeting date. The Notices of AGM and EGM were published in one national newspaper to provide for wider dissemination of such notice to encourage shareholder participation. In addition, the Notice of AGM/EGM, Proxy Forms, Administrative Guides and Request Forms were posted on the websites of Mudajaya and Bursa Securities.

Each item of the ordinary and special businesses included in the Notice of AGM was accompanied by an explanatory statement for the proposed resolution to facilitate better understanding and evaluation of issues involved.

The minutes of the AGM and EGM (including the questions raised at the AGM/EGM and the answers thereto) were made available on Mudajaya's website.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

II. CONDUCT OF GENERAL MEETINGS (CONT'D)

Effective Communication and Proactive Engagements with Shareholders

At the general meeting, shareholders have direct access to the Board and senior management, and they are encouraged to participate in the question and answer session. To further encourage engagement between the Directors and shareholders, shareholders were also invited to submit questions before the AGM/EGM to Boardroom Smart Investor Portal in relation to the agenda items of the AGM/EGM. Questions that were submitted prior to the AGM/EGM were addressed during the AGM/EGM.

At the said AGM, the Executive Chairman presented an overview of the Group's performance and strategic direction. The Executive Chairman also shared with the shareholders/proxies, the Company's responses to questions submitted by the Minority Shareholder Watchdog Group prior to the AGM.

During the AGM/EGM, shareholders and proxies were encouraged to pose their questions using the message icon via the RPV facilities and the questions posed by shareholders were made visible to all meeting participants. The Chairman and Head of Finance responded to all the questions raised by the shareholders and proxies. At the AGM, the external auditors, Deloitte PLT were in attendance to answer questions on the audited financial statements. At the EGM, the advisers of the Company were in attendance to answer questions on the proposed variation and proposed rights issue with warrants.

Electronic Poll Voting

All the Company's shareholders are entitled to appoint proxy/proxies or corporate representatives to vote on their behalf in their absence at general meetings.

To strengthen transparency and efficiency in the voting process, the Company adopted electronic poll voting at the AGM and EGM in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Securities. An independent scrutineer for the electronic poll voting process was appointed to verify the votes. The Chairman then announced the poll results which were also displayed on the screen and declared that all the resolutions were carried. Subsequently, the poll results were announced to Bursa Securities via Bursa LINK on the same day for the benefit of all shareholders.

This Corporate Governance Overview Statement together with the CG Report were approved by the Board on 29 April 2025.

ADDITIONAL COMPLIANCE INFORMATION

The information set out below is disclosed in compliance with the Main Market Listing Requirements of Bursa Securities:

1. UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSAL

On 20 August 2024, the Company completed the Rights Issue with Warrants exercise with 531,476,608 Rights Shares issued at RM0.17 per share, together with 531,476,608 free warrants on the basis of 1 Warrant for every 1 Right Share, raised total proceeds of RM90,351,000. The proceeds to be allocated and utilised in accordance with the approved utilisation plan.

As at 31 December 2024, the proceeds raised from the corporate proposal have been fully utilised, as outlined below:

Purpose	Proposed utilisation RM'000	Actual utilisation RM'000	Balance RM'000	Intended timeframe for utilisation
Settlement of vendor financing	75,058	(75,058)	–	Within 10 business days
Working capital for existing projects	14,153	(14,153)	–	Within 12 months
Estimated expenses for the corporate exercise	1,140	(1,140)	–	Upon completion
	90,351	**(90,351)**	–	

2. AUDIT AND NON-AUDIT FEES

The audit and non-audit fees paid/payable to the external auditors for services rendered to the Company and/or its subsidiaries for the financial year ended 31 December 2024 are as follows:-

	Group RM'000	Company RM'000
Audit fees		
- Auditors of the Company	1,849	262
- Other auditors	40	–
Subtotal:	**1,889**	**262**
Non-audit fees		
- Auditors of the Company	15	15
Subtotal:	**15**	**15**
Total:	**1,904**	**277**

3. MATERIAL CONTRACTS INVOLVING THE INTEREST OF DIRECTORS AND MAJOR SHAREHOLDERS

There were no material contracts (not being contracts entered into in the ordinary course of business) entered into by the Company and/or its subsidiaries involving the interest of directors, chief executive or major shareholders during the financial year ended 31 December 2024.

REPORT OF THE AUDIT, RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

The Audit Committee ("**AC**") was established pursuant to a resolution of the Board of Mudajaya passed on 29 March 2004. The Board announced on 28 November 2024 that the Risk Management Committee ("**RMC**") of the Company was renamed as the Risk Management and Sustainability Committee ("**RMSC**"). The Board further approved the merger of the AC and the RMSC into a single committee, effective 31 December 2024. The AC henceforth renamed and referred to as the 'Audit, Risk Management and Sustainability Committee' ("**ARMSC**" or "**the Committee**"), reflects its expanded scope and responsibilities. This merger aims to better support the Board in governing the Company's framework, strategies, and initiatives related to audit, risk management, and sustainability.

CONSTITUTION AND COMPOSITION

Since the last financial year, there have been changes to the composition of the ARMSC, as detailed below. The current ARMSC comprises 3 members, all of whom are Independent Non-Executive Directors and none of them is an alternate director. The profiles of the current ARMSC members are set out in the Profile of Directors section of this Annual Report 2024.

CURRENT MEMBERS	FORMER MEMBERS
Leong Choon Meng Chairman Independent Non-Executive Director *(Appointed as Chairman on 31 December 2024)*	**Chew Hoy Ping** Chairman Senior Independent Non-Executive Director *(Resigned as Chairman on 31 December 2024)*
Datuk Wira Arham Bin Abdul Rahman Member Independent Non-Executive Director *(Appointed as member on 31 December 2024)*	**Dato' Amin Rafie Bin Othman** Member Independent Non-Executive Deputy Chairman *(Resigned as member on 31 December 2024)*
Oei Su Lee Member Independent Non-Executive Director	

At present, all members of the ARMSC are financially literate and well-equipped with relevant knowledge and experience to effectively discharge their duties and responsibilities as members of the ARMSC. In particular, the ARMSC Chairman, Mr Leong Choon Meng is a member of the Malaysian Institute of Accountants and Chartered Institute of Management Accountant, as required under Chapter 15, Paragraph 15.09(1)(c)(i) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**"). Mr Leong Choon Meng being the ARMSC Chairman, is also an Independent Non-Executive Director, as required under Chapter 15, Paragraph 15.10 of the Main Market Listing Requirements of Bursa Securities. Additionally, the ARMSC Chairman is not the Chairman of the Board. The composition of the ARMSC is in line with the Main Market Listing Requirements of Bursa Securities and the Malaysian Code on Corporate Governance.

The Board has reviewed the term of office of the AC and conducted an annual assessment of the composition, performance and effectiveness of the AC and its members in respect of financial year 2024, based on the recommendations of the Combined Nomination and Remuneration Committee. The Board is satisfied that the AC and its members have discharged their functions, duties and responsibilities in accordance with the AC's terms of reference, supporting the Board in ensuring the Group upholds appropriate corporate governance standards.

TERMS OF REFERENCE ("ARMSC CHARTER")

The ARMSC is guided by its terms of reference in performing its duties and discharging its responsibilities. The ARMSC Charter outlines the purpose of the Committee, its composition, authority, and duties and responsibilities.

The revised ARMSC Charter was reviewed by the ARMSC on 24 February 2025 and approved by the Board on 25 February 2025. The updates were primarily made to reflect ARMSC's expanded scope, incorporating areas such as risk management, sustainability, and anti-bribery and anti-corruption compliance into the ARMSC Charter. The revised ARMSC Charter is published on Mudajaya's website at *http://www.mudajaya.com*.

Note:
References to meetings and activities held during FY2024 use the terms "AC" and "RMC" meetings/activities, while those occurring post-FY2024 be referred to as ARMSC meetings/activities.

REPORT OF THE AUDIT, RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

(CONT'D)

MEETINGS AND ATTENDANCE

During the financial year ended 31 December 2024, the AC held 5 meetings. Post financial year 2024 and up until the approval date of this ARMSC Report, another two (2) ARMSC meetings were held to deliberate on matters in respect of financial year ended 31 December 2024.

The details of attendance of the AC/ARMSC members are as follows:-

	Attendance during FY2024	Attendance post-FY2024
Chew Hoy Ping	5/5*	–
Dato' Amin Rafie Bin Othman	5/5*	–
Oei Su Lee	5/5	2/2
Leong Choon Meng	–	2/2^
Datuk Wira Arham Bin Abdul Rahman	–	2/2^

* Prior their cessation as members on 31 December 2024

^ After their appointment as members on 31 December 2024

The Executive Chairman and Acting Group Chief Operating Officer ("**AGCOO**"), Head of Internal Audit & Risk Management Department ("**IARMD**"), the Finance team, the Company's external auditors i.e. Deloitte PLT ("**Deloitte**") were invited to attend the meetings for the purpose of briefing the AC/ARMSC on the activities involving their areas of responsibilities.

Deloitte were present at 3 of the meetings held. The AC also met with Deloitte without the presence of the executive board members and Management at 2 of those meetings during financial year 2024.

The AC/ARMSC Chairman would brief the Board on the proceedings of each AC/ARMSC meeting. Minutes of each AC/ARMSC meeting were also tabled for confirmation at the following AC/ARMSC meeting and subsequently tabled to the Board for notation.

SUMMARY OF ACTIVITIES OF THE AC/ARMSC

During the financial year up to the issuance date of this Annual Report, the AC/ARMSC carried out its activities in line with the Committee's terms of reference, which are summarised as follows:-

1. Financial Reporting

- Reviewed and discussed with Management, the financial and cash flow reports of the Company and the Group at the AC meetings held on 23 February 2024, 27 May 2024, 27 August 2024, 26 November 2024 and the ARMSC meeting held on 24 February 2025. The financial and cash flow reports were also tabled to the Board for notation.

- Reviewed the quarterly financial results for the 4th quarter of 2023 and the annual audited financial statements of 2023 for recommendation to the Board for approval and release to Bursa Securities, at the AC meetings held on 23 February 2024 and 16 April 2024 respectively.

Note:
References to meetings and activities held during FY2024 use the terms "AC" and "RMC" meetings/activities, while those occurring post-FY2024 be referred to as ARMSC meetings/activities.

REPORT OF THE AUDIT, RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE
(CONT'D)

SUMMARY OF ACTIVITIES OF THE AC/ARMSC

1. Financial Reporting (Cont'd)

- Reviewed the quarterly financial results for the 1st, 2nd, 3rd and 4th quarters of 2024, and the annual audited financial statements of 2024, for recommendation to the Board for approval and release to Bursa Securities, focusing particularly on:

  o compliance with accounting and financial reporting standards, legal and other regulatory requirements;
  o changes in or adoption of accounting policies and practices changes;
  o significant matters including financial reporting issues, significant judgements made by Management, as well as significant and unusual events or transactions including the latest status of the ongoing material litigation;
  o the outlook and prospects of the Group;
  o cash flow, financing and going concern assumptions; and
  o significant audit issues and adjustments arising from audit

  at the AC meetings held on 27 May 2024, 27 August 2024, 26 November 2024 and the ARMSC meetings held on 24 February 2025 and 14 April 2025 respectively.

  In relation to the aforementioned reviews, the discussions included various matters, including key audit matters and implications to the Group, and how these matters were addressed in the audit, the identification of key contributing factors to the fluctuations in the financial performance and position of the Group to enhance the Committee's understanding of the Group's business operations.

2. Annual Report Requirements

- Reviewed and recommended to the Board for approval, the Statement on Risk Management and Internal Control for inclusion in the 2023 Annual Report, at the AC meeting held on 16 April 2024.

  The AC was informed that Deloitte had reviewed the Statement on Risk Management and Internal Control to ensure that the disclosures were in compliance with the requirements under paragraphs 41 & 42 of the *Statement on Risk Management & Internal Control: Guidelines for Directors of Listed Issuers* ("**Guidelines**").

- Reviewed and approved the AC Report for inclusion in the 2023 Annual Report, at the AC meeting held on 16 April 2024.

- Reviewed and recommended to the Board for approval, the Corporate Governance Overview Statement, Sustainability Statement and Notice of AGM for inclusion in the 2023 Annual Report, as well as the CG Report for submission to Bursa Securities at the AC meeting held on 16 April 2024.

- Reviewed and recommended to the Board for approval, the Statement on Risk Management and Internal Control for inclusion in the 2024 Annual Report, at the ARMSC meeting held on 14 April 2025.

  The ARMSC was informed that Deloitte had reviewed the Statement on Risk Management and Internal Control to ensure that the disclosures were in compliance with the Guidelines.

- Reviewed and approved the ARMSC Report for inclusion in the 2024 Annual Report, at the ARMSC meeting held on 14 April 2025.

- Reviewed and recommended to the Board for approval, the Corporate Governance Overview Statement, Sustainability Statement and Notice of AGM for inclusion in the 2024 Annual Report, as well as the CG Report for submission to Bursa Securities, at the ARMSC meeting held on 14 April 2025.

Note:
References to meetings and activities held during FY2024 use the terms "AC" and "RMC" meetings/activities, while those occurring post-FY2024 be referred to as ARMSC meetings/activities.

REPORT OF THE AUDIT, RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

(CONT'D)

SUMMARY OF ACTIVITIES OF THE AC/ARMSC (CONT'D)

3. Internal Audit

- Reviewed the internal audit reports presented by the IARMD that detailed the audit findings and recommended corrective actions, as well as Management's responses and action plans in addressing the identified risks and internal control deficiencies, at the AC meetings held on 27 August 2024, 26 November 2024 and the ARMSC meeting held on 24 February 2025. A total of 4 audit engagements were completed in 2024. The AC acknowledged that no internal audit reports were presented at the AC meetings held on 23 February 2024 and 27 May 2024 due to the transition period between the departure of the former Internal Audit Manager on 31 January 2024 and the arrival of the newly joined Senior Executive and the Manager of IARMD on 1 April 2024 and 1 September 2024 respectively.

  Risk-based audits were performed on selected business units within the Group based on the approved internal audit plan and those requested by Management. The audit areas which were covered included amongst others, project management, contract management and ISO management system.

  At each AC/ARMSC meeting, the IARMD provided an update on audit activities and the status of implementation of prior quarter audit report recommendations until they were fully implemented. Where appropriate, the AC/ARMSC was also appraised of key initiatives and continuous improvement activities being undertaken by the IARMD.

- Reviewed and discussed the status report on Anti-Bribery Management System ("**ABMS**"), at the AC meetings held on 27 May 2024, 27 August 2024 and 26 November 2024 and the ARMSC meeting held on 24 February 2025.

- Reviewed and approved the risk-based 3-years internal audit plan for 2025-2027, at the ARMSC meeting held on 24 February 2025. The AC was informed by the new Manager of IARMD and agreed to postpone the tabling of the 2025-2027 internal audit plan from the AC meeting originally scheduled for 26 November 2024 to 24 February 2025. This postponement allows the new IARMD team sufficient time to review, refine, and align the internal audit plan with the organization's strategic objectives and risk priorities. The areas which were covered in the audit plan included construction and property projects, concession assets, precast, China division, central purchasing, payment process, enterprise risk management, ISO and ABMS.

4. External Audit

- Reviewed with Deloitte, the audit report, issues, reservations and Management responses arising from their audit of the financial statements for the year ended 31 December 2023, at the AC meeting held on 23 February 2024.

  Deloitte briefed the AC among others, on the audit status and outstanding matters, significant risks and audit focus areas, as well as audit findings in relation to the financial statements for the year ended 31 December 2023. At the same meeting, Deloitte confirmed that they have been independent throughout the conduct of the audit engagement in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("**By-Laws**") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants ("**IESBA Code**"), and they have fulfilled other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

- Reviewed with Deloitte on 23 February 2024, 26 November 2024 and 24 February 2025 without the presence of the executive board member and Management, the extent of assistance rendered by Management and issues arising from their audit. The AC/ARMSC was satisfied with the openness in communication and interaction with the engagement partner and his team, which demonstrated their independence and professionalism.

  In addition, the Chairman and members of the AC/ARMSC periodically held informal discussions with the engagement partner of Deloitte to ensure audit issues were addressed on a timely basis.

Note:
References to meetings and activities held during FY2024 use the terms "AC" and "RMC" meetings/activities, while those occurring post-FY2024 be referred to as ARMSC meetings/activities.

REPORT OF THE AUDIT, RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

(CONT'D)

SUMMARY OF ACTIVITIES OF THE AC/ARMSC (CONT'D)

4. External Audit (Cont'd)

- In February 2024, the AC undertook an assessment of the suitability and independence of Deloitte for their re-appointment as Auditors of the Company at the 2024 AGM, which included a structured evaluation questionnaire completed by each member of the AC. The questionnaires which are used as an assessment tool, are based on a 4-scale rating or 'Yes' and 'No' answer, whichever is applicable for each question. The areas which were covered in the assessment encompassed Deloitte' performance in terms of skills, expertise and competencies, calibers of the external auditors firm, independence and objectivity, audit scope and planning, reasonableness of audit fees, provision of non-audit services and quality of communications with the AC. This annual evaluation provides the AC with a disciplined approach for maintaining effective oversight of Deloitte' performance.

  The AC reviewed Deloitte' performance having regard to factors such as the audit firm's service quality, adequacy of experience, technical competency, reasonableness of fees and provision of non-audit services, and was satisfied with the overall performance. The evaluation results were tabled at the AC meeting held on 23 February 2024. Deloitte have also provided written confirmation on their independence in accordance with the terms of the relevant professional and regulatory requirements. The AC was satisfied with the suitability and independence of Deloitte and thereby recommended to the Board for their re-appointment at the AGM of the Company.

  The Board at its meeting held on 27 February 2024, approved the AC's recommendation for the re-appointment of Deloitte, subject to the shareholders' approval being sought at the AGM of the Company. The shareholders had duly approved the re-appointment of Deloitte at the AGM held on 13 June 2024.

- Reviewed and recommended to the Board for approval, the audit and non-audit fees of Deloitte for the financial year ended 31 December 2023, at the AC meeting held on 23 February 2024.

  The non-audit service was for the review of the Statement on Risk Management and Internal Control. The amount of non-audit fees was not significant as compared to the amount of audit fees. In this respect, the AC was satisfied that the provision of non-audit services by Deloitte did not impair their objectivity and independence as the external auditors Deloitte.

- Reviewed with Deloitte on 16 April 2024, the annual audited financial statements including the Independent Auditors' Report for the financial year ended 31 December 2023, where relevant disclosures in the annual audited financial statements were deliberated.

- Reviewed with Deloitte, their audit plan, scope of audit, audit timeline, significant risks and audit focus areas in relation to the audit of the financial statements for the year ended 31 December 2024, at the AC meeting held on 26 November 2024.

  At the same meeting, Deloitte confirmed that they have been independent throughout the conduct of the audit engagement in accordance with the By-Laws and the IESBA Code, and they have fulfilled other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

- Reviewed with Deloitte, the audit report, issues, outstanding matters, significant risks and audit focus areas, audit findings and conclusions, as well as Management responses arising from their audit of the financial statements for the year ended 31 December 2024, at the ARMSC meeting held on 24 February 2025.

  During the meeting, the ARMSC reviewed and discussed the three (3) significant risks and five (5) areas of audit focus identified by Deloitte. There were no other significant and unusual events or transactions highlighted by the Management as well as by Deloitte during the course of their audit for financial statements for the year ended 31 December 2024. The ARMSC also ensured that both Management and Deloitte had performed adequate work to address the areas of audit focus raised.

Note:
References to meetings and activities held during FY2024 use the terms "AC" and "RMC" meetings/activities, while those occurring post-FY2024 be referred to as ARMSC meetings/activities.

REPORT OF THE AUDIT, RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

(CONT'D)

SUMMARY OF ACTIVITIES OF THE AC/ARMSC (CONT'D)

4. External Audit (Cont'd)

- In February 2025, the ARMSC assessed the suitability and independence of Deloitte for their re-appointment as Auditors of the Company at the forthcoming 2025 AGM, via the same assessment tool as described above. In its assessment, the ARMSC also considered the information in Deloitte' Transparency Report with reference to Guidance 9.3 of MCCG 2021. The evaluation results were tabled at the ARMSC meeting held on 24 February 2025, and the ARMSC was satisfied with the suitability and independence of Deloitte and thereby recommended to the Board for their re-appointment at the forthcoming AGM of the Company. Deloitte have also provided written confirmation on their independence in accordance with the terms of the relevant professional and regulatory requirements.

  The Board at its meeting held on 25 February 2025, approved the ARMSC's recommendation based on the evaluation results, for the re-appointment of Deloitte, subject to the shareholders' approval being sought at the forthcoming AGM of the Company.

- Reviewed and recommended to the Board for approval, the audit and non-audit fees of Deloitte for the financial year ended 31 December 2024, at the ARMSC meeting held on 24 February 2025.

  The non-audit service comprised the review of the Statement on Risk Management and Internal Control. The amount of non-audit fees was not significant as compared to the amount of audit fees. In this respect, the ARMSC was satisfied that the provision of non-audit services by Deloitte did not impair their objectivity and independence as Deloitte.

  Overall, total audit fees remain largely in line with last year's figures. During the meeting, the ARMSC and Management discussed measures to reduce the audit fees of a subsidiary by Deloitte's component auditors. Details of the audit and non-audit fees for the financial year ended 31 December 2024 are set out in Note 9 to the audited financial statements of the Company for the same period.

- The annual audited financial statements including the Independent Auditors' Report for the financial year ended 31 December 2024, where relevant disclosures in the annual audited financial statements were reviewed and deliberated with Deloitte.

  The ARMSC reviewed the following key audit matters (as disclosed in the Independent Auditors' Report contained in the Audited Financial Statements) raised by Deloitte and ensured that adequate work had been done to support the audit conclusions and overall impact on the financial statements:

  - ➢ Revenue recognition from construction contracts was identified as a key audit matter with the view that the revenue was recognised using over time method. The stage of completion was measured based on actual costs incurred to date as a percentage of the estimated total costs of the contract. The budgeted contract costs involved significant judgement and estimation that may result in management bias.

  - ➢ Other investment include a stake in R.K.M Powergen Private Limited, was identified as a key audit matter with the view that the significant management judgement was applied in the valuation process.

5. Risk Management

- Reviewed the half-yearly enterprise risk management reports submitted to the RMC, and the appropriateness of Management's responses to significant risk areas and proposed recommendations for mitigation. These risk management reports were tabled to the Board for notation.

- Assessed the adequacy and effectiveness of the risk management and internal control system.

Note:
References to meetings and activities held during FY2024 use the terms "AC" and "RMC" meetings/activities, while those occurring post-FY2024 be referred to as ARMSC meetings/activities.

REPORT OF THE AUDIT, RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

(CONT'D)

SUMMARY OF ACTIVITIES OF THE AC/ARMSC (CONT'D)

6. Related Party Transactions and Review of Conflicts of Interest Situations

- Reviewed the related party transactions entered into by the Company and the Group to ensure that the transactions entered were at arm's length basis and on normal commercial terms, at the AC meetings held on 23 February 2024, 27 May 2024, 27 August 2024, 26 November 2024 and the ARMSC meeting held on 24 February 2025.

- Review conflict of interest situations that arose, persist or may arise and related party transaction entered into by Mudajaya Group is one of the duty and responsibilities of the AC/ARMSC as mentioned in the terms of reference of the Committee, to ensure that the said transactions are on commercial terms and that associated control measure are adequate. During the financial year ended 31 December 2024, there were no conflicts of interest situations involving any Directors, senior management and major shareholders of the Company.

7. Other Matters

- Reported to the Board at its quarterly meetings on significant issues and concerns discussed during the AC/ARMSC meetings together with applicable recommendations. Minutes of the AC/ARMSC meetings were tabled and noted by the Board.

- The Chairman and members of the AC/ARMSC have held informal sessions and interactions with Management throughout the year which were aimed at obtaining a better understanding of business operations and risks related issues, and the resolution of issues.

- The AC/ARMSC has the responsibility in overseeing the implementation and monitoring of the Whistleblowing Policy & Procedure and ensuring effective administration thereof. The IARMD reported that there was no complaint received during the financial year 2024 up to the issuance date of this Annual Report.

INTERNAL AUDIT AND RISK MANAGEMENT FUNCTIONS

The Group has an established independent internal audit function performed in-house by the IARMD, which previously reported directly to the AC, and effective from 31 December 2024, now reports directly to the ARMSC.

As at 31 December 2024, the IARMD has 2 full-time personnel. The name and qualifications of each member of the IARMD are set out below:

1. Mr Look Chee Leong holds the position of Manager of IARMD. He is a Certified Internal Auditor, and is a member of the Institute of Internal Auditors Malaysia.

2. Mr Chew Kah Kiat holds the position of Senior Executive. He has a Bachelor of Finance and Investment (Hons) and is a member of the Institute of Auditors Malaysia.

Both of the IARMD personnel have no relationships or conflicts of interest that would impair the objectivity or independence of the function in the performance of their duties.

The main role of the IARMD is to undertake regular reviews of the Group's systems of controls, procedures and operations so as to provide independent and objective assurance to the ARMSC regarding the adequacy and effectiveness of internal control, risk management and governance systems.

The IARMD adopts a risk-based approach as guided by the Institute of Internal Auditors' Global Internal Audit Standards, in developing the annual internal audit plan for approval by the ARMSC.

Note:
References to meetings and activities held during FY2024 use the terms "AC" and "RMC" meetings/activities, while those occurring post-FY2024 be referred to as ARMSC meetings/activities.

REPORT OF THE AUDIT, RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

(CONT'D)

INTERNAL AUDIT AND RISK MANAGEMENT FUNCTIONS (CONT'D)

The ARMSC reviews the quarterly internal audit reports from IARMD based on the approved audit plan on the effectiveness and adequacy of the governance, risk management, operational and compliance processes. Follow-up reviews are undertaken on a quarterly basis to ascertain the status of implementation of prior quarter audit recommendations, the results of which are reported to the ARMSC.

Apart from the aforesaid internal audit mandate, the IARMD is also responsible for facilitating and assisting Management in maintaining a structured risk management framework to identify, evaluate and manage the significant risks facing the Group. The IARMD submits semi-annual reports on enterprise risk management for the Group to the ARMSC for review and deliberation.

The IARMD's scope of responsibilities extends to all business and operational units within the Group. In fulfilling its mandate, the IARMD conducted the following activities during the financial year up to the issuance date of this Annual Report:

(a) Performed and completed 4 audits on selected business units within the Group based on the approved internal audit plan and Management's request. The audit areas which were covered included project management, contract management and ISO management system.

(b) Tabled to the AC/ARMSC at its quarterly meetings, the audit reports for the above audits incorporating the audit findings, audit recommendations and Management responses. Follow-up audit was conducted and the status of implementation on the agreed action plans was reported to the AC/ARMSC.

(c) Prepared the half-yearly enterprise risk management reports submitted to the RMC, and the appropriateness of Management's responses to significant risk areas and proposed recommendations for mitigation.

(d) Prepared and tabled the Statement on Risk Management and Internal Control for inclusion in the 2023 Annual Report, at the AC meeting held on 16 April 2024.

(e) Prepared and tabled the status report on ABMS, at the AC meetings held on 27 May 2024, 27 August 2024 and 26 November 2024.

(f) Prepared and tabled for the ARMSC's approval, the risk-based 3-years internal audit plan for 2025-2027, at the ARMSC meeting held on 24 February 2025. The areas which were covered in the audit plan included construction and property projects, concession assets, precast, China division, central purchasing, payment process, enterprise risk management, ISO and ABMS.

(g) Prepared and tabled the Statement on Risk Management and Internal Control for inclusion in the 2024 Annual Report, at the ARMSC meeting held on 14 April 2025.

In February 2024, the AC carried out an evaluation of the effectiveness of the internal audit function in respect of financial year 2023. The appraisal covered the adequacy of IARMD's scope, its functions, resources, authority and independence, as well as the competency of internal audit staff. The results of the evaluation were tabled at the AC meeting held on 23 February 2024. Overall, the AC was satisfied with the performance of the IARMD. Certain areas which required improvement were also highlighted.

In February 2025, the ARMSC also undertook an evaluation of the effectiveness of the internal audit function for financial year 2024, which covered the areas mentioned above. The results of the evaluation were tabled at the ARMSC meeting held on 24 February 2025. The ARMSC was satisfied with the performance of the IARMD.

The costs incurred by IARMD in discharging its functions and responsibilities during the financial year ended 31 December 2024 amounted to RM152,000.00.

Note:
References to meetings and activities held during FY2024 use the terms "AC" and "RMC" meetings/activities, while those occurring post-FY2024 be referred to as ARMSC meetings/activities.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board is pleased to present the Statement on Risk Management and Internal Control pursuant to Chapter 15, Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Securities and the recommendations of MCCG 2021 with guidance from the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

BOARD RESPONSIBILITY

The Board affirms its overall responsibility for establishing and maintaining an adequate and effective risk management framework and internal control system which has been included in all aspects of the activities and operations of the Group. This framework has been set in place by the Board to identify, evaluate, mitigate and monitor the risks faced by the Group.

The Board together with senior management continually reviews the adequacy and effectiveness of the risk management framework and internal control system to manage the Groups' principal and relevant risks within its risk appetite and tolerances.

The Board recognises that the framework is designed to mitigate rather than to eliminate risks or events which may significantly impact the achievement of the Group's business objectives and strategies. Accordingly, such systems can only provide reasonable but not absolute assurance against any material misstatement, loss or fraud.

The Group does not include material joint ventures and associates as the Group does not have management control over them. The Group ensures that the investments are protected by Board representation in these investments. Notwithstanding this, Management oversees and monitors the administration, operations and performance of these material joint ventures and associates. Regular reporting of financial information and risk reviews ensure that their performance and risks are properly managed and controlled.

RISK MANAGEMENT

The Board, with the assistance of the Audit, Risk Management and Sustainability Committee ("**ARMSC**"), confirms that there is an ongoing process of identifying, evaluating and managing all significant risks faced by the Group throughout the year under review and up to the date of approval of this Statement for inclusion in the Annual Report. The ARMSC assist the Board on the oversight of risk management for identification, managing and monitoring the principal risks of the Group. The Board retains the overall accountability for the Group's risks.

A risk management framework together with the standard operating policy and procedure, which has been communicated to the Management team, serves as a guide to the Group's risk management policy, risk management processes and reporting framework. The risk management framework adopted is guided by Committee of Sponsoring Organisations of the Treadway Commission Enterprise Risk Management Framework (COSO ERM).

In risk management process, identified risk is analysed into root cause and impact to derive inherent risk rating with consideration of likelihood and consequence. Subsequently, the inherent risk is evaluated based on effectiveness of internal control in place to mitigate the risk. The outcome of evaluation is categorized into residual risk rating. Among the key risks identified as follow: -

Risk Description	Impact on Value	Mitigation Strategies
Finance risk on cash flow as project progress not on time and slow in collection	• Liquidity constrains. • May affect Group's ability to secure new business opportunities which require significant internal funding	• Perform cashflow forecast and mitigation plan. • Perform payment plan to Subcontractor and Supplier for existing projects. • Sales on completed unsold properties.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(CONT'D)

RISK MANAGEMENT (CONT'D)

Risk Description	Impact on Value	Mitigation Strategies
Operational risk on slow in project progress due to unsatisfactory performance of Subcontractors.	• Additional operation cost incurred. • Penalty imposed by project owner.	• Submit Extension of Time claim in accordance with Contract. • Regular progress meetings with Subcontractor to monitor and track work progress.
Cybersecurity risk due to hacking, virus, and malware attack	• Loss of use and access to finance and operational system. • Loss of data, system downtime and management information system being compromised.	• Installation of firewall and anti-virus and malware software on system. • Advance email treat filtering is in place to filter incoming email from external to block potential spam, phishing, and email malware possible. • Implemented back up to offline storage and to the cloud storage.
Talent and resource management risk due to inability to attract and retain talents.	• Higher cost of recruiting, hiring, and training for the replacement. • Operational disruption.	• Conduct exit interview with departing employees to obtain feedback on the reason for leaving, identify any underlying issues contributing to turnover and take corrective actions. • A more balance work environment with strong work ethics and fun being injected.

The ARMSC, chaired by an Independent Non-Executive Director, meets with certain Directors and senior management on a six-monthly basis to review and deliberate on the top risks and the risk management actions taken. The Management team assists the ARMSC and the Board in implementing the process of identifying, evaluating and managing the significant risks applicable to their respective areas of business and in formulating suitable mitigation and internal controls to control these risks. Each business unit submits their risk registers and risk assessment reports which are presented via the Internal Audit and Risk Management Department ("**IARMD**") to the ARMSC for their review and deliberation. The ARMSC reviews matters such as identification and responses to address significant risks, internal control systems and adequacy of the risk mitigation actions within the Group's risk appetite and tolerances to enhance shareholders' investments, safeguarding of assets, enhance opportunities, reduce threats and maintain corporate sustainability. The IARMD reviews these risk registers to provide further assurance on the compliance and effectiveness of the risk management and internal control system. The ARMSC receives from Management and IARMD, the Enterprise Risk Management report every 6 months which summarises the risk assessment and mitigation actions on the Group's top risks for review and deliberation.

INTERNAL CONTROL

The ARMSC, which is chaired by an Independent Non-Executive Director, is tasked by the Board with the duty of reviewing and monitoring the effectiveness of the Group's system of internal control with the assistance of the IARMD. On a quarterly basis, internal audit reports are prepared on the adequacy, efficiency and effectiveness of the system of internal control based on the current annual audit plan approved by the ARMSC or where as directed by the ARMSC.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(CONT'D)

KEY ELEMENTS OF INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The Board is committed in its efforts to maintain a reliable system of internal control and ensure it is updated in line with changes in the operating and business environment. The Board regularly reviews the process of identifying, assessing and managing key business, operational and financial risks faced by its business units as well as planned strategies to determine whether risks are mitigated and well managed.

Other key elements of the Group's risk management and internal control system, which have been in place throughout the financial year under review and up to the date of the Directors' report, are as follows:

- Various Board Committees have been established to assist the Board in discharging its duties, namely:
  - Audit, Risk Management and Sustainability Committee
  - Investment Committee
  - Combined Nomination and Remuneration Committee
  - Executive Committee
  - Tender Committee

- Clearly defined delegation of responsibilities, organisation structure and appropriate authority limits which have been established by the Board for the various Board Committees and Management.

- The Group's vision, mission, corporate philosophy and strategic direction are communicated to employees at all levels.

- Financial and operations performance reports are submitted to the Executive Directors and senior management. Management meetings are held among the Executive Directors and divisional heads; and during these meetings, reports and status updates of the business activities and projects are discussed and necessary actions are taken.

- The strategic plan and direction of the Group are encapsulated in the annual budgetary process that requires business units to prepare budgets and business plans that are approved by the Directors, and the control measures to mitigate identified risks for the forthcoming year. Significant variances in the quarterly financial reports are highlighted against budgets and comparative results and explained to the ARMSC prior to presenting to the Board for approval. In addition, major project cost budgets are established with monthly tracking of actual costs so that such costs and project profitability are properly controlled and monitored independently by the Finance Department.

- Adequate financial information and key business or performance indicators are presented to senior management and the Board to assist in the review of the Group's performance.

- Internal policies and guidelines are communicated to all employees through standard operating policies and procedures, memoranda and handbooks.

- The enterprise risk management system in place is complemented by the process of risk identification and mitigation during major project tenders so that in the event the project tender is secured, project management shall follow through the risk mitigation measures during project execution.

- Adequate insurances where applicable for projects and assets of the Group are taken up to cover any insurable adverse events that may result in losses to the Group.

- The information technology system has systems and procedures to protect against the risks of cybersecurity intrusions, unauthorised access, unauthorised software use, corruption and loss of information assets. In addition, the system has in place to protect and manage the confidentiality, integrity and availability of data and the information infrastructure.

- External management system certifications currently applied to the Group are as follows:

  - The Construction and Precast Manufacturing Divisions are accredited under the ISO 9001:2015 Quality Management System which is designed to consistently provide products and services that meet customer and regulatory requirements.

  - Both ISO 14001:2015 Environmental Management System and ISO 45001:2018 Occupational Health & Safety Management System certifications ensure that adequate controls and good governance are in place to manage environmental and safety matters for the Construction Division.

  - The Group has obtained certification under ISO 37001:2016 Anti-Bribery Management Systems to prevent, detect and respond to bribery and corruption. This system is designed to be integrated into the Group's existing management processes, risk management system and controls to demonstrate adequate procedures are in place and to enhance corporate governance. These management systems are also subjected to yearly external audit by the respective certification bodies to ensure continued conformity of the respective management system.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(CONT'D)

KEY ELEMENTS OF INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM (CONT'D)

- The ARMSC also met with the external auditors to discuss the external audit plan, review key audit issues and present their findings on the evaluation of the internal control system either formally or privately to the ARMSC.
- The Human Capital system embraces a structured procedure for talent acquisition and management, employment practices, organisational and succession planning. A performance management system with defined criteria for performance with business objectives and targets are set for employees. Selected employees are provided training and development based on their training needs to meet their job performance expectations.
- All employees are governed by a Code of Ethics and Conduct who are required to acknowledge as having read and understood the Code upon commencement of employment.
- An established whistleblowing process provides an avenue for whistle-blowers to communicate their concerns or on matters of integrity in a confidential manner so that these can be investigated for effective resolution.
- Regular visits to operating units and project sites by the senior management, finance staff and internal auditors.

INTERNAL AUDIT

The internal audit function of the Group is performed by the in-house IARMD, which reports directly to the ARMSC.

The IARMD carries out independent reviews on the state of the internal control of the Group's business activities based on the current risk-based Audit Plan approved by the ARMSC or whereas directed by top management with the approval of the ARMSC. The findings and observations are reported to the ARMSC on a quarterly basis. Follow-up audits were also carried out to determine the status of implementation of agreed corrective actions based on the previous audit findings reported.

The IARMD continually reviews the system of internal control, procedures and operations to provide reasonable assurance that the internal control system is sound, adequate and operating satisfactorily.

THE BOARD'S REVIEW OF THE RISK MANAGEMENT FRAMEWORK AND INTERNAL CONTROL SYSTEM

The risk management framework and internal control system for the financial year under review was considered to be adequate and operating satisfactorily. The Board undertakes to pursue the necessity for continuous improvements in its internal control system and risk management process in order to achieve its goals, enhance shareholder value and ensure sustainability of the businesses over the long term.

During the year, some areas for improvement in the internal control system were reported by IARMD to the ARMSC. Management has been responsive to the issues raised and has taken appropriate measures to address the areas for improvement that have been highlighted. The monitoring, review and reporting procedures and systems in place give reasonable assurance that the controls are adequate and appropriate to the Group's operations and that risks are managed within an acceptable level of the Group's risk appetite and tolerance. However, neither procedures nor systems provide absolute assurance due to human error, the deliberate circumvention of control procedures by employees and others or the occurrence of unforeseeable circumstances. The effectiveness of the system of internal control is constantly reviewed and enhanced in response to changes in the business and operating environment.

The Board has received assurance from the Executive Chairman and the Acting Group Chief Operating Officer that the Group's risk management and internal control system is operating effectively, in all material aspects, based on the risk management and internal control framework of the Group.

Pursuant to Paragraph 15.23 of the Listing Requirements, Deloitte PLT have reviewed this Statement for inclusion in the Annual Report 2024 and have reported to the Board that nothing came to their attention that would suggest this Statement has not been prepared, in all material aspects, with the disclosures required under paragraphs 41 and 42 of the Statement on Risk Management and Internal Control - Guidelines for Directors of Listed Issuers.

This Statement on Risk Management and Internal Control was approved by the Board on 29 April 2025.

SUSTAINABILITY STATEMENT

SUSTAINABILITY STATEMENT
(CONT'D)

Contents

OUR PATH TO SUSTAINABLE GROWTH

OUR STATEMENT AT A GLANCE

Drawing on nearly six decades of "Advancing The Future Together", Mudajaya Group Berhad ("Mudajaya" or the "Group") presents our Sustainability Statement for the financial year ended 31 December 2024. This statement offers an overview of our environmental, social and governance ("ESG") performance across our diverse sectors, including construction, property development, concession assets, manufacturing and trading.

OUR STRIDES TOWARD SUSTAINABILITY

Understanding the importance of managing our ESG impacts, we integrate sustainability practices across our operations, creating value for our business and stakeholders. This year, we expanded the scope of our reporting to cover activities from select subsidiaries operating in China.

We enhanced our ESG performance by establishing a Climate Change Policy that outlines strategies for integrating climate actions into our business operations. As a first step towards integrating ESG criteria into our procurement process, we initiated an ESG assessment for our top 20 suppliers in Malaysia to enhance supply chain resilience.

Resource efficiency remains central to our sustainability efforts. At Menara Mudajaya, we installed electric vehicle charging stations to support low-carbon mobility. Further to this, we are upgrading the water recirculating system in our cement manufacturing facilities in Shandong, China, to enhance water conservation efforts.

Workplace safety is a top priority in our commitment to social responsibility. Our health and safety initiatives have resulted in zero work-related fatalities over 2,262,246 hours worked across our operations in Malaysia and China. Beyond that, we have allocated resources to eight community programmes, demonstrating our dedication to the communities we serve.

Mudajaya's sustainability efforts demonstrate our strategic approach to making a positive impact. These initiatives underscore our efforts to drive sustainable growth and deliver long-term value for our stakeholders.

DEFINING OUR SCOPE AND BOUNDARY

The disclosures in this statement encompasses the Group's sustainability performance from 1 January to 31 December 2024 ("FY2024"), incorporating data from FY2022 and FY2023 to highlight yearly trends. The sustainability statement covers Mudajaya Group Berhad and our subsidiaries in Malaysia, with an expanded scope this year to cover select subsidiaries in China. For FY2022 and FY2023, the data from our China operations is limited to governance and environmental data unless stated otherwise.

SUSTAINABILITY STATEMENT (CONT'D)

MALAYSIA

CONSTRUCTION

Mudajaya Corporation Berhad ("MCB")

Provides professional engineering services and construction. Active projects include:

- Light Rail Transit Line 3 ("LRT3") Package GS01
- Gurun Earthwork ("GEK")
- Kotra Pharma Melaka ("KPM")
- East Coast Rail Link ("ECRL") Station (Package 3)
- Senari Port Vehicle Yard ("Senari Port")

PROPERTY

Mudajaya Land Sdn. Bhd. ("MLSB")
Owns and manages Menara Mudajaya, a 16-storey office building serving as the corporate headquarters ("HQ")

MJC City Development Sdn. Bhd. ("MJCC")
Undertakes property development of the 265-acre Batu Kawah New Township in Kuching

MJC Development Sdn. Bhd. ("MJCD")
Owns and manages 39 residential units at Lumi Tropicana

MANUFACTURING

MJC Precast Sdn. Bhd. ("MJCP")
Manufactures and supplies precast concrete products

TRADING

MJC Trading Sdn. Bhd. ("MJCT")
Trades construction-related materials

POWER

Sinar Kamiri Sdn. Bhd. ("SKSB")
Operates and manages a 49MW solar plant in Sungai Siput, Perak

Special Universal Sdn. Bhd. ("SUSB")
Operates and manages a 10MW solar plant in Gebeng, Pahang

Mudajaya Facilities Management Sdn. Bhd.
Operates and manages power plants

CHINA

MANUFACTURING AND TRADING

Shandong Allied Wangchao Cement Limited ("SAWCL")
Manufactures and trades cement and clinker

Zaozhuang Laisheng New Building Materials Co., Ltd. ("ZLCL")
Manufactures and trades building stones

ENERGY SOLUTIONS

Shanghai Guorui Tongshun Environmental Protection Technology Co., Ltd. ("SHGT")
Provides services on environmental protection and energy conservation

Shanghai Guokunsheng Construction Group Co., Ltd. ("SGCG")
Provides services on energy conservation

SUSTAINABILITY STATEMENT
(CONT'D)

ENSURING COMPLIANCE AND TRANSPARENCY

The Group's sustainability statement complies with Bursa Malaysia's Main Market Listing Requirements ("MMLR") and the Sustainability Reporting Guide (3rd edition). It is also guided by the Global Reporting Initiative ("GRI") Standards and the United Nations Sustainable Development Goals ("UN SDGs"), ensuring transparent reporting of our sustainability performance and goals.

AWARDS AND RECOGNITIONS

SAWCL was recognised as one of Shandong Province's 2024 Specialised, Refined, Distinctive and Innovative Small and Medium-sized Enterprises.

MEMBERSHIPS AND ASSOCIATIONS

Mudajaya stays actively engaged with our diverse industries by holding memberships in the following associations, allowing us to stay informed on the latest developments, and industry best practices.

- Construction Industry Development Board ("CIDB")
- Malaysian Photovoltaic Industry Association ("MPIA")
- Master Builders Association Malaysia ("MBAM")
- Real Estate and Housing Developers' Association Malaysia ("REHDA")
- Sarawak Housing and Real Estate Developers' Association ("SHEDA")
- Third Council of the Shanghai Energy Conservation and Environmental Service Association
- Shanghai Energy Conservation Engineering Technology Association

DATA INTEGRITY

Data contained in this statement has been sourced and reviewed by the respective information owners within the Group. We remain focused on continually improving our data collection and analysis processes to further enhance the credibility and reliability of our disclosures.

YOUR INPUT MATTERS

We aim to continually enhance our sustainability reporting and value the insights and suggestions of our stakeholders. Please feel free to reach out to us with any questions, feedback, or suggestions at:

Mudajaya Group Berhad

PH1, Menara Mudajaya,
No. 12A, Jalan PJU 7/3,
Mutiara Damansara,
47810 Petaling Jaya, Selangor Darul Ehsan
Tel No: (603) 7806 7899
Email: info@mudajaya.com

DRIVING POSITIVE CHANGE

FY2024 Sustainability Achievements

Our ESG performance in FY2024 highlights our ongoing efforts to integrate sustainability principles and initiatives across all aspects of our operations, underscoring our pursuit towards resilience and long-term growth

DELIVERING EXCELLENCE

ZERO substantiated incidents of corruption

ZERO whistleblowing cases reported

ZERO substantiated complaints concerning breaches in customer privacy or data loss

99.9% of procurement budget spent on local suppliers

BUILDING TOWARDS A GREEN FUTURE

Upgrading clinker production line at SAWCL to increase daily capacity from 2,500 t/d to **4,000** t/d upon completion

19% reduction in water intensity compared with FY2023

CARING FOR OUR PEOPLE

1,213,186 total training hours of Health, Safety and Environment ("HSE") training programmes conducted

ZERO fatality and Lost Time Injury Rate of **0.09**

ZERO substantiated cases of discrimination and harassment

ZERO substantiated complaints concerning human rights violations reported

SUSTAINABILITY STATEMENT
(CONT'D)

OUR SUSTAINABILITY PROGRESS

Milestones Across Our Journey

Driven by our objective of 'Advancing the Future Together', Mudajaya constantly strives to enhance our sustainability frameworks and practices. We continue building on our past success to contribute meaningfully towards the global goal of reaching net-zero emissions by 2050.

FY2017

- Published inaugural Sustainability Statement
- Adopted Bursa Malaysia's Sustainability Framework
- Established 3 pillars: Marketplace, Environment and Workplace and Community
- Established a Sustainability Governance Structure comprising the Board of Directors, Core Sustainability Working Team, and Sustainability Committee
- Identified 15 Material Matters and 5 Stakeholder Groups

FY2018 – FY2020

- Implemented a 3-year Sustainability Roadmap (2018-2020) focusing on four key priority areas: Marketplace, Environment, Workplace and Community
- Conducted 1st Materiality Assessment and identified Top 8 Material Matters out of 25 Material Matters in FY2018
- First construction company in Malaysia to obtain ISO 37001:2016 Anti-Bribery Management System ("ABMS") Certification with United Kingdom Accreditation Service ("UKAS") Accreditation in FY2020

FY2021

- Adopted Bursa Malaysia's Sustainability Reporting Guide (2nd Edition)
- Enhanced Sustainability Governance Structure to include Sustainability Steering Committee
- Adopted 11 UN SDGs to align with our action plans and targets

FY2022 – FY2023

- Reported against Bursa Malaysia's Enhanced Sustainability Reporting Guide (3rd Edition)
- Developed an ESG Framework, Sustainability Policy and Terms of Reference for Sustainability Governance Structure in FY2023
- Conducted materiality re-assessment in FY2022 and FY2023
- Initiated reporting on Climate-Related Disclosures in FY2022 by adopting the recommendations from Task Force on Climate-Related Financial Disclosure

FY2024

- Developed the Group's Climate Change Policy
- Initiated the first stage of supplier ESG assessment, evaluating the top 20 major suppliers in Malaysia
- Expanded our sustainability reporting scope to include our subsidiaries in China
- Enhanced climate-related disclosure by evaluating risk and opportunities over the short, medium and long term

OUR APPROACH TO SUSTAINABILITY

Forming Our Strategy

Our ESG Strategy drives responsible business practices by embedding sustainability into our corporate strategy. It encompasses our vision and mission and is built upon three key sustainability pillars that align with our material sustainability matters, Key Performance Indicators ("KPIs"), UN SDGs and stakeholders.

MUDAJAYA'S ESG STRATEGY

OUR VISION

To be the preferred leader in the construction and property development industry and to provide good infrastructure and energy requirement to society. We strive to look beyond the expectations and goals to stay ahead by integrating both technical excellence and commitment in building partnership.

OUR MISSION

As a preferred leader, the Group seeks to continuously improve on their performance pertaining to providing international quality standards, timely completion of projects, customers' satisfaction and enhancement of stakeholders' value.

OUR CORPORATE VALUES

TRUST | UNITY | LEARNING | INTEGRITY | PROGRESSION

OUR SUSTAINABILITY PILLARS AND MATERIAL SUSTAINABILITY MATTERS

DELIVERING EXCELLENCE
- Corporate Governance and Anti-Corruption
- Regulatory Compliance
- Technology, Data Security and Privacy
- Supply Chain Management
- Product Quality and Innovation

BUILDING TOWARDS A GREEN FUTURE
- Energy, Emissions and Climate Resilience
- Material Consumption
- Waste and Effluent Management
- Water Consumption

CARING FOR OUR PEOPLE
- Occupational Health and Safety
- Human Rights, Labour Practices and Standards
- Talent Attraction and Development
- Diversity and Inclusion
- Community Engagement

OUR KEY PERFORMANCE TARGETS

- Uphold zero tolerance for bribery and corruption
- Safeguard data privacy and cybersecurity
- Strengthen support for local suppliers

- Drive efforts to reduce GHG emissions
- Minimise waste to landfill disposal
- Enhance water conservation efforts

- Maintain zero workplace fatalities and low injury rates
- Promote an inclusive and respectful workplace
- Enhance employee growth through training opportunities

OUR CONTRIBUTION TO THE UN SDGs

OUR KEY STAKEHOLDER GROUPS

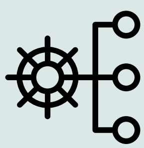
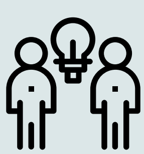
Shareholders & Investors | Government & Regulatory Authorities | Employees | Customers | Suppliers | Communities

SUSTAINABILITY STATEMENT
(CONT'D)

MUDAJAYA'S SUSTAINABILITY AND CLIMATE CHANGE POLICY

The Group's Sustainability Policy supports our ESG initiatives and core values, demonstrating our focus on governance, environmental and social pillars. It guides us in embedding sustainability practices throughout our operations, decision making and overall strategy.

Sustainability Policy

Core Values of Our Sustainability Policy	
Delivering Excellence 	• Uphold the highest standards of ethical business conduct and act with integrity in all our operations • Prevent all forms of bribery and corruption throughout the Group's value chain • Comply with regulatory and legal requirements in markets where we operate • Protect customer data and privacy against unauthorised access and use • Uphold the highest standards of product quality to sustain customer satisfaction and support long-term value creation • Support local economic growth by prioritising local suppliers
Building Towards a Green Future 	• Continuously improve energy efficiency and actively monitor our carbon footprint across operations • Enhance recycling, reduce waste and implement responsible disposal methods to contribute towards a circular economy • Minimise the Group' environmental footprint by promoting efficient material consumption • Promote water conservation practices throughout the Group
Caring for our People 	• Foster a safe workplace for our employees, prioritising their well-being • Allocate resources and organise capacity-building programmes to support employee development and growth • Ensure fair labour practices, treating all employees with dignity and fairness • Actively engage with and contribute to the communities in which we operate

CLIMATE CHANGE POLICY

This year, the Group has developed a Climate Change Policy to establish clear and actionable directives for addressing climate-related risks and opportunities. The policy aims to provide guidance on carbon footprint reduction, enhance climate resilience, and promote sustainable practices across our operations.

CORE VALUES OF OUR CLIMATE CHANGE POLICY

CLIMATE CHANGE ADAPTATION
Integrate climate-related risks and opportunities into our operations, decision-making processes and strategic development and risk management frameworks
Monitor and report energy consumption, setting and implementing long-term reduction targets to reduce our carbon footprint
Continuously track, monitor and report on Scope 1, 2 and 3 GHG emissions, setting reduction targets while identifying opportunities for emission reduction through technological and/or biological means
Expand our Scope 3 GHG reporting to improve the comprehensiveness and accuracy of our sustainability disclosures
Enhance climate-related disclosures to align with evolving standards and requirements, ensuring transparency and accountability
Conduct climate awareness training for employees and suppliers to strengthen climate resilience and promote sustainable practices across all operations

CLIMATE CHANGE MITIGATION
Adopt advanced technologies and solutions to improve energy efficiency, reduce resource consumption, and manage materials sustainably across our operations
Expand our involvement in the renewable energy sector and integrate renewable energy sources throughout our operations to reduce greenhouse gas emissions and support climate change mitigation
Integrate circular economy principles by improving waste management practices, increasing material reuse and recycling, and minimising waste across our business divisions
Collaborate with stakeholders, including suppliers and clients, to develop and implement effective strategies that address climate-related risks

SUSTAINABILITY STATEMENT
(CONT'D)

ADVANCING GLOBAL INITIATIVES

The UN SDGs outline the global agenda for sustainable development by 2030 to foster peace, prosperity and an equitable future for all. Mudajaya has adopted six UN SDGs with specific targets that align with our initiatives, focusing on areas where we can make the most significant impact.

7.2: Increase global percentage of renewable energy

- Installed solar photovoltaic ("PV") panels with a capacity of 51.48 kWp on Menara Mudajaya to reduce reliance on purchased electricity.
- Holds concession rights for two solar PV plants in Malaysia totalling 59 MW and received the Sustainable Development Award from JCI Malaysia for the development of a 49 MW large scale solar PV facility in Perak in 2022.
- Retrofitted outdoor streetlights at SAWCL to solar-powered units.
- Deployed solar-powered equipment, including floodlights, lamps, fans and CCTV cameras at LRT3 project sites.

8.7: End modern slavery, trafficking and child labour

- Maintained zero substantiated instances of child labour and human rights violations throughout our value chain.

8.8: Protect labour rights and promote safe working environments

- Implemented a Health, Safety and Environmental Policy to protect our employees from operational hazards.
- All employees and workers undergo safety training in line with ISO 45001 Occupational Health and Safety Management System.

10.3: Ensure equal opportunities and end discrimination

- Established Code of Conduct and Whistleblowing Policy that strictly prohibit discrimination based on race, age, gender, sexual orientation, marital status, or disability.

12.2: Sustainable management and use of natural resources

- Installed an advanced rainwater harvesting system at Menara Mudajaya, collecting an average of 254,000 litres per year for non-potable purposes such as washing and sanitation.
- Implemented a water recirculating system and water-saving valves at our cement manufacturing facilities to increase water efficiency.

12.4: Responsible management of chemicals and waste

- Established a designated storage area at LRT3 for scheduled waste generated from vehicles, machinery and clean-up activities.
- Established designated areas at cement production plants for the temporary storage of hazardous wastes generated during production.
- Constructed six silt detention ponds and an Active Treatment System ("ATS") at the LRT3 construction site for sedimentation control.

SUSTAINABILITY STATEMENT
(CONT'D)

ADVANCING GLOBAL INITIATIVES (CONT'D)

12.5: Substantially reduce waste generation

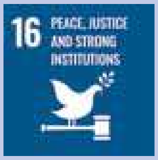
- Collaborated with the IPC Recycling Team to place recycling bins throughout Menara Mudajaya for employees and tenants.
- Implemented Industrialised Building Systems ("IBS") to optimise raw materials use and reduce construction waste.
- 0.6% of waste diverted from disposal

12.7: Promote sustainable public procurement practices

- Implemented a Supplier Code of Conduct to ensure suppliers adhere to sustainable practices.
- Conducted a Supplier ESG Assessment for the top 20 major suppliers in Malaysia to assess their alignment with key ESG criteria.

13.1: Strengthen resilience and adaptive capacity to climate related disasters

- Established Climate Change Policy
- Enhanced climate-related disclosures
  - Board oversight and management roles in climate-related risks and opportunities
  - Climate-related risk and opportunities
  - Risk management processes
  - Metrics and targets



16.5: Substantially reduce corruption and bribery

- First company in Malaysia to obtain ISO 37001:2016 ABMS certification with the UKAS Accreditation.
- Established a Whistleblowing Policy and an Anti-Bribery Policy to strengthen anti-corruption measures
- Recorded zero confirmed incidents of corruption for three consecutive years

SUSTAINABILITY STATEMENT
(CONT'D)

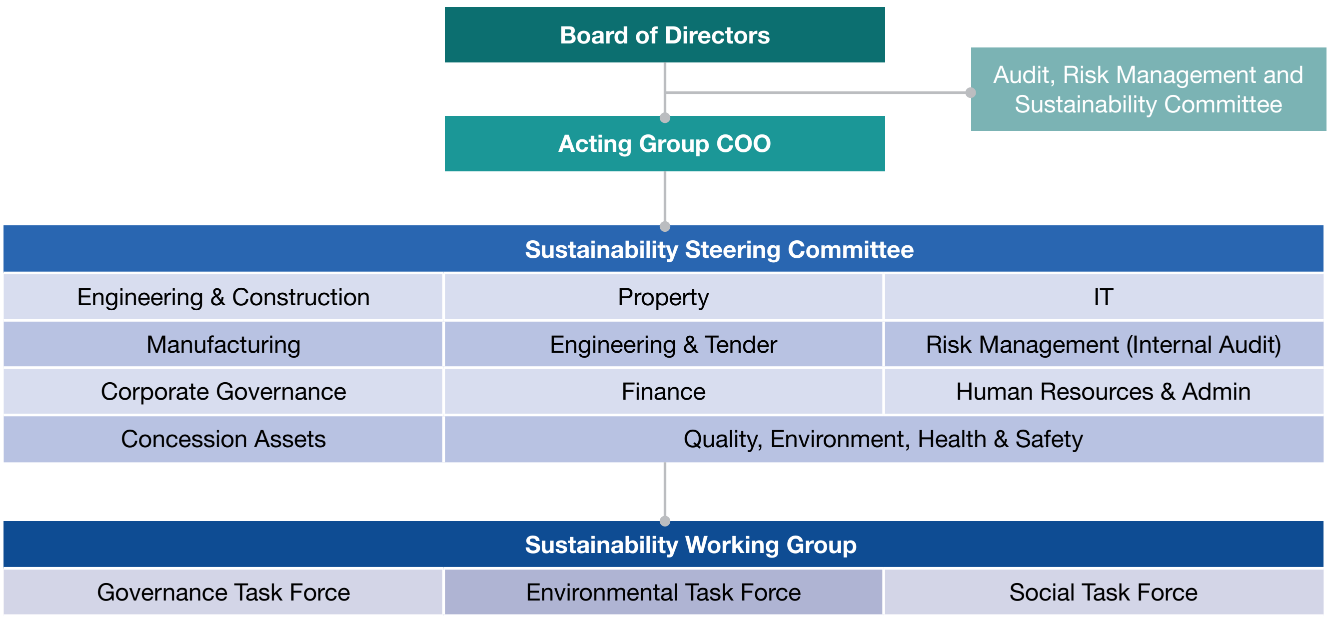
ATTAINING EXCELLENCE IN KEY PERFORMANCE AREAS

The Group's KPIs are essential metrics that provide quantifiable insights into our sustainability performance through a data-driven approach. This year, we enhanced our KPIs, enabling us to make informed strategic decisions and drive sustainable operational excellence.

MUDAJAYA'S KEY PERFORMANCE INDICATORS			
Material Matters		Our Target	Our Performance in FY2024
Delivering Excellence	Corporate Governance and Anti-Corruption	**Zero** cases of bribery and corruption	• Achieved zero substantiated incidents of corruption in FY2024.
	Technology, Data Security and Privacy	**Zero** breaches in data privacy and cybersecurity	• Received zero substantiated complaints concerning breaches in customer privacy or data loss.
	Responsible Procurement	**90%** expenditure allocated to local suppliers in Malaysia and China	• 99.9% of procurement budget allocated to local suppliers in Malaysia and China.
Building Towards a Green Future	Climate Change and Energy	To establish a baseline year for Scope 1 and 2 GHG emissions by **2026**	• In progress. Continue tracking and monitoring of GHG Emissions across the Group.
	Waste and Effluent Management	Achieve **1%** waste diversion from landfill by **2028**	• In progress. 0.6% of waste diverted from landfill.
	Water Consumption	To establish a baseline year for water intensity by **2026**	• In progress. Continue tracking and monitoring of water intensity across the Group.
Fostering Engagement	Occupational Health and Safety	Achieve zero fatal accidents and lost time incident rate ("LTIR") below 1.0	• Achieved zero fatality and LTIR of 0.09.
	Human Rights, Labour Practices and Standards	Achieve zero cases of human rights violation, discrimination and harassment	• Recorded zero substantiated cases of human rights violation, discrimination and harassment.
	Talent Attraction and Development	Achieve 4 hours of training per employee by 2028	• In progress. Recorded an average of 2.22 hours of training per employee.

SUSTAINABILITY MANAGEMENT STRUCTURE

The Board of Directors ("BOD" or "the Board") leads our sustainability governance structure, overseeing the Group's sustainability agenda, including both climate-related risks and opportunities. Supported by the Sustainability Steering Committee ("SSC"), the Board provides strategic direction and leadership. The SSC, in turn, guides the Sustainability Working Committee ("SWC"), which is responsible for executing strategies, managing data collection and monitoring sustainability initiatives.



BOD	• Strategic oversight of the Group's overall sustainability agenda, practices, performance and material sustainability matters • Guides the integration of ESG-related risks and opportunities into the Group's strategic and risk management frameworks, with an emphasis on climate-related concerns
SSC	• Formulates and proposes sustainability strategies, initiatives and targets for Board approval • Executes and evaluates the effectiveness of sustainability initiatives • Evaluates and oversees the Group's ESG and climate-related risks and opportunities • Recommends adjustments to sustainability policies, standards and procedures to the Board as necessary
SWG	• Executes and oversees the day-to-day implementation of sustainability initiatives • Identifies and recommends key sustainability issues relevant to the Group for SSC consideration • Monitors and regularly reports ESG-related data to the SSC

SUSTAINABILITY STATEMENT
(CONT'D)

ADDRESSING STAKEHOLDER NEEDS

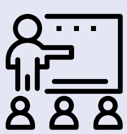
Stakeholders play a crucial role in shaping our business, as their input helps us meet their requirements and expectations. We maintain open communication channels and effectively address material issues and areas of concern, striving to meet their expectations and enhance our corporate reputation.

Annually	Bi-annually	Quarterly	Monthly	On-going	As needed

Stakeholders	Key Areas of Concern	Our Response		Engagement Methods
Shareholders and Investors				
Shareholders and investors are vital for providing the financial support for Mudajaya's business operations. Their trust and investments drive our growth, innovation and long-term success.				
	• Financial and operational performance	• Quarterly financial results and annual reports	As needed	Investor Relations in corporate website
	• Good management and corporate governance	• Uphold good governance practices	As needed	Extraordinary General Meeting
	• Mitigation and adaptation to climate change	• Outline carbon reduction strategies • Monitor sustainability performance and targets	Quarterly Annually	Financial results announcements Annual General Meeting
Government and Regulatory Authorities				
Government and regulatory authorities play a key role in ensuring compliance, promoting fair business practices and upholding ethical standards. Their oversight fosters a stable and trustworthy business environment.				
	• Anti-bribery and corruption	• Compliant with the ABMS requirement under ISO 37001:2016	As needed As needed	Meetings Seminars/ Webinars
	• Corporate governance practices	• Establishment of Good Corporate Governance and Whistleblowing Policy		
	• Regulatory compliance	• Full compliance with regulatory requirements		

ADDRESSING STAKEHOLDER NEEDS (CONT'D)

Annually	Bi-annually	Quarterly	Monthly	On-going	As needed

Stakeholders	Key Areas of Concern	Our Response	Engagement Methods
Customers			
Customers are the driving force behind the demand for Mudajaya's products and services, directly impacting our revenue and growth. Their preferences and satisfaction are essential for our continued success and market expansion.			
	• Product quality and safety	• Compliant with ISO9001:2015 Quality Management System	Email Meetings Customer surveys Customer engagement
	• Product innovation	• Pre-fabrication technologies • Adoption of renewable energy via Corporate Green Power Programme • Green technology in construction	
	• Customer data privacy	• Compliant with Personal Data Protection Act ("PDPA") 2010	
Employees			
Employees are crucial to Mudajaya's success, providing their expertise and dedication to propel our operations forward. Their skills and commitment are essential for achieving our busness objectives and sustaining growth.			
	• Career development and upskilling opportunities	• Provide relevant upskilling and development opportunities	Internal communications Workshops and trainings Employee engagement and events Employee appraisals
	• Occupational health and safety	• Compliant with the Occupational Safety and Health (Amendment) Act 2022	
	• Fair labour practices	• Compliant with laws governing work hours and wages • Maintain safe and hygienic accommodations for workers	
	• Whistleblowing policy/ procedures	• Promote transparent communication with employees	
	• Work-life balance	• Provide mothers with extended maternity leave and Flexi Work Arrangements	

SUSTAINABILITY STATEMENT
(CONT'D)

ADDRESSING STAKEHOLDER NEEDS (CONT'D)

● Annually	● Bi-annually	● Quarterly	● Monthly	○ On-going	○ As needed

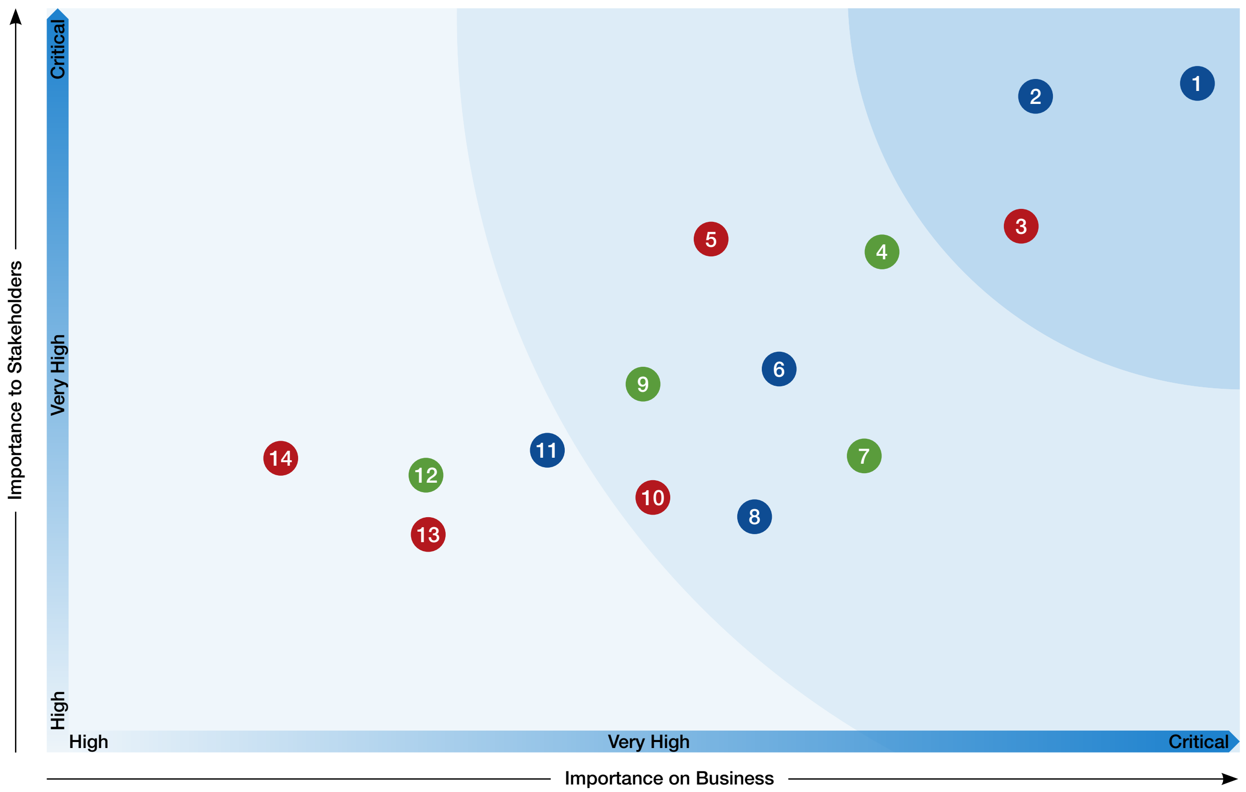
Stakeholders	Key Areas of Concern	Our Response	Engagement Methods
Suppliers			
Suppliers play a key role by delivering the crucial resources and materials we need. Their reliable support is fundamental to our efficiency and overall success.			
	• Anti-bribery and corruption • Supplier evaluation	• Procurement and Supplier Assessment Policy • Supplier Code of Conduct	○ Procurement processes and new suppliers screening ● Supplier assessment and performance reviews
	• Support of local suppliers and products	• 99.9% of procurement sourced from local suppliers	
Communities			
Mudajaya can positively impact communities by implementing responsible and sustainable practices. Our commitment to sustainability fosters community well-being and strengthens our social responsibility.			
	• Community development and support	• Community investments • Provision of scholarships • Improving sustainability practices in communities	○ Community impact programmes

IDENTIFYING CRITICAL PRIORITIES

Evaluating Key Material Matters

The materiality matrix showcases key ESG issues identified through a structured approach, utilising stakeholder consultations and weighted rankings to prioritise significant sustainability matters. It visually represents their importance to our operations and relevance to stakeholders, guiding our focus on critical environmental, social, and governance priorities.

In FY2024, we retained the materiality matrix from FY2023 as the identified issues remained highly relevant to our business operations and stakeholder interests. Our top three material matters continue to be Corporate Governance & Anti-Corruption, Regulatory Compliance and Occupational Health & Safety.



Delivering Excellence		Building Towards a Green Future		Caring for our People	
1	Corporate Governance and Anti-Corruption	4	Energy, Emissions and Climate Resilience	3	Occupational Health and Safety
2	Regulatory Compliance	7	Material Consumption	5	Human Rights, Labour Practices and Standards
6	Technology, Data Security and Privacy	9	Waste and Effluent Management	10	Talent Attraction and Development
8	Supply Chain Management	12	Water Consumption	13	Diversity and Inclusion
11	Product Quality and Innovation			14	Community Engagement

SUSTAINABILITY STATEMENT
(CONT'D)

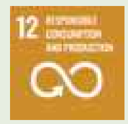
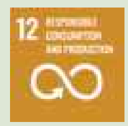
CHARTING OUR MATERIAL SUSTAINABILITY MATTERS

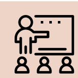
We aligned each material matter with the relevant UN SDGs and key stakeholder groups to clearly outline their interconnection with our strategies.

Material Matters	Our Approach	UN SDGs	Stakeholder Groups
Delivering Excellence			
Corporate Governance and Anti-Corruption	The Group is guided by a robust governance framework with comprehensive policies, codes, and procedures to reinforce ethical practices throughout all operations.	16	
Regulatory Compliance	We adhere strictly to relevant laws and regulations, conducting regular reviews of our policies to ensure alignment with evolving regulations and industry standards.	16	
Technology, Data Security and Privacy	We strengthen our data management practices with the implementation of rigorous policies and procedures, alongside adherence to industry best practices to prevent data breaches.	16	
Supply Chain Management	Our procurement practices prioritise responsible sourcing, assessing suppliers based on ESG criteria and quality of materials. We support the local economy by sourcing from local suppliers whenever feasible.	12	
Product Quality and Innovation	We continuously enhance the quality of our products and services by adhering to both local and international quality standards to ensure our deliverables consistently meet the highest expectations.	12	

Material Matters	Our Approach	UN SDGs	Stakeholder Groups
Building Towards a Green Future			
Energy, Emissions and Climate Resilience	We mitigate our impact on the environment and address climate change by managing our energy consumption to minimise greenhouse gas emissions across our operations.	7, 13	
Material Consumption	We emphasise the efficient use of materials to reduce our overall environmental footprint to conserve resources for current and future developments.	12	

CHARTING OUR MATERIAL SUSTAINABILITY MATTERS (CONT'D)

Material Matters	Our Approach	UN SDGs	Stakeholder Groups
Building Towards a Green Future			
Waste and Effluent Management	The Group minimises our environmental impact by managing waste disposal, enhancing recycling efforts, and implementing wastewater management to prevent adverse effects on the environment.		
Water Consumption	We optimise water usage through the adoption of efficient technologies and conservation practices, including rainwater harvesting, to reduce reliance on freshwater resources.		

Material Matters	Our Approach	UN SDGs	Stakeholder Groups
Caring for Our People			
Occupational Health and Safety	We cultivate a strong safety culture by adhering to stringent OHS standards, providing comprehensive training programmes, and equipping employees with protective equipment to mitigate risks and maintain a safe working environment.		
Human Rights, Labour Practices and Standards	We uphold high standards for human rights and labour practices, ensuring fair wages, safe working conditions, and non-discrimination, thereby fostering an ethical and respectful workplace.		
Talent Attraction and Development	The Group invests in employee development through ongoing learning opportunities, skill-building initiatives, and clearly defined career advancement pathways to attract and retain top talent.		
Diversity and Inclusion	We promote an inclusive workplace environment by strictly enforcing anti-discrimination policies and providing equal opportunities, regardless of gender or social background.	 	
Community Engagement	The Group allocates resources to support a range of community initiatives, aiming to create lasting positive impacts for communities in proximity to our operations.		

SUSTAINABILITY STATEMENT
(CONT'D)

REFINING CLIMATE STRATEGIES

In FY2024, we enhanced our climate-related disclosures to provide insights into how climate risks and opportunities may impact our business operations. Our climate-related disclosures are organised around four core elements: Governance, Strategy, Risk Management, and Metrics and Targets.

Governance

The Board oversees climate-related risks and opportunities in our operations, with support from the SSC in assessing and managing the Group's ESG and climate-related risks and opportunities. This reporting year, the Board participated in 16 ESG training sessions, including 3 programmes specifically on climate-related topics, to remain informed about relevant risks and opportunities.

Board's oversight of climate-related risks and opportunities
• The Board provides strategic oversight over the Group's overall sustainability and climate-related agenda, practices, strategies, performance and material sustainability matters. • The Board provides direction on the integration of ESG-related risks and opportunities within the Group's strategy and risk management, including climate-related risks and opportunities. • Quarterly Board meetings are held to discuss key business matters, including climate-related risks and opportunities.
Management's role in assessing and managing climate-related risks and opportunities
• The Group's SSC advises the Board on the adoption of sustainability strategies, initiatives and targets, including climate-related initiatives. • The SSC also provides oversight of the implementation of the Group's sustainability initiatives including climate-related initiatives, and reports the progress to the Board. • The SSC stays informed on climate change regulations through regular training and webinars.

Strategy

In FY2023, the Group identified potential risks related to climate change mitigation and adaptation, along with their impacts on our operations and associated opportunities. This year, we conducted a comprehensive review of our climate strategy, evaluating both transition and physical risks over short (1-5 years), medium (6-10 years), and long-term (>11 years) periods to develop a structured response to climate change.

REFINING CLIMATE STRATEGIES (CONT'D)

Physical Risks: Climate Related Risks, Impacts and Opportunities

Risk	Description	Impact	Opportunities
Short term (1-5 years) to long-term (>11 years)			
Acute	• Potential short-term extreme climate-related events, i.e. heat waves, flooding, landslides, etc.	• Short-term extreme climate-related events may cause project delays, asset damages, development site issues and health risks to our workforce.	• By strengthening resilience measures and establishing contingency plans, we can enhance the ability of project sites and facilities to withstand extreme weather events.
Long-term (>11 years)			
Chronic	• Potential long-term effects such as changes in precipitation patterns and increasing temperatures.	• Long-term climate-related impacts may cause increase in capital costs and insurance premiums to manage impacts. • Long-term disruption and delays in overall project progress may impact output and revenue.	• Implementing proactive climate risk measures, such as investing in energy-efficient technologies, can lower insurance costs, stabilise operations, and control capital expenses.

Transition Risks: Climate Related Risks, Impacts and Opportunities

Risk	Description	Impact	Opportunities
Medium term (6-10 years) to long-term (>11 years)			
Policy and Legal	• Regulations imposed in relation to climate-related compliance such as the future implementation of a carbon pricing mechanism. • Enhanced climate-related reporting obligations.	• Exposure to financial penalties and legal actions from non-compliance with emissions and environmental regulations. • Increased operational expenses from mandatory climate-related reporting.	• Implementing compliance procedures ensures we meet regulatory changes, enhancing investor confidence. • Enhancing operational resilience by reducing reliance on carbon-intensive materials and practices.
Short term (1-5 years) to long-term (>11 years)			
Technology	• Costs to replace high-emission technologies to meet climate targets and regulatory standards. • Replacement of existing products with lower emissions options.	• Increased capital investment to deploy low-emissions technologies and upgrading facilities. • Resources required for research and development for sustainable precast products.	• Low-carbon technologies, such as renewable energy, reduce energy consumption and operational costs, offering long-term savings. • Developing innovative low-carbon precast products attract clients prioritising sustainability, improving market competitiveness.

SUSTAINABILITY STATEMENT
(CONT'D)

REFINING CLIMATE STRATEGIES (CONT'D)

Transition Risks: Climate Related Risks, Impacts and Opportunities (Cont'd)

Risk	Description	Impact	Opportunities
Market	• Rising raw material costs and shifts in market preference. • Increased costs for carbon-intensive construction materials.	• Increased product prices may reduce demand, prompting customers to seek substitutes from competitors. • Rising material prices may increase project costs, straining budgets and delaying timelines.	• Improving energy and material efficiency can reduce costs, boosting profitability and competitiveness. • Implementing IBS systems in construction can reduce costs, maintain quality and mitigate rising material prices.
Reputation	• Increased stakeholder concerns on environmental impacts and climate action.	• Negative stakeholder sentiment could reduce demand for products and services, affecting revenue.	• Enhancing reputation by strengthening sustainability reporting and prioritising climate change mitigation and adaptation.

RISK MANAGEMENT

Mudajaya has established an Enterprise Risk Management ("ERM") framework to identify, assess, and mitigate risks that could impact our operations and overall performance. Overseen by the Audit, Risk Management and Sustainability Committee, the framework ensures a consistent approach to managing all risks, including climate-related risks, across the Group's divisions and projects.

Identifying and Assessing Climate-related Risks
• The ERM framework outlines a structured process for identifying, assessing, communicating, monitoring, and reviewing risks and the effectiveness of mitigation strategies at both divisional and corporate levels. • Key business risks are identified with potential causes determined, and Risk Owners are assigned to manage each risk area.
Managing Climate-related Risks
• Risk analysis is integrated into strategic planning, business planning, project management, and investment or appraisal processes. • A risk-based approach to internal controls is embedded in day-to-day operations. • Risk owners are responsible for managing risks within their scope and authority, escalating higher-level risks to management. • The Board and senior management are accountable for identifying and managing risks within their areas, ensuring effective risk management systems are implemented.
Integrating Climate-related Risk Management
• All risk management activities are documented in the ERM Policy and Procedures, forming part of the integrated ERM system. • The process includes regular half-yearly progress reports and comparisons to assess changes in the risk environment and adjust strategies as necessary.

METRICS AND TARGETS

The Group monitors and discloses our annual Scope 1, 2, and limited Scope 3 GHG emissions, which include emissions from business travel and employee commutes. Our GHG emissions are calculated in accordance with the methodology outlined within the GHG Protocol Corporate Accounting and Reporting Standard.

We track and disclose the following metrics to assess our performance in these areas.

Metric	Unit	Description
GHG Emissions	tCO_2e	Quantifies Scope 1, 2 and 3 (limited to business travels and employee commute) GHG emissions
Waste	MT	Measures total amount of waste generated
Energy Usage	Mwh	Tracks total fuel and electricity consumption
Water Usage	m3	Measures total water consumption

The Group has established Sustainability KPIs to monitor our progress, including targets for GHG emissions and waste management. As part of our climate strategy, we plan to establish a baseline year for Scope 1 and 2 GHG emissions by 2026, which will guide our reduction targets and emissions tracking. We also aim to achieve at least 1% of waste diversion from landfill by FY2028.

SUSTAINABILITY STATEMENT
(CONT'D)

DELIVERING EXCELLENCE

Mudajaya upholds exemplary standards of governance, ethics and integrity to foster sustainable growth and enhance our corporate standing. We implement robust policies and management systems to support these values. Effective governance ultimately influences our organisational strategy and sustainability direction, setting a strong foundation for our framework.

Material Sustainability Matters

- Corporate Governance and Anti-Corruption
- Regulatory Compliance
- Technology, Data Security and Privacy
- Supply Chain Management
- Product Quality and Innovation

Contribution to UN SDGs

8 DECENT WORK AND ECONOMIC GROWTH
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Key Stakeholder Groups

Key Highlights in FY2024

- Zero substantiated incidents of corruption
- Zero whistleblowing cases reported
- Zero substantiated complaints concerning breaches in customer privacy or data loss
- 99.9% of procurement budget spent on local suppliers

CORPORATE GOVERNANCE AND ANTI-CORRUPTION

Effective corporate governance maintains the stability of our operations which builds trust with our stakeholders. Upholding responsible and effective governance across the Group ensures a fair, transparent, and ethical culture throughout our operations, central to our integrity and pursuit of excellence.

The Board of Directors and Senior Management of Mudajaya are guided by a set of policies and codes that ensure ethical conduct and effective governance throughout the Group.

Board Charter	Director Fit and Proper Policy	Remuneration Policies
The Board Charter outlines the roles, composition, and responsibilities of the Board, ensuring all members understand their duties in upholding high standards of corporate governance.	The policy sets criteria to evaluate Directors' suitability, ensuring they possess the necessary qualities, commitment, integrity, professionalism, and compliance to effectively serve the Board and stakeholders.	Our Remuneration Policies and Procedures determine our employment packages to attract and retain high-caliber Directors and senior management, driving Mudajaya's success and achieving our strategic goals.

The following corporate governance policies guide our employees in their operational conduct, ensuring alignment with our strategic and business objectives.

Code of Ethics and Conduct	The Code sets forth the principles and standards that govern the behaviour of employees, officers, and directors. It provides clear directives on disclosing conflicts of interest, maintaining confidentiality, and handling information disclosure appropriately. It includes best practices, internal controls, regulatory compliance, and stresses the obligation to report any breaches.
Anti-Bribery and Corruption ("ABC") Policy	Aligned with the Malaysian Anti-Corruption Commission (Amendment) Act 2018 and Bursa Securities' anti-bribery guidelines, our ABC Policy Statement is supported by the Anti-Bribery Manual and Anti-Bribery Objectives & Targets. These documents establish measures to prevent corruption and ensure compliance with anti-corruption laws across the Group's operations.
Whistleblowing Policy and Procedure	In alignment with ISO 37001:2016 ABMS standards, this policy provides a secure and confidential channel for employees and stakeholders to report misconduct. All reports are handled with discretion, ensuring protection from retaliation for the whistleblower. An independent investigation, led by the Group's Independent Non-Executive Director and the Integrity Unit, ensures a thorough review and appropriate action.

The Group's corporate governance policies are readily accessible to our stakeholders and are published on Mudajaya's website at **www.mudajaya.com/corporate-governance/**

SUSTAINABILITY STATEMENT
(CONT'D)

On 10 June 2020, Mudajaya became the first Malaysian construction company to receive ISO 37001:2016 ABMS certification from UKAS Accreditation and was re-certified in 2023.

Compliance is further extended to suppliers and subcontractors through an Anti-Corruption Obligation, requiring a Vendor Letter of Declaration to ensure that all business transactions are conducted ethically.

In FY2024, we conducted a corruption risk assessment covering 100% of our operations in Malaysia and China, with zero confirmed incidents of corruption recorded. Over the past three reporting years, no whistleblowing incidents have been reported.

	FY2022	FY2023	**FY2024**
Percentage of operations assessed for corruption-related risks (%)			
i. Malaysia	100%	100%	**100%**
ii. China	100%	100%	**100%**
Group-wide	FY2022	FY2023	**FY2024**
No. of confirmed incidents of corruption	0	0	**0**
No. of confirmed incidents of whistleblowing	0	0	**0**

The Group effectively communicates our anti-bribery policies to employees through multiple channels, including the employee handbook, new hire orientation programmes, and regular anti-bribery training sessions. In FY2024, anti-corruption training was completed by 50% of our employees in Malaysia and 6% of our workforce in China.

Malaysia	FY2023	**FY2024**
Percentage of employees who received anti-corruption training		
i. Senior Management	84%	**81%**
ii. Management	59%	**70%**
iii. Executive	63%	**69%**
iv. Non-Executive	16%	**13%**
China	**FY2024**	
Percentage of employees who received anti-corruption training		
i. Senior Management	27%	
ii. Management	0%	
iii. Executive	24%	
iv. Non-Executive	0%	

Note:
1. Employee anti-corruption training in China was only conducted at SHGT and SGCG

SUSTAINABILITY STATEMENT
(CONT'D)

ATTAINING REGULATORY COMPLIANCE

At Mudajaya, we ensure regulatory compliance through a robust internal control system and supervision mechanism, staying aligned with legal requirements across all jurisdictions. We stay updated with regulatory changes and proactively prepare for emerging laws.

Non-compliance incidents are managed through an internal reporting system, audits, and investigations, with corrective actions to prevent recurrence and ensure continuous improvement.

The Group achieved zero Stop-Work Orders from the Department of Environment ("DOE") and the Department of Occupational Safety and Health ("DOSH") in Malaysia, as well as from the Ministry of Ecology and Environment ("MEE") and the Ministry of Emergency Management ("MEM") in China.

In FY2024, our Malaysian operations recorded zero substantiated non-compliance incidents, while SAWCL in China reported two incidents related to land use violations and safety management breaches. To address these issues, we promptly implemented corrective actions, including completing the necessary land use procedures and certification. Additionally, to meet safety standards, we restored vehicles to their original condition and imposed restrictions on their loading capacity.

SECURING TRUST THROUGH DATA PROTECTION

Protecting sensitive customer information and complying with data protection laws are essential to prevent breaches, maintain operational continuity, and build stakeholder trust. Our Management Information System ("MIS") Policy and Procedures align with PDPA 2010, ensuring high standards of data security.

Our internal control and risk management framework includes robust security measures such as access control and network management, to prevent unauthorised access and cyberattacks.

Confidentiality clauses in employee contracts	To further safeguard data, employee contracts include confidentiality clauses, ensuring that sensitive information is protected.
Secure management of employee information	The Human Resources department securely manages employee data in SharePoint, with deletions flagged and notifications issued to enhance security.

Due to our data privacy and cybersecurity measures, there have been zero substantiated complaints regarding breaches in customer privacy or data loss across our operations in Malaysia and China since FY2022.

Group-wide	FY2022	FY2023	**FY2024**
No. of substantiated complaints concerning breaches in customer privacy or data loss	0	0	**0**

SUSTAINABILITY STATEMENT
(CONT'D)

PURSUING SUPPLY CHAIN EXCELLENCE

Integrating sustainability into supply chain management ensures supplier quality and supports a value chain that meets industry standards and regulatory requirements. We maintain a responsible supply chain by carefully selecting and collaborating with suppliers, guided by our policies and criteria.

PROCUREMENT AND SUPPLIER ASSESSMENT POLICY

- Our procurement and supplier assessment system is integrated into the Supplier Code of Conduct and is fully compliant with ABMS standards.
- The Procurement Department adheres to ISO 9001 QMS guidelines to ensure that all sourced products and services consistently meet customer expectations and comply with regulatory requirements.
- We conduct biannual supplier performance reviews to maintain service quality, ensure ongoing policy compliance, and uphold contractual obligations.

We prioritise the following key criteria in selecting our suppliers.

- **High product quality**
- **Strong brand recognition**
- **High compatibility with business**
- **High compatibility with business needs**
- **Fast response time**

By focusing on these aspects, we ensure that our supply chain remains efficient, resilient, and capable of meeting the evolving demands of our business and customers.

SUPPLIER ESG ASSESSMENT

This year, we introduced our Supplier ESG Assessment to strengthen sustainability practices across our supply chain, focusing on the top 20 of our major suppliers in our Malaysian operations to assess their alignment with key ESG criteria.

SUPPLIER

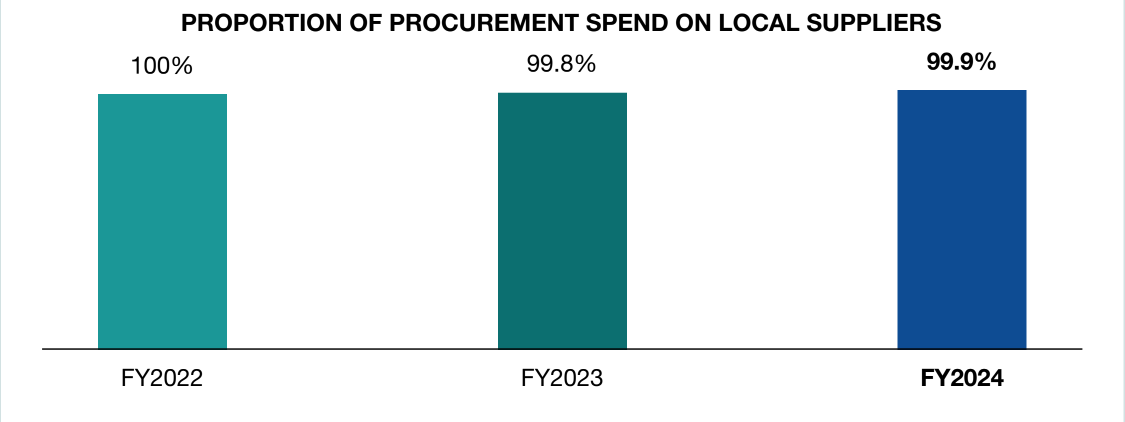
TOTAL NO. OF SUPPLIERS ASSESSED: **20**

Governance Criteria	Environmental Criteria	Social Criteria
89% comply with all relevant laws and regulations.	**83%** monitor energy consumption of their operations.	**69%** provide a functional Occupational Health and Safety ("OHS") System.
89% maintain policies or procedures to ensure project or service quality, specifications and safety.	**75%** monitor water consumption at their facilities.	**69%** offer OHS training to their employees and senior management.
88% have zero recorded incidents of corruption or bribery.	**88%** track waste generation and disposal from their operations.	**60%** have implemented a whistleblowing hotline or grievance mechanism.

Moving forward, we plan to expand the assessment in phases to include the remaining suppliers, integrating ESG criteria into both our ongoing supplier evaluations and onboarding process for new partners.

PROPORTION OF PROCUREMENT SPEND ON LOCAL SUPPLIERS

We prioritise sourcing from suppliers within the countries where we operate, aiming to allocate a minimum of 90% of our procurement budget towards local suppliers. Over the past three years, our operations in Malaysia and China have consistently directed over 99% of the allocated budget to local suppliers.



Note:

1. *FY2022 and FY2023 have been restated to include our procurement budget spent in China.*
2. *Conversion of procurement from CNY to MYR for China operations used the exchange rate provided by Bank Negara Malaysia at the end of each financial year. FY2022 (0.6342), FY2023 (0.6469), FY2024 (0.6125).*

DRIVING QUALITY AND INNOVATION

Quality is paramount in construction, property development, concession assets, and manufacturing, forming the basis of our brand credibility and customer trust. Driven by our pursuit of excellence, Mudajaya is dedicated to delivering innovative solutions and products of the highest quality across all our projects, ensuring exceptional customer satisfaction.

Our construction and manufacturing projects adhere to the ISO 9001 Quality Management System. This commitment is further articulated in our group Quality Policy Statement which underscores our pursuit for excellence and drive for high standards across all operations.

Group Quality Policy Statement

- **01** Providing cost-effective, innovative and timely delivery of high-quality products
- **02** Cultivating human capital and fostering a culture of teamwork within our workforce
- **03** Optimising resource utilisation to enhance efficiency and operational excellence
- **04** Ensuring total customer satisfaction by not only meeting but surpassing customer expectations
- **05** Upholding compliance with all relevant legal and other requirements
- **06** Continually improving the effectiveness of our Quality Management System

SUSTAINABILITY STATEMENT
(CONT'D)

SHGT prioritises employee upskilling and the establishment of a comprehensive service system to elevate product standards. We also actively listen to customer needs to drive continuous product improvement, while maintaining stringent quality control. At SAWCL, we adhere to the requirements for components and materials specified in Section 5 of GB 175-2023 Common Portland Cement to ensure the quality of our Ordinary Portland Cement products.

The following subsidiaries have attained ISO 9001:2015 Quality Management System Certification.

Accreditation	Subsidiaries	Scope of Approval	Issue Date	Expiry Date
ISO 9001:2015	MCB	Provision of Construction Services for Building, Civil, M&E Engineering, Water Supply and Marine Structure Works.	19.7.2002	18.7.2026
	MJC Precast	Manufacturing and Supply of Precast Components for Construction Industry.	30.12.2015	8.8.2027

Customer Satisfaction Evaluation

CUSTOMER SATISFACTION EVALUATION SURVEY FOR CONSTRUCTION PROJECTS

The Customer Satisfaction Evaluation Form was distributed to client representatives at the LRT3, GEK, and ECRL projects to assess their satisfaction with Mudajaya's performance.

The evaluation results indicated that all quality-related criteria were rated as good, while Mudajaya achieved an excellent score in HSE compliance. Additionally, client representatives who participated in the survey expressed their willingness to recommend Mudajaya to others. We scored over 70% in all three projects based on the evaluation criteria.

Evaluation Criteria:
- Site progress
- Quality of work
- Technical skills and knowledge
- HSE compliance
- Responsiveness in addressing client concerns and inquiries
- Overall satisfaction level

LRT3 Project	GEK Project	ECRL Project
Score: 83%	Score: 83%	Score: 73%

BUILDING TOWARDS A GREEN FUTURE

Environmental stewardship is central to our ESG agenda, enabling us to address climate change and safeguard a healthy, thriving planet. Mudajaya mitigates the environmental impacts of our business activity through resource-efficient practices and waste management initiatives. We continually seek innovative solutions to minimise adverse effects, recognising that addressing climate change is a shared responsibility for all.

Material Sustainability Matters

- Energy, Emissions and Climate Resilience
- Material Consumption
- Waste and Effluent Management
- Water Consumption

Contribution to UN SDGs

Key Stakeholder Groups

Key Highlights in FY2024

- Upgrading clinker production line at SAWCL, increasing daily capacity from 2,500 t/d to 4,000 t/d upon completion
- 19% reduction in water intensity compared with FY2023

SUSTAINABILITY STATEMENT
(CONT'D)

DRIVING ENERGY EFFICIENCY AND EMISSIONS REDUCTION

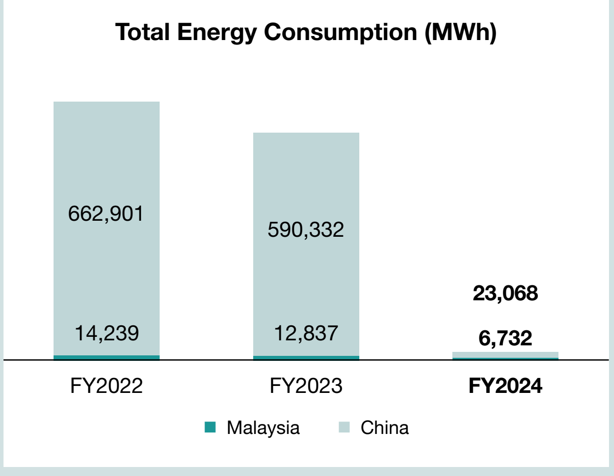
Energy efficiency and emissions management are key components in advancing sustainability in the construction and manufacturing industries. By integrating sustainable practices into our operations, we reduce greenhouse gas emissions, achieve significant cost savings, and enhance the resilience of our projects in a rapidly changing global landscape.

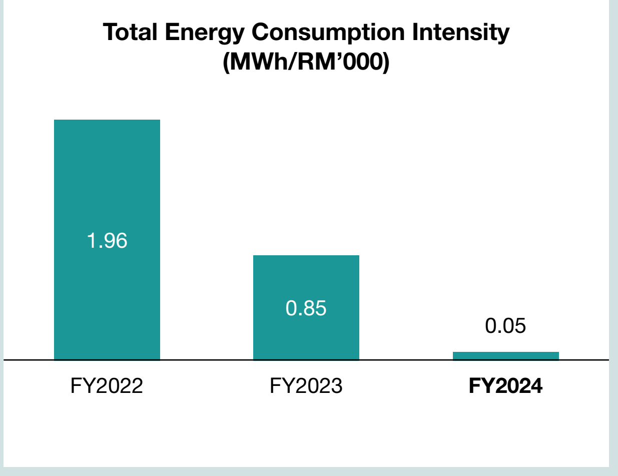
Energy Management

The Group has implemented a range of initiatives across our operations as part of our ongoing commitment to improving energy efficiency. At SAWCL, an energy management system has been established to enable real-time monitoring of energy consumption. This system allows us to track energy usage and conduct comprehensive data analysis to monitor energy consumption patterns and inefficiencies. We further advanced energy efficiency in the production plant by retrofitting fluorescent lighting with light-emitting diode ("LED") ceiling lights and converting outdoor streetlights to solar-powered alternatives.

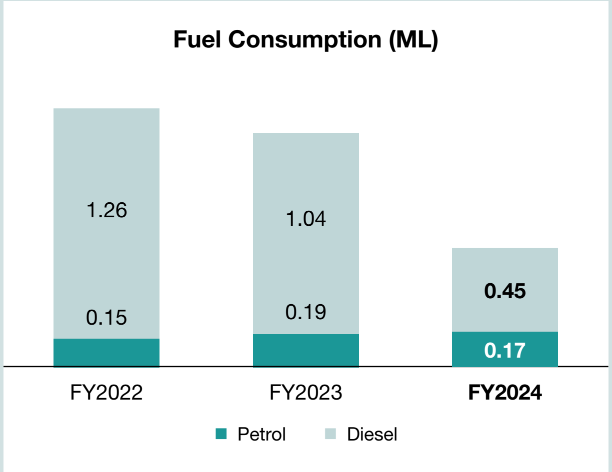
The Group is currently constructing a new clinker production line at SAWCL, with completion expected by the end of 2025. Once completed, the daily capacity of the clinker production line will increase from 2,500 t/d to 4,000 t/d. This upgrade is expected to optimise resource use and improve energy efficiency, which could lead to a reduction in emissions associated with the production process.

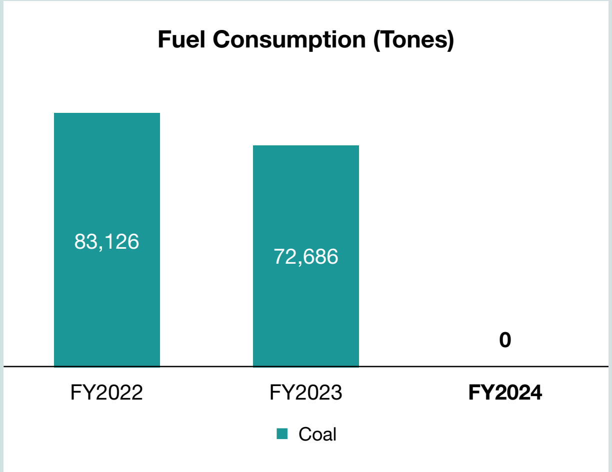
In FY2024, the Group recorded a total energy consumption of 29,800 MWh and a total energy intensity of 0.05 MWh/RM'000. Purchased electricity accounted for the majority (80%) of our energy usage across Malaysia and China, primarily due to the high electricity consumption at our cement production plants. The reduction in energy consumption and intensity is largely contributed by the temporary discontinuation of coal usage at SAWCL, as part of the technological upgrades for the new clinker production line. Coal usage will resume once the upgrades are completed.

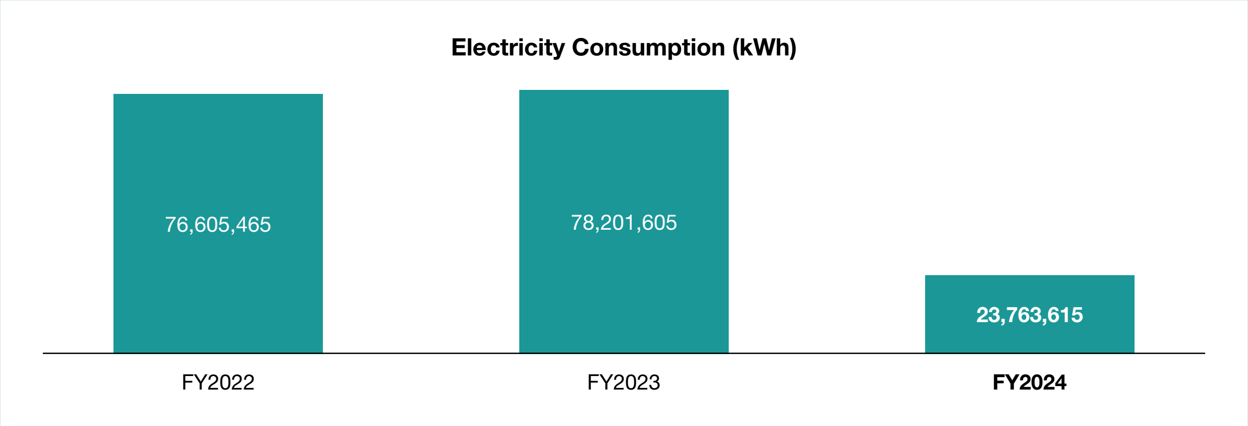




DRIVING ENERGY EFFICIENCY AND EMISSIONS REDUCTION (CONT'D)







Note:
1. *Electricity data for FY2024 is unavailable for SHGT and SGCG as they consolidated operations with another Group subsidiary and did not incur separate electricity charges.*

GHG Emissions

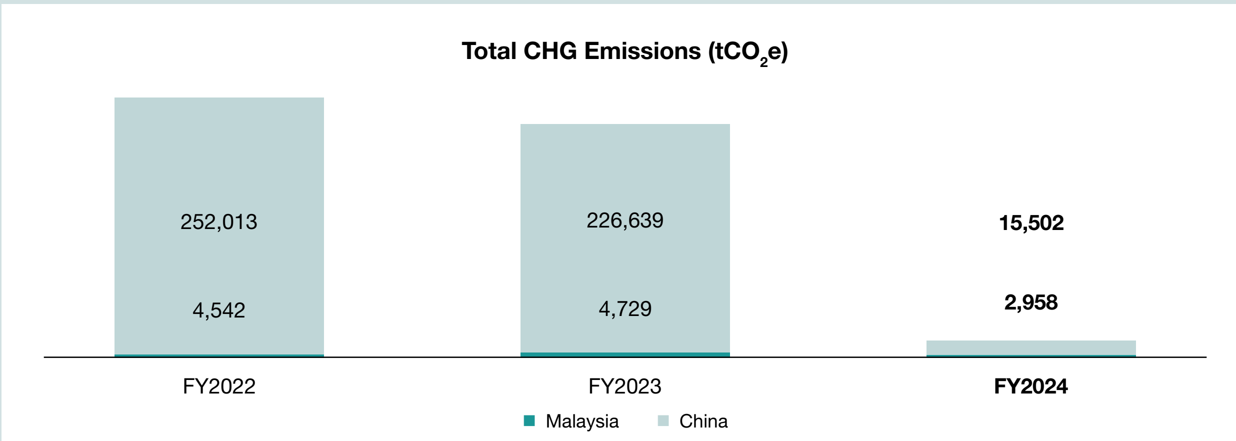
The Group actively tracks emissions across our projects to identify areas for improvement and implement strategies to reduce carbon emissions. Solar PV panels installed at Menara Mudajaya generated 41,821 kWh of electricity in FY2024, which was sold to Tenaga Nasional Berhad ("TNB") under the Feed-in Tariff scheme. The LRT3 project site is equipped with solar-powered floodlights, lamps, fans and closed-circuit television ("CCTV") cameras. This year, the Group has also installed two electric vehicle ("EV") charging stations in Menara Mudajaya to promote sustainable transportation and support the shift towards low-carbon mobility.

A Building Integrated Solar Panels ("BISP") system has been proposed for installation at the guardhouse and rooftops of each block at SkyVilla Condominium, with the aim of supplying electricity to selected common areas. Additionally, the installation of EV charging stations is currently in progress, further supporting sustainable living. As part of our broader tree preservation programme, we continue to integrate green spaces into our project and development plans, prioritising the retention of existing trees on project sites wherever feasible.

In FY2024, our total GHG emissions amounted to 18,460 tCO_2e, marking a significant reduction compared to FY2023, primarily due to lower Scope 1 and Scope 2 emissions.

SUSTAINABILITY STATEMENT
(CONT'D)

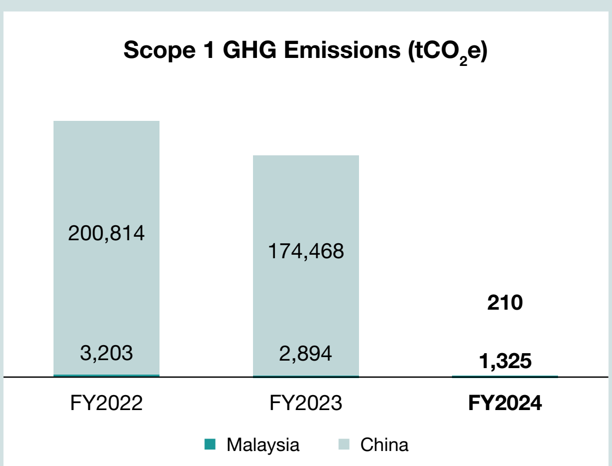
DRIVING ENERGY EFFICIENCY AND EMISSIONS REDUCTION (CONT'D)

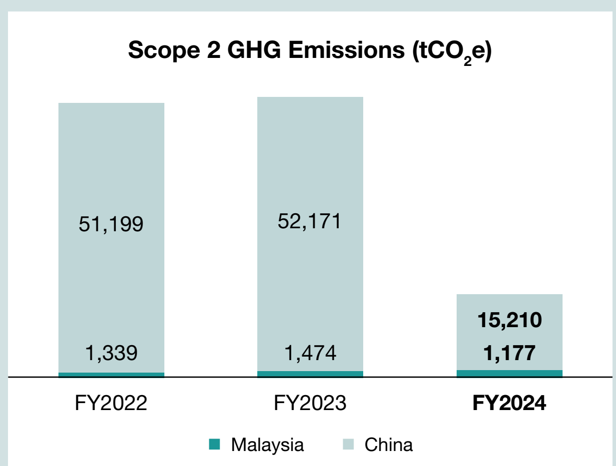


Note:
1. *Reporting of Scope 3 GHG emissions commenced in FY2023 for Malaysia and in FY2024 for China.*

The Group's Scope 1 GHG emissions include direct emissions from petrol and diesel consumption associated with construction activities at MCB, precast concrete manufacturing at MJCP and our cement production operations in SAWCL. The reduction in Scope 1 GHG emissions is primarily attributed to the temporary discontinuation of coal usage in our China operations during production line upgrades in FY2024, as well as the completion of the GEK project and the near completion of the LRT3 project in Malaysia.

Scope 2 GHG emissions represent the indirect emissions associated with purchased electricity used in our operations. The Group's total Scope 2 GHG emissions decreased from 53,645 tCO2e in FY2023 to 16,387 tCO2e in FY2024. Our subsidiaries in China accounted for the majority of electricity consumption (93%).

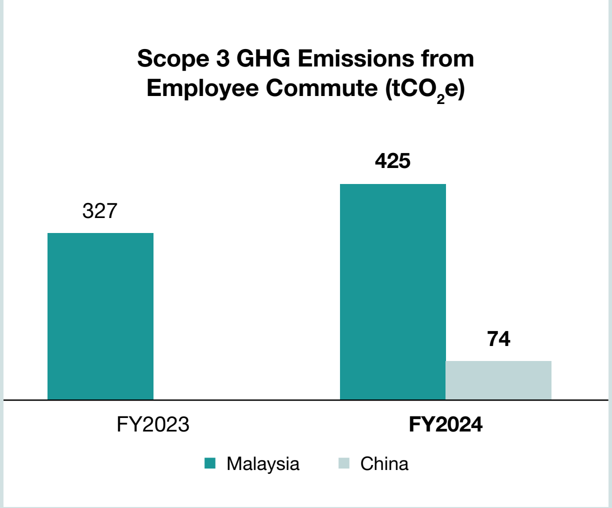


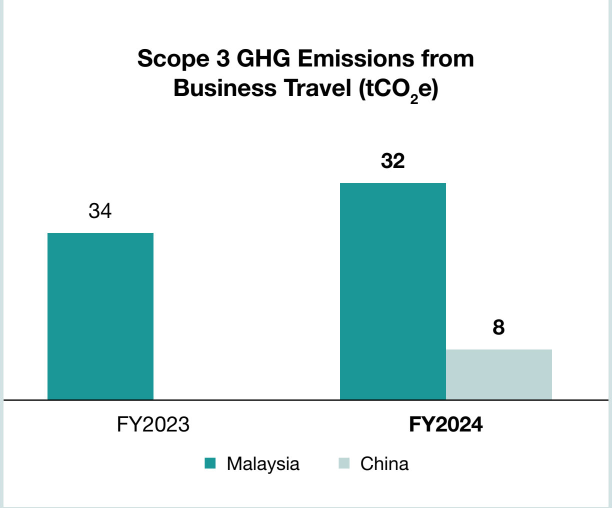


Note:
1. *The Scope 1 and 2 GHG emissions calculation methodology is based on the GHG Protocol Corporate Accounting and Reporting Standards.*
2. *Scope 1 emissions factors for FY2022, FY2023 and FY2024 were sourced from the UK Government's GHG Conversion Factor 2022, 2023 and 2024, respectively. The Scope 1 GHG Emissions data for FY2022 in Malaysia has been restated and recalculated using the 2022 emission factors.*
3. *Scope 2 GHG emission factors were sourced from the National Energy Commission of Malaysia and the MEE of China. The Scope 2 GHG Emissions data for FY2022 and FY2023 in Malaysia has been restated and updated using the latest GEF.*

DRIVING ENERGY EFFICIENCY AND EMISSIONS REDUCTION (CONT'D)

Mudajaya's Scope 3 GHG emissions include employee commuting and business travel, encompassing both air and land transportation. Our total Scope 3 GHG emissions for FY2024 are recorded at 539 tCO_2e.





Note:

1. *The Scope 3 GHG emissions calculation methodology is based on the GHG Protocol Corporate Accounting and Reporting Standards.*
2. *Emissions factors for FY2023 and FY2024 were sourced from the UK Government's GHG Conversion Factor 2023 and 2024, respectively. The Scope 3 GHG emissions data for FY2023 in Malaysia has been restated to reflect more accurate emission calculation.*

OPTIMISING RESOURCE UTILISATION

With an increasing demand for raw materials for buildings and infrastructure, we aim to make the most of our finite resources. By adopting efficient methods and optimised processes, we strive to reduce resource consumption and enhance our operational efficiency.

We effectively reduce our environmental impact by employing prefabrication methods, primarily through Industrialised Building Systems ("IBS"). This technique enables more efficient use of raw materials via off-site manufacturing of building components, significantly reducing on-site waste and streamlining construction processes, leading to improved efficiency in our projects.

At our cement production plants, we develop monthly production and raw material consumption plans based on past production analysis and the established production budget, ensuring that our operations are aligned with both operational needs and waste minimisation efforts.

In FY2024, the top three materials utilised in our construction operations in Malaysia, primarily the LRT3 and Senari Port projects, were quarry products, ready-mixed concrete and pipes. In China, our operations primarily used mine waste rock, limestone and clinker.

SUSTAINABILITY STATEMENT
(CONT'D)

OPTIMISING RESOURCE UTILISATION (CONT'D)

TOP THREE MATERIAL CONSUMPTION – MALAYSIA		
FY2022	**FY2023**	**FY2024**
221 tonnes Steel bars	**26,225 tonnes** Quarry products	**42,873 tonnes** Quarry products
650 m³ Ready-mixed concrete	**844 m³** Ready-mixed concrete	**31,107 pcs** Pipes
489 trips Earth	**337 tonnes** Steel bars	**1,658 m3** Ready-mixed concrete

TOP THREE MATERIAL CONSUMPTION – CHINA		
FY2022	**FY2023**	**FY2024**
1,432,030 tonnes Mine waste rock	**2,282,942 tonnes** Mine waste rock	**1,825,268 tonnes** Mine waste rock
895,580 tonnes Limestone	**800,119 tonnes** Limestone	**825,072 tonnes** Limestone
135,969 tonnes Fly ash	**140,441 tonnes** Fly ash	**213,186 tonnes** Clinker

Note:
1. *Data for other construction projects in Malaysia is not available, as materials are managed by subcontractors.*

PROMOTING SUSTAINABLE WASTE MANAGEMENT

In the construction and cement production sectors, effective waste and effluent management are crucial in preventing adverse environmental impacts. By upholding stringent measures across our operations, we ensure that all waste is properly managed in compliance with relevant laws and regulations.

Waste Management

Mudajaya has established waste management plans to ensure the proper handling and disposal of scheduled wastes in both our operations in Malaysia and China.

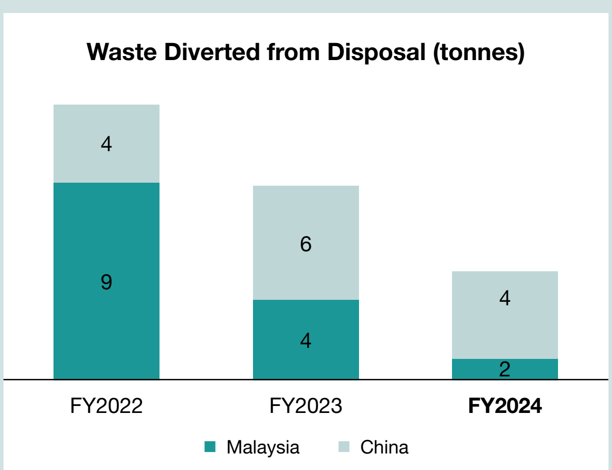
WASTE MANAGEMENT PLAN
Construction Sites in Malaysia
• Established designated areas for the storage of scheduled waste. • Placed recycling bins at all construction sites. • Appointed licensed contractors to manage all cheduled wastes, ensuring compliance with our environmental management plan and DOE's regulations and guidelines.
Cement Production Plants in China
• Designate areas for temporary storage of hazardous wastes generated during production. • Collect and store hazardous waste in secure containers prior to transfer and disposal. • Submit an application for a transfer document to the environmental protection department to authorise the transfer of hazardous waste. • Transport hazardous waste using dedicated vehicles, ensuring entry and exit are monitored. • Record and maintain vehicle details, loading footage, and personnel information. • Ensure the transfer document is jointly signed by the hazardous waste generator, the transporter and the waste contractor. • Ensure each party retains a copy and subsequently reports to the relevant authorities.

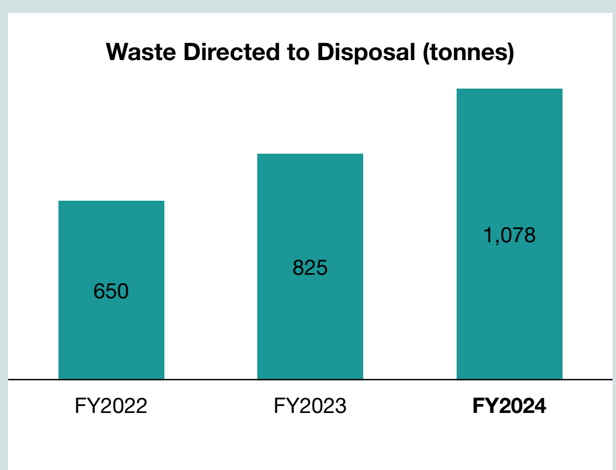
To further promote sustainability and responsible waste management, we have implemented a recycling initiative aimed at increasing recycling efforts across our operations.

COLLABORATION WITH IKANO POWER CENTRE ("IPC") RECYCLING TEAM

In FY2022, Mudajaya has collaborated with the IPC Recycling Team to place recycling bins throughout Menara Mudajaya, enabling our employees and tenants to dispose of recyclable items conveniently. We collected 1,700 kg of recyclables in FY2024.

In FY2024, we recorded a total waste generation of 1,084 tonnes, with the majority (64%) comprising construction waste. Of this total, 6 tonnes were diverted from disposal, while 1,078 tonnes were directed to disposal.





SUSTAINABILITY STATEMENT
(CONT'D)

The total scheduled (hazardous) waste generated was of 4.30 tonnes, with 0.26 tonnes generated in Malaysia and 4.04 tonnes in China. The Group's total non-scheduled waste was recorded at 1,080 tonnes in FY2024.

Type of Waste		Scheduled Waste Generation (tonnes)		
		FY2022	FY2023	FY2024
Malaysia				
SW 305	Spent lubricating oil	0.38	1.16	0.11
SW 404	Pathogenic waste, clinical waste or quarantined materials	0.02	–	–
SW 408	Contaminated soil	0.19	0.35	0.11
SW 409	Used chemical container	0.14	0.23	0.01
SW 410	Contaminated rag, paper, plastic, absorbent pad, used oil filter	0.18	0.20	0.03
Total		**0.91**	**1.94**	**0.26**
China				
HW 08	Waste mineral oils	3.50	4.81	3.97
HW 49	Other wastes	0.22	0.77	0.07
Total		3.72	5.58	4.04
Grand Total		**4.62**	**7.52**	**4.30**

Type of Waste	Non-Scheduled Waste Generation (tonnes)		
	FY2022	FY2023	FY2024
Domestic Waste	266	309	389
Construction Waste	392	518	691
Grand Total	**658**	**827**	**1,080**

Note:
1. *Scheduled waste data for Malaysia only includes waste from MCB, while data for China only includes SAWCL.*
2. *Non-scheduled waste data only includes waste from MCB and MLSB.*

Effluent Management

Silt Detention Ponds	We have built six detention ponds at the LRT3 sites to effectively contain sediments before discharging into the adjacent river. Treated water from these ponds is reused for vehicle cleaning. Stockpiles of silt are repurposed as sandbags to aid in flood mitigation along the riverbanks.
Active Treatment System ("ATS")	Our LRT3 construction sites are equipped with ATS, designed to trap and filter particles from water. This system ensure compliance with DOE standards before any discharge into the river.
Water Quality Monitoring	The Group conducts regular water quality sampling of effluent discharged at our project sites, including LRT3, GEK and ECRL. Results indicate that most parameters remain within or below their specific limits. Any occasional exceedances are likely due to external factors such as discharges and surface runoff from nearby industrial, commercial or residential areas.

Air Pollution Control and Emission Reduction System

Our low emission system at SAWCL, jointly constructed by China National Inspection Testing Control Group Co., Ltd. and its subsidiaries in June 2024, is designed to reduce and monitor exhaust emissions. The system comprises four key components, each essential for managing clean emissions in our cement production.

Integrated Ultra-Low Emission Control Platform	Total Suspended Particles Monitoring Instrument	Factory Boundary Air Quality Monitoring Microstation	Environmental Air Quality Testing Miscrostation

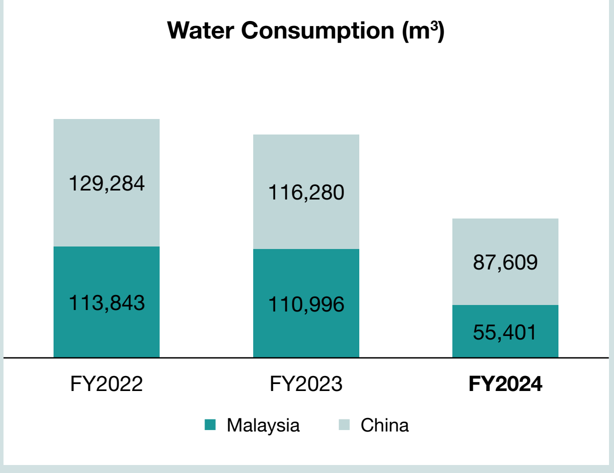
MAXIMISING WATER EFFICIENCY

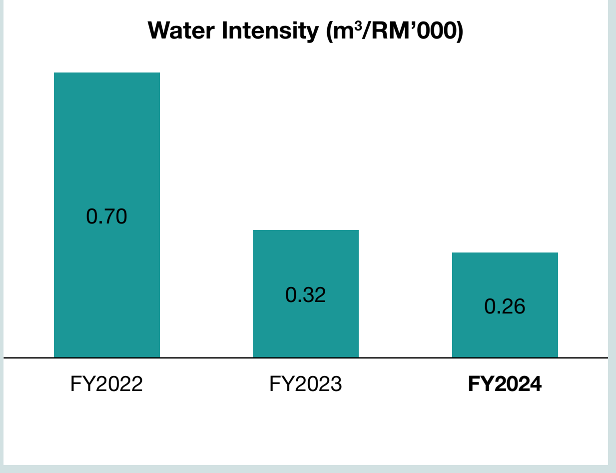
We recognise the importance of responsibly managing our water consumption to preserve this valuable resource. Mudajaya has adopted a proactive approach to water management, enhancing water efficiency across our operations by implementing water-saving technologies and practices.

Our rainwater harvesting system at Menara Mudajaya captures and stores rainwater for non-potable uses. The system collects an average of 254,000 litres of rainwater per year, equivalent to an annual cost savings of over RM700 for the Group. In future, we plan to install a similar system at SkyVilla Condominium.

In our cement manufacturing facilities, the Group is currently upgrading our water recirculating system, alongside existing sedimentation tanks, to enhance water conservation efforts. Water-saving valves have been installed at the Shandong factory, and rainwater is utilised for cleaning purposes. Additionally, water conservation signs are posted throughout the factory, and receive training on water-saving principles.

Our total water consumption decreased by 37%, from 227,276 m3 to 143,010 m3 in FY2024. Water intensity has also decreased by 19%, from 0.32 m3/RM'000 in FY2023 to 0.26 m3/RM'000 in FY2024. This reduction was primarily due to the completion of the GEK project and the near completion of the LRT3 project.





Note:

1. *Water consumption data in China is available only for SAWCL and ZLCL.*

SUSTAINABILITY STATEMENT
(CONT'D)

CARING FOR OUR PEOPLE

People are the heart of our organisation, where they fuel our success and performance. We create a vibrant work environment that empowers them to reach their full potential, fostering long-term engagement and loyalty. This active involvement nurtures a mutually beneficial relationship where employees can thrive and contribute to positive change in our communities.

Material Sustainability Matters

- Occupational Health and Safety
- Human Rights, Labour Practices and Standards
- Talent Attraction and Development
- Diversity and Inclusion
- Community Engagement

Contribution to UN SDGs

Key Stakeholder Groups

Key Highlights in FY2024

- 1,213,186 total training hours of HSE training programmes conducted
- Zero fatality and LTIR of 0.09
- Zero substantiated cases of discrimination and harassment
- Zero substantiated complaints concerning human rights violation reported

ENSURING SAFETY AT ALL TIMES

Safety is integral to our business and essential for delivering innovative infrastructure solutions. Our safety performance is driven by people-centric leadership and streamlined Health, Safety and Environment ("HSE") systems, fostering safer, more productive environments for our employees, workers and communities.

The Group HSE Committee oversees initiatives, ensuring adherence to industry standards and regulatory requirements. Our HSE Policy addresses operational risks and safeguards our workforce and the environment. Outsourced workers must also adhere to our Occupational Safety and Health ("OSH") requirements, ensuring consistent compliance across all operations.

To ensure a comprehensive approach to HSE management, the Group has implemented a series of initiatives across our operations.

HSE INITIATIVES

Hazard Identification, Risk Assessment, and Risk Control ("HIRARC")

Conducted for each specific task to identify potential hazards and establish control measures prior to commencement of work.

Pre-Task Talk ("PTT")

Conducted to raise workers' awareness on HSE risks and the implementation of control measures.

Permit to Work ("PTW")

Implemented for high-risk activities, including lifting operations, working at heights, and hot work.

Plant and Machinery Inspection

Conducted monthly to ensure all equipment and machinery on site are safe for use.

Emergency Response Drills

Organised to assess the readiness and preparedness of the Emergency Response Team and employees in case of an emergency.

Workplace Inspection

Weekly Workplace Inspection and Toolbox Meeting, fortnightly Management Site Walkabout and monthly Safety Hazard Inspection to address current and emerging OHS issues.

Safety Production Diagnostics

Conducted quarterly by a third-party organisation to evaluate safety production efforts

Timely corrections are encouraged, with rectification reports regularly submitted to the local emergency management bureau for record-keeping.

Safety and Health Campaigns

Promoted and raised awareness among site personnel about the importance of OHS on site.

Occupational Health Examinations

Conducted annually for all employees, with follow-up assessments recommended for those identified with health concerns.

As a result of our robust health and safety initiatives, we are proud to report zero work-related fatalities and an LTIR of 0.09 across 2,246,798 hours worked on MCB and MJCP projects, as well as 15,448 hours at cement production plants in China.

SUSTAINABILITY STATEMENT
(CONT'D)

ENSURING SAFETY AT ALL TIMES (CONT'D)

	FY2022	FY2023	FY2024
Malaysia			
Total number of hours worked	1,774,500	1,916,193	**2,246,798**
Total number of work-related fatalities	0	0	**0**
Total number of recordable work-related injuries	2	0	**1**
Total number of work-related ill health	0	0	**0**
Lost Time Incident	2	0	**1**
LTIR	0.23	0	**0.09**
China			
Total number of hours worked	N/A	N/A	**15,448**
Total number of work-related fatalities	N/A	N/A	**0**
Total number of recordable work-related injuries	N/A	N/A	**0**
Total number of work-related ill health	N/A	N/A	**0**
Lost Time Incident	N/A	N/A	**0**
LTIR	N/A	N/A	**0**
Grand total number of hours worked	**1,774,500**	**1,916,193**	**2,262,246**

Note:
1. *N/A stands for "Not Available".*
2. *The total number of hours worked FY2023 in Malaysia has been restated to include Senari Port project.*

ENSURING SAFETY AT ALL TIMES (CONT'D)

Health and Safety Training

We ensure our employees stay current with the latest OSH standards and best practices through diverse training programmes, including personal protective equipment usage, working at heights, HSE induction and electrical safety training. This equips our workforce with essential skills for a safe work environment and fosters a commitment to high OSH compliance standards.

In line with our HSE Policy, all personnel and contractors involved in high-risk tasks must undergo training per our ISO 45001 Occupational Health and Safety Management System. This year, Mudajaya conducted 105 HSE training programmes, with 8,873 attendees, totalling 1,213,186 hours of training.

MALAYSIA

94 HSE training programmes
(FY2023: 181)

1,175,278 total training hours
(FY2023: 4,151,746)

7,415 attendees
(FY2023: 15,434)


Safety, Health and Quality Briefing.


Environmental and Oil Spillage Training.


Toolbox Briefing.

CHINA

11 HSE training programmes

37,908 total training hours

1,458 attendees


Working At Heights Safety Briefing.

SUSTAINABILITY STATEMENT
(CONT'D)

World OSH Day 2024: Celebrating Safety Milestones at LRT3

In conjunction with the International Labour Organisation's World Occupational Safety and Health Day, the Safety, Health, Environmental, and Traffic Department held a campaign at the LRT3 project site on 24 May 2024. Themed "Safety and Health at Work in a Changing Climate," the event aimed to promote workplace safety and health, while marking a key milestone of 8.5 million manhours without Lost Time Injury. Attendees included employees across all levels of MCB, sub-contractor workers, and representatives from DOSH Selangor, the Petaling District Health Office, and Prasarana.

The programme included an emergency safety briefing, award presentations for outstanding HSE performance and best-performing sub-contractor, as well as knowledge-sharing sessions led by engineers and site supervisors.

UPHOLDING ETHICAL LABOUR PRACTICES AND HUMAN RIGHTS

Maintaining high standards in labour practices and human rights ensures a safe, fair and ethical workforce. This safeguards the well-being of all employees, particularly foreign workers, who are among the most vulnerable. Active monitoring and adherence to these standards foster a productive, engaged and contented workforce, resulting in lower turnover rates.

Worker Accommodation, Wellbeing and Support

The Group provides safe, clean, and hygienic accommodation that meets the Workers' Minimum Standards of Housing and Amenities Act 1990 (Act 446). Our Centralised Labour Quarters ("CLQs") offers essential amenities such as beds, filtered water dispensers, lockers, kitchens, dining areas, prayer rooms and washrooms, as well as cleaning and transportation services. CLQ Supervisors conduct daily checks and the Department of Labour performs annual inspections to ensure the wellbeing and rights of our foreign workforce. Additionally, External Labour Quarters ("ELQ") Supervisors offer counselling services to address personal and work-related concerns, promoting a supportive environment.

We have maintained zero substantiated complaints concerning human rights violations for the past three reporting years.

Group-wide	FY2022	FY2023	FY2024
No. of substantiated complaints concerning human rights violation	0	0	**0**

Employment Practices and Fair Treatment

The Group ensures equal employment opportunities and fair treatment for all employees through a labour contract system. We strictly enforce the Employment Act (Amendment) 2022 and ensure compliance with the Minimum Wage Act 2022.

We also address critical issues such as fraudulent recruitment, misuse of job seekers' personal information, employment discrimination, and unlawful charges. Additionally, we have strengthened data security protocols to protect personal information, ensuring the protection of workers' legitimate rights and interests.

Weekly Badminton Session

DEVELOPING AND ATTRACTING TALENT

Mudajaya's success is intrinsically linked to our ability to attract and retain top-tier talent that drives operational excellence and strategic growth. We focus on career advancement, competitive benefits, and targeted training programmes to cultivate a dynamic, high-performing workforce.

Engagement Activities

The Group nurtures a vibrant and positive workplace culture through a range of engagement activities. We hosted events including festival celebrations, weekly badminton sessions, a durian festival and our annual company dinner to cultivate a supportive and inclusive environment where employees feel valued and connected.

Employee Benefits

We believe that offering competitive employee benefits significantly enhances the wellbeing and quality of life of our workforce. As such, we provide a range of benefits to all full-time employee.

Leave

- Annual Leave
- Medical Leave
- Maternity Leave
- Paternity Leave
- Marriage Leave
- Compassionate Leave

Allowance

- Shift Allowance
- Travelling Allowance
- Outstation Allowance
- Handphone Allowance
- Outstation Meal Allowance

Fringe Benefits

- Mileage Claim
- Entertainment Claim
- Accommodation Claim

Healthcare

- Medical Benefits
- Hospitalisation Benefits

Retirement Provision

- Employees Provident Fund ("KWSP")

Disability and Invalidity

- Social Security Organisation (SOCSO)

Group Insurance

- Life Insurance Coverage

Social Insurance System

- Basic Pension Insurance
- Medical Insurance
- Unemployment Insurance
- Work Injury Insurance
- Maternity Insurance

Parental Leaves

In FY2024, three male and seven female employees in Malaysia utilised parental leave and successfully returned to their roles upon completing their leave, achieving an 80% return-to-work rate.

Parental Leave	Gender	FY2024
Number of employees that took Parental Leave	Male	3
	Female	7
Number of employees that returned after Parental Leave	Male	3
	Female	5
Number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	Male	0
	Female	2

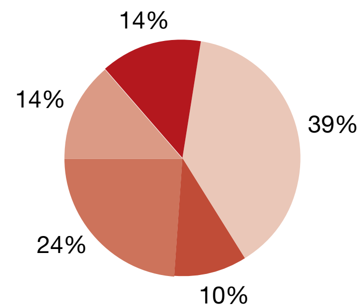
SUSTAINABILITY STATEMENT
(CONT'D)

Employee Training and Development

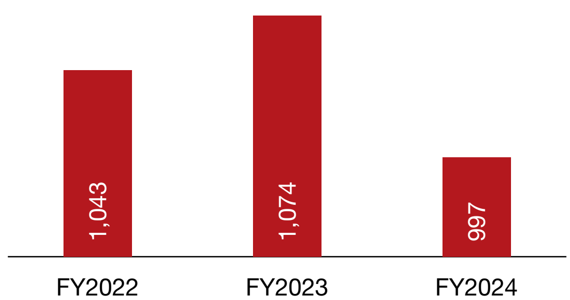
Our employees participated in a total of 997 hours of training across diverse areas, including taxation, software and systems, professional development and technical training.

Types of Training Programme

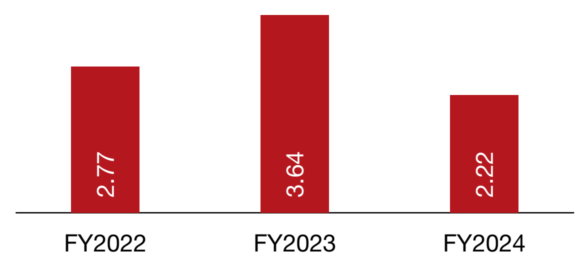
- Finance, Tax and Compliance Training
- HSE Technical Training
- Technical Training
- Softskills and Professional Development Training
- Software and Systems Training



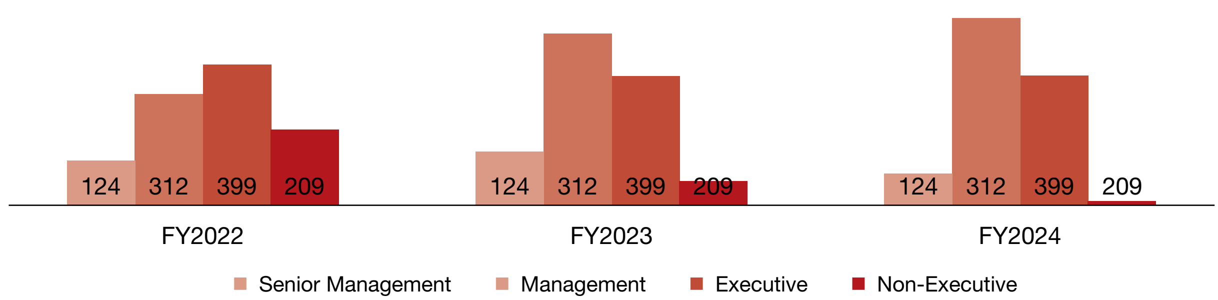
Total Training Hours



Average Training Hours per Employee



Total Training Hours by Employee Category

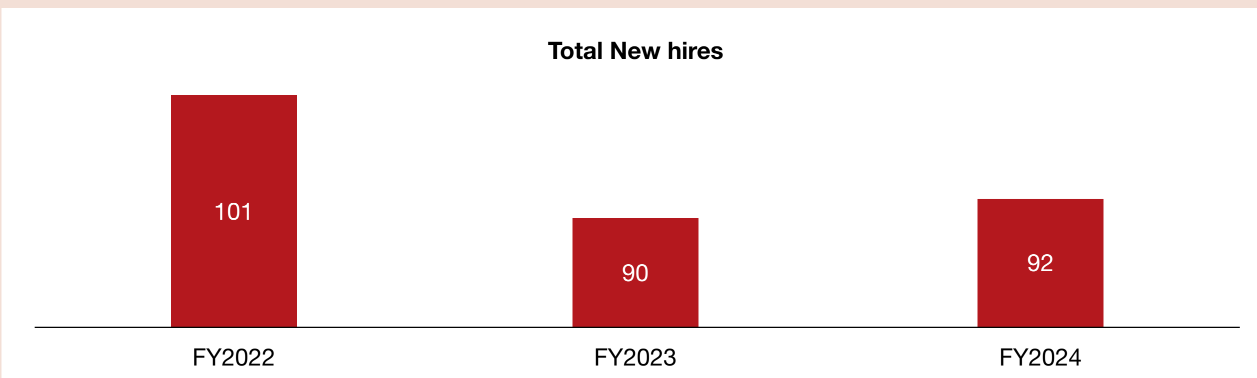


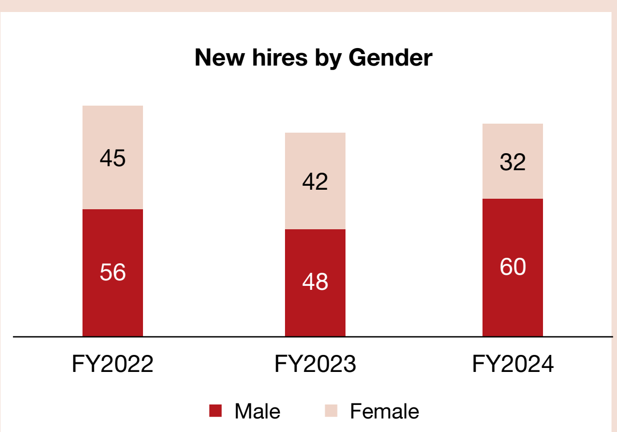
SUSTAINABILITY STATEMENT
(CONT'D)

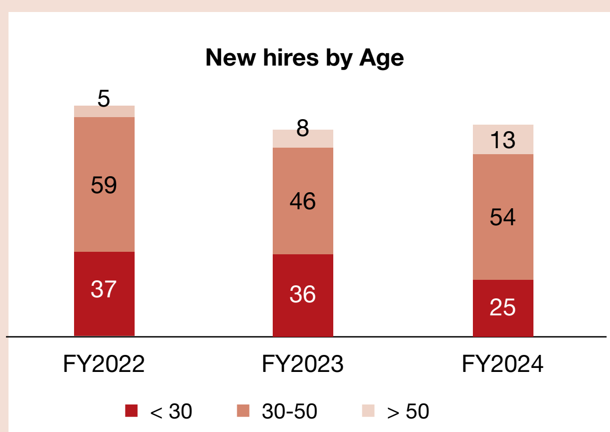
Category	Average Training Hours		
	FY2022	FY2023	FY2024
By Employee Category			
Senior Management	8.27	8.18	2.94
Management	4.95	8.93	5.15
Executive	3.44	3.28	2.75
Non-Executive	1.14	0.65	0.09
By Gender			
Male	3.25	3.87	2.11
Female	1.96	3.22	2.57

Employee New Hires and Turnover

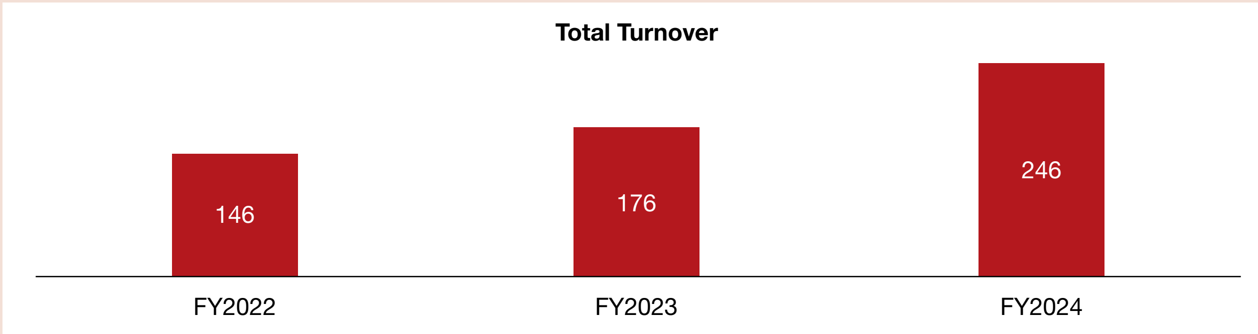
In FY2024, Mudajaya recorded 92 new hires and 245 turnovers. The majority of both new hires and turnover were male, aged between 30 and 50 years.

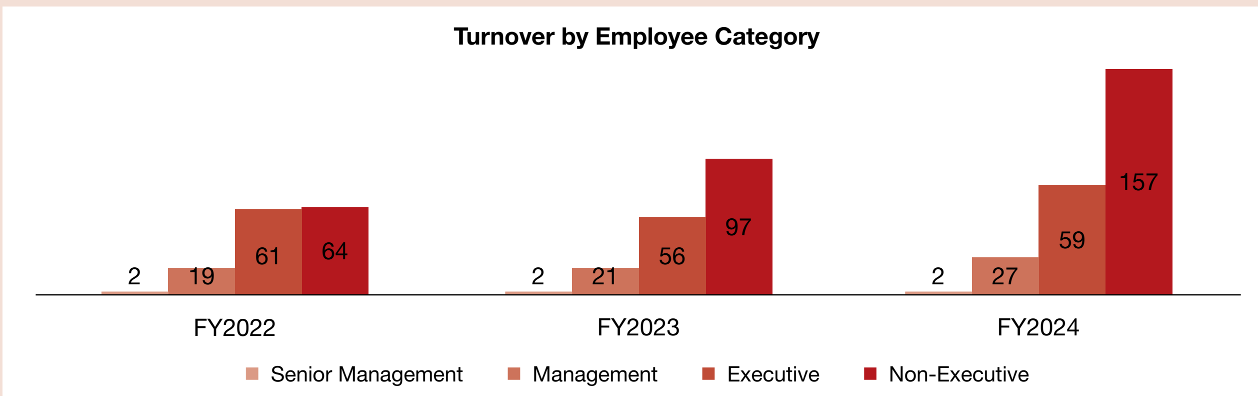






SUSTAINABILITY STATEMENT
(CONT'D)



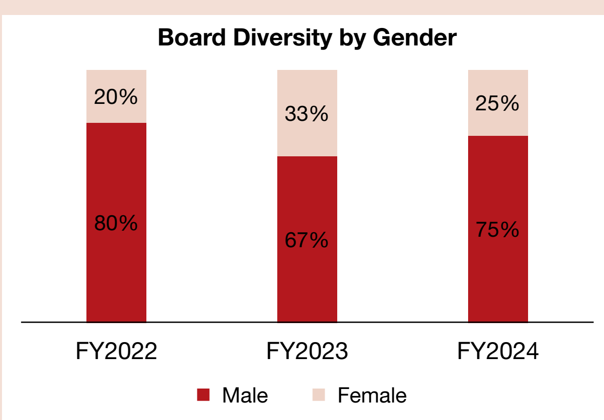


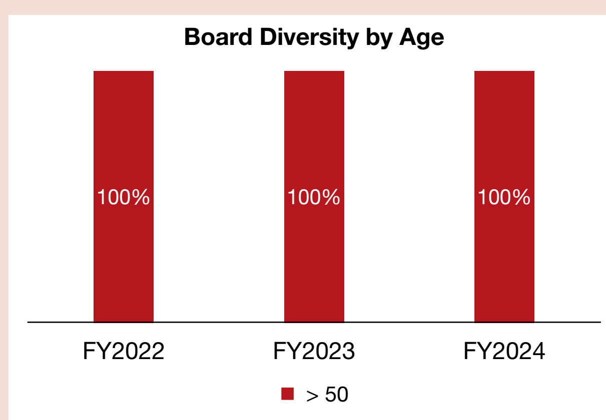
CULTIVATING EQUITY AND INCLUSION

We believe that promoting diversity and equal opportunity in the workplace brings diverse perspectives, creating opportunities for everyone to contribute and collaborate. By advocating for inclusion and equity, we unlock the full potential of our workforce, driving organisational success.

The Group is dedicated to upholding equality and prohibiting all forms of discrimination based on race, age, gender, sexual orientation, marital status, or disability. To foster an inclusive culture and ensure equal opportunities, we have implemented fair and transparent hiring practices, a merit-based promotion system and policies that eliminate discriminatory practices.

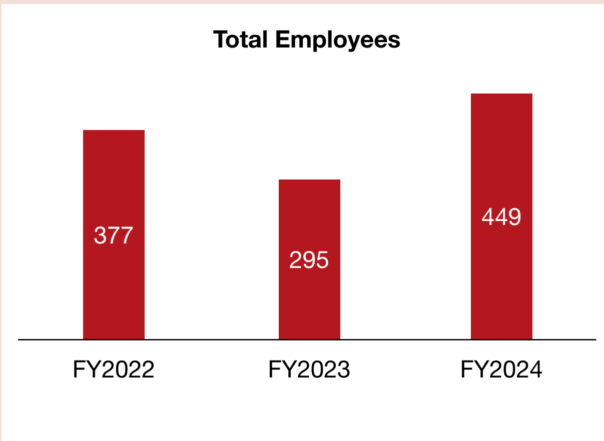
The Board comprises 75% men and 25% women, with all members being over the age of 50.

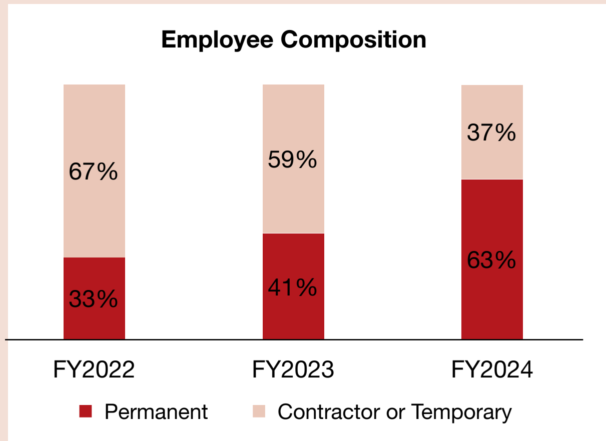


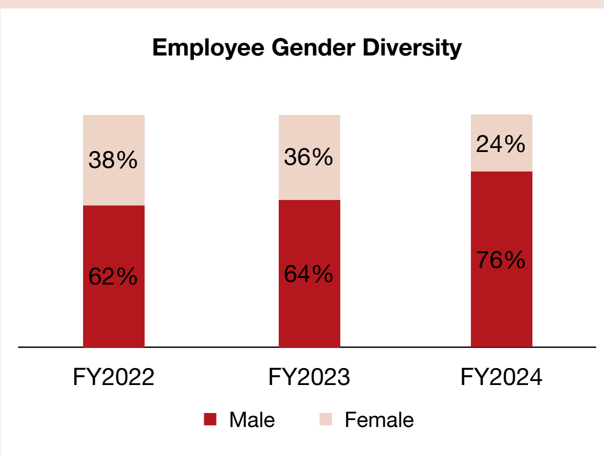


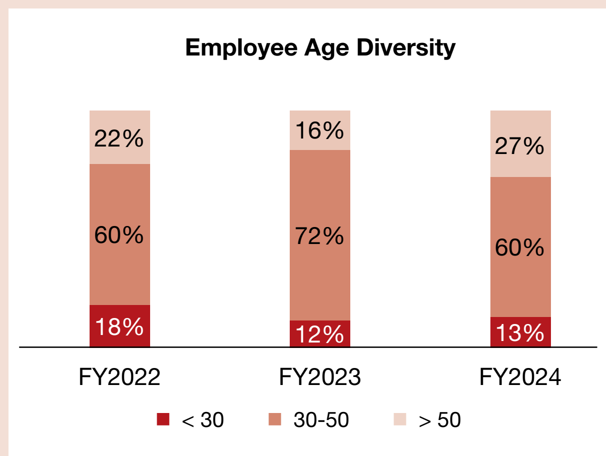
SUSTAINABILITY STATEMENT
(CONT'D)

For FY2024, the Group's workforce, including our subsidiaries in China, comprises 449 employees. The majority are men (76%) aged between 30 and 50 (60%), reflecting the nature of the industries in which we operate. Additionally, 63% of our workforce consists of permanent employees.



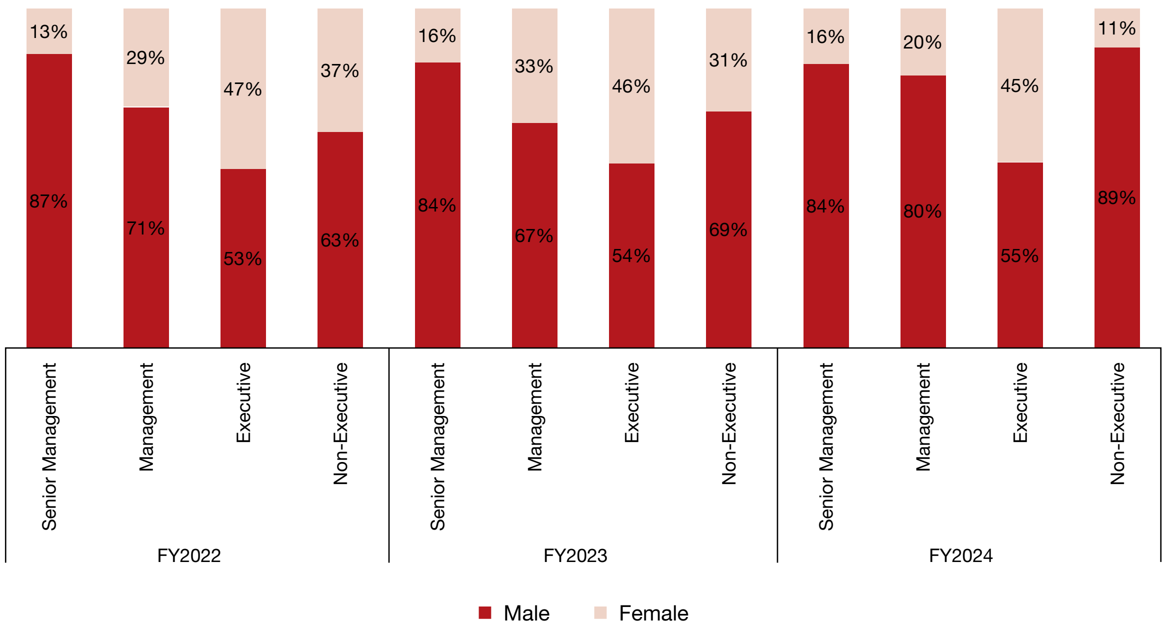




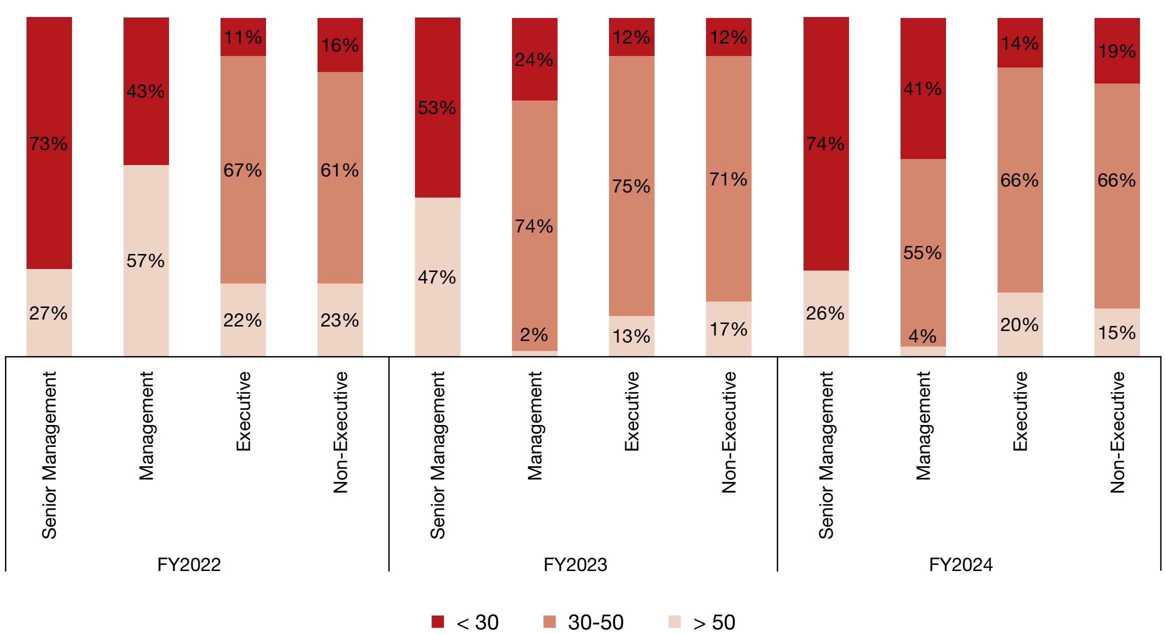


SUSTAINABILITY STATEMENT
(CONT'D)

Employee Gender Diversity by Employee Category



Employee Age Diversity by Employee Category



SUSTAINABILITY STATEMENT
(CONT'D)

CONTRIBUTING TO COMMUNITIES

Community engagement is vital to Mudajaya as it builds meaningful connections, trust, and goodwill with local communities. Our community initiatives create shared value and strengthen our reputation as a responsible corporate citizen, ensuring long-term success in the communities we serve.

Mudajaya collaborated with several organisations and local authorities in FY2024, dedicating resources to eight programmes that positively impact the communities we serve.

Malaysia	FY2023	FY2024
Total amount invested in CSR programmes (RM)	3,200	11,920
Total number of beneficiaries	NA	NA
China		**FY2024**
Total amount invested in CSR programmes (Yuan)		32,735
Total number of beneficiaries		NA

Weekly Housekeeping – Damansara Utama Residents and Owners Association ("DUROA")

Our workers carried out weekly housekeeping activities on the public roads adjacent to our Site Office, located along Jalan SS21/2 and Jalan SS21/13. This initiative aims to maintain cleanliness in these areas by providing the necessary manpower and tools for regular upkeep.

Gotong-Royong Kebersihan – Masjid Al'Makmuriah

We organised a community clean-up initiative at Masjid Al'Makmuriah in Kampung Sungai Kayu Ara, just before the start of Ramadan. Our aim was to prepare the mosque compound for the holy month by supplying skylift equipment, a roro bin for waste disposal, and the necessary manpower to carry out the cleaning activities.

Hari Raya Korban Celebration Preparation – Kampung Sungai Kayu Ara

The Group supported the preparations for the Hari Raya Korban celebration in Kampung Sungai Kayu Ara by providing a backhoe to assist in preparing the site for the event.

SUSTAINABILITY STATEMENT
(CONT'D)

CONTRIBUTING TO COMMUNITIES (CONT'D)

Educational Site Visit to SKSB

On 19 November 2024, 20 students and six officers from the Industrial Training Institute, Ipoh, visited SKSB's solar power plant as part of their educational programme. The visit provided valuable insights into solar energy operations and renewable energy technologies.

Donation of Used Hoardings for Roof Repairs

We donated 10 pieces of used hoardings to Surau Darul Ikhlas and 10 to Sekolah Kebangsaan Damansara Utama for roof repairs, helping to lower repair costs and ensure that both the surau and school can provide safe, functional spaces for the community and students.

Children's Day Donation

To celebrate Children's Day, we donated school uniforms and gifts to students and teachers at Dunzhuang Village Primary School in Jiantouji Town, Taierzhuang District, with a total expenditure of 22,379 yuan, supporting education in our local community.

Chinese Communist Party Founding Day – Support for Local Party Members

On 1st July, in commemoration of Chinese Communist Party Founding Day, our team provided care packages and assistance to retired party members in Dunzhuang Village, with a total expenditure of approximately 1,200 yuan.

Double Ninth Festival – Elder Care Activities

For the Double Ninth Festival, we organised Elder Care activities and provided assistance amounting to 9,156 yuan to support residents aged 60 and above in Dunzhuang Village.

OUR PATH TO SUSTAINABLE GROWTH

Mudajaya's focus towards sustainability encompasses various aspects of our operations, from engaging with investors and customers to nurturing our employees and supporting local communities. Guided by robust governance, we adeptly navigate across our ESG journey, creating a positive impact on the world around us.

Today, we build upon our foundation of sustainable growth by leveraging the latest technology, processes, and techniques. By seeking innovative solutions, we mitigate impacts across our diverse sectors, ensuring our operations are efficient and environmentally responsible. With the right initiatives in place, our journey extends beyond business, ensuring a resilient future for generations to come.

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SUSTAINABILITY STATEMENT
(CONT'D)

PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2022	2023	2024
Anti-Corruption				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Senior Management	Percentage	0.00	84.00	55.00
Management	Percentage	0.00	59.00	43.00
Executive	Percentage	0.00	63.00	60.00
Non-Executive	Percentage	0.00	16.00	7.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Technology, Data privacy and Security				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
Supply chain management				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100.00	99.83 *	99.90
Energy, Emissions and Climate Resilience				
Bursa C4(a) Total energy consumption	Megawatt	677,140.00	603,169.00 *	29,800.00
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	204,017.00	177,362.00 *	1,535.00
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	52,538.00	53,645.00 *	16,387.00
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	0.00	361.00 *	539.00
Material Consumption				
Bursa S5(a) Total weight or volume of materials that are used to produce products (Ready-mixed concrete)	Tonnes	650.00	844.00 *	1,658.00 *
Bursa S5(a) Total weight or volume of materials that are used to produce products (Mine waste rock)	Metric tonnes	1,432,030.00	2,282,942.00 *	1,825,268.00 *
Bursa S5(a) Total weight or volume of materials that are used to produce products (Limestone)	Metric tonnes	895,580.00	800,119.00 *	825,072.00 *
Waste and Effluent Management				
Bursa C10(a) Total waste generated	Metric tonnes	663.00	835.00 *	1,084.00
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	13.00	10.00 *	6.00
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	650.00	825.00 *	1,078.00
Bursa S8(a) Total volume of water (effluent) discharge over the reporting period	Cubic meters	0.00	0.00	0.00
Water Consumption				
Bursa C9(a) Total volume of water used	Megalitres	243.127000	227.276000 *	143.010000 *
Occupational Health and Safety				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.23	0.00	0.09
Bursa C5(c) Number of employees trained on health and safety standards	Number	0	15,434	7,415
Human Rights, Labour Practices and Standards				
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Talent Attraction and Development				
Bursa C6(a) Total hours of training by employee category				
Senior Management	Hours	124	156	91

SUSTAINABILITY STATEMENT
(CONT'D)

PERFORMANCE DATA TABLE (CONT'D)

Indicator	Measurement Unit	2022	2023	2024
Management	Hours	312	482	525
Executive	Hours	399	364	365
Non-Executive	Hours	209	72	16
Bursa C6(c) Total number of employee turnover by employee category				
Senior Management	Number	8	2	2
Management	Number	19	21	27
Executive	Number	61	56	59
Non-Executive	Number	64	97	157
Diversity and Inclusion				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Senior Management Under 30	Percentage	0.00	0.00	0.00
Senior Management Between 30-50	Percentage	27.00	47.00	26.00
Senior Management Above 50	Percentage	73.00	53.00	74.00
Management Under 30	Percentage	0.00	2.00	4.00
Management Between 30-50	Percentage	57.00	74.00	55.00
Management Above 50	Percentage	43.00	24.00	41.00
Executive Under 30	Percentage	22.00	13.00	20.00
Executive Between 30-50	Percentage	67.00	75.00 *	66.00
Executive Above 50	Percentage	11.00	12.00	14.00
Non-Executive Under 30	Percentage	23.00	17.00	15.00
Non-Executive Between 30-50	Percentage	61.00	71.00	66.00
Non-Executive Above 50	Percentage	16.00	12.00	19.00
Gender Group by Employee Category				
Senior Management Male	Percentage	87.00	84.00	84.00
Senior Management Female	Percentage	13.00	16.00	16.00
Management Male	Percentage	71.00	67.00	80.00
Management Female	Percentage	29.00	33.00	20.00
Executive Male	Percentage	53.00	54.00	55.00
Executive Female	Percentage	47.00	46.00	45.00
Non-Executive Male	Percentage	63.00	69.00	89.00
Non-Executive Female	Percentage	37.00	31.00	11.00
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	80.00	67.00	75.00
Female	Percentage	20.00	33.00	25.00
Under 30	Percentage	0.00	0.00	0.00
Between 30-50	Percentage	0.00	0.00	0.00
Above 50	Percentage	100.00	100.00	100.00
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	67.00	59.00	37.00
Community Engagement				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	-	3,200.00	11,920.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	-	0	0 *

Internal assurance | External assurance | No assurance | (*)Restated

Data marked with an asterisk (*) have been recalculated and restated in the current year to reflect an expanded reporting scope and updated emission factors.

SUSTAINABILITY STATEMENT
(CONT'D)

GRI CONTENT INDEX

Statement of use	Mudajaya Group Bhd has reported the information cited in this GRI content index for the period 1 January 2024 to 31 December 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION (PAGE)
GRI 2: General Disclosures 2021	2-1 Organisational details	74-75
	2-2 Entities included in the organisation's sustainability reporting	75
	2-3 Reporting period, frequency and contact point	74, 76
	2-4 Restatements of information	74, 101, 106, 107, 114
	2-5 External assurance	-
	2-6 Activities, value chain and other business relationships	75, 101
	2-7 Employees	121-122
	2-8 Workers who are not employees	-
	2-9 Governance structure and composition	85
	2-10 Nomination and selection of the highest governance body	97
	2-11 Chair of the highest governance body	-
	2-12 Role of the highest governance body in overseeing the management of impacts	85,92
	2-13 Delegation of responsibility for managing impacts	85,92
	2-14 Role of the highest governance body in sustainability reporting	-
	2-15 Conflicts of interest	97
	2-16 Communication of critical concerns	85,92
	2-17 Collective knowledge of the highest governance body	92
	2-18 Evaluation of the performance of the highest governance body	-
	2-19 Remuneration policies	97
	2-20 Process to determine remuneration	-
	2-21 Annual total compensation ratio	-
	2-22 Statement on sustainable development strategy	79, 82-83
	2-23 Policy commitments	80-81
	2-24 Embedding policy commitments	80-81
	2-25 Processes to remediate negative impacts	-
	2-26 Mechanisms for seeking advice and raising concerns	97
	2-27 Compliance with laws and regulations	99
	2-28 Membership associations	76
	2-29 Approach to stakeholder engagement	86-88
	2-30 Collective bargaining agreements	-
GRI 3: Material Topics 2021	3-1 Process to determine material topics	89
	3-2 List of material topics	90-91
	3-3 Management of material topics	96-125
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	-
	201-2 Financial implications and other risks and opportunities due to climate change	93-94
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	101

GRI CONTENT INDEX (CONT'D)

GRI STANDARD	DISCLOSURE	LOCATION (PAGE)
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	98
	205-2 Communication and training about anti-corruption policies and procedures	98
	205-3 Confirmed incidents of corruption and actions taken	98
GRI 301: Materials 2016	301-1 Materials used by weight or volume	108
	301-2 Recycled input materials used	-
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	104
	302-2 Energy consumption outside of the organisation	-
	302-3 Energy intensity	104
	302-4 Reduction of energy consumption	104
	302-5 Reductions in energy requirements of products and services	104
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	111
	303-2 Management of water discharge-related impacts	110
	303-3 Water withdrawal	111
	303-4 Water discharge	110
	303-5 Water consumption	111
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	106
	305-2 Energy indirect (Scope 2) GHG emissions	106
	305-3 Other indirect (Scope 3) GHG emissions	107
	305-4 GHG emissions intensity	-
	305-5 Reduction of GHG emissions	105-106
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	108-110
	306-2 Management of significant waste-related impacts	108-109
	306-3 Waste generated	109-110
	306-4 Waste diverted from disposal	109
	306-5 Waste directed to disposal	109
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	119-120
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	116-117
	401-3 Parental leave	117
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	113
	403-2 Hazard identification, risk assessment, and incident investigation	113
	403-3 Occupational health services	113
	403-4 Worker participation, consultation, and communication on occupational health and safety	113
	403-5 Worker training on occupational health and safety	114-115
	403-6 Promotion of worker health	113
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	113-115
	403-8 Workers covered by an occupational health and safety management system	113-114
	403-9 Work-related injuries	114
	403-10 Work-related ill health	114

SUSTAINABILITY STATEMENT
(CONT'D)

GRI CONTENT INDEX (CONT'D)

GRI STANDARD	DISCLOSURE	LOCATION (PAGE)
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	118-119
	404-2 Programmes for upgrading employee skills and transition assistance programs	118
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	120
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	112
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	-
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	-
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	123-124
	413-2 Operations with significant actual and potential negative impacts on local communities	-
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	99

FINANCIALS

FINANCIAL STATEMENTS

DIRECTORS' REPORT

The Directors of MUDAJAYA GROUP BERHAD have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The information on the name, place of incorporation, principal activities, and percentage of issued share capital held by the holding company in the subsidiaries are disclosed in Note 19 to the financial statements.

RESULTS OF OPERATIONS

The results of operations of the Group and of the Company for the year are as follows:

	Group RM'000	Company RM'000
Profit/(Loss) before tax	109,031	(38,563)
Income tax expense	(11,583)	–
Profit/(Loss) for the year	97,448	(38,563)
Attributable to:		
Owners of the Company	87,093	(38,563)
Non-controlling interests	10,355	–
	97,448	(38,563)

In the opinion of the Directors, the results of operations of the Group and of the Company during the year have not been substantially affected by any item, transaction or event of a material and unusual nature other than the fair value gain in other investments of RM121,348,000 at the Group level and the impairment loss on investment in a subsidiary of RM40,000,000 at the Company level, as disclosed in Note 7 and Note 9 to the financial statements respectively.

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous year. The Directors also do not recommend any dividend payment in respect of the current year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the year other than those disclosed in the financial statements.

ISSUE OF SHARES AND DEBENTURES

During the year, the Company increased its issued and paid up ordinary share capital of RM145,351,000 comprising 781,477,000 ordinary shares pursuant to the corporate exercises.

The new ordinary shares issued rank pari passu with the existing ordinary shares of the Company.

The Company has not issued any new debentures during the year.

SHARE OPTIONS

No options have been granted by the Company to any parties during the year to take up unissued shares of the Company.

No shares have been issued during the year by virtue of the exercise of any option to take up unissued shares of the Company. As at the end of the year, there were no unissued shares of the Company under options.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and

(b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

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

(a) which would render the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

(b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

(c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(d) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

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

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

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

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

In the opinion of the Directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the year and the date of this report which is likely to affect substantially the results of operations of the Group and of the Company in the year in which this report is made.

DIRECTORS' REPORT

(CONT'D)

DIRECTORS

The Directors of the Company in office during the year and during the period from the end of the year to the date of this report are:

James Wong Tet Foh*	
Oei Su Lee	
Datuk Wira Arham bin Abdul Rahman	(appointed on 31 December 2024)
Leong Choon Meng	(appointed on 31 December 2024)
Dato' Amin Rafie bin Othman	(resigned on 31 March 2025)
Lee Eng Leong*	(resigned on 1 April 2024)
Chew Hoy Ping	(resigned on 31 December 2024)

* The Director is also director of the Company's Malaysian and foreign subsidiaries.

The Directors of the Company's subsidiaries in office during the year and during the period from the end of the year to the date of this report are (not including those Directors listed above):

Directors of Malaysian subsidiaries	
Ahmad Badri bin Ramli	Ong Kah Joon
Chew Chee Wai	Sim Hee Pang
Chai Kun Seng	Tan Chin Boo
Chai Min Hon	Tan Tong Lai
Hamyzar bin Toha	Yam Keong Chee (resigned on 28 February 2025)
Law Chin Wat	
Lee Tze Liu	
Ong Ah Hwa	

Directors of foreign subsidiaries	Subsidiaries' country of incorporation
Abdul Hafiz Al-Shedokhi	- Kingdom of Saudi Arabia
Anto SF Joseph	- Kingdom of Saudi Arabia
Chan Chun Hong (resigned on 14 June 2024)	- China
Wang Jie (appointed on 1 July 2024)	- China
Huang Zhen Wei (appointed on 14 June 2024)	- China
Fan Yi Bin	- China
Huang Wu Hu	- China
Huang Xunhao	- China
Jin Hui Chi	- China
Jayasree S. Kumar	- India
Koichi Urakawa	- British Virgin Islands and China
Li Beibei	- China
Li Chao	- China
Lee Eng Leong	- British Virgin Island, China and Hong Kong
Li Ying	- China
Mohammad Abdullah Abdul Rahman Al-Shoail	- Kingdom of Saudi Arabia
Mudajaya Corporation Berhad#	- British Virgin Islands
Ng Chee Kin	- Kingdom of Saudi Arabia
Ng Jing Sheng	- China
Ng Qing Hai	- British Virgin Islands, China and Hong Kong
Song Hua	- China
Turima Heri Purwanto	- Indonesia
Yan Bin	- China
Yang Hong	- China
Yong Yee Coi	- Kingdom of Saudi Arabia
Yu Zhong	- China
Zhou Bin	- China

\# Corporate director of Mudajaya International Investment Ltd.

DIRECTORS' INTERESTS

None of the Directors of the Company in office at the end of the year held shares or had beneficial interest in the shares of the Company or its related companies during or at the beginning and end of the year.

DIRECTORS' BENEFITS

Since the end of the previous year, none of the Directors of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate of remuneration received or due and receivable by Directors or the fixed salary of a full-time employee of the Company as disclosed below) by reason of a contract made by the Company or a related company with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The Directors' remuneration is as follows:

	Group RM'000	Company RM'000
- Directors' fees	240	240
- Salaries and other emoluments	2,044	1,048
	2,284	1,288

During and at the end of the year, no arrangement subsisted to which the Company was a party whereby Directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

SIGNIFICANT EVENTS SUBSEQUENT TO THE FINANCIAL YEAR END

Significant events subsequent to the financial year end is disclosed in Note 39 to the financial statements.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The Company maintains Directors' and officers' liability insurance for purposes of Section 289 of the Companies Act, 2016, throughout the year, which provides appropriate insurance cover for the Directors and officers of the Company. The amount of insurance premium paid during the year amounted to RM43,000.

There was no indemnity given to or insurance effected for auditors of the Company in accordance with Section 289 of the Companies Act, 2016.

HOLDING COMPANY

The Directors of the Company regard Yakin Setiamas Sdn. Bhd., a company incorporated in Malaysia as its immediate and ultimate holding company.

DIRECTORS' REPORT

(CONT'D)

AUDITORS

The auditors, Deloitte PLT, have indicated their willingness to continue in office.

AUDITORS' REMUNERATION

The amount paid/payable as remuneration of the auditors of the Group and the Company for year ended 31 December 2024 amounting to RM1,849,000 and RM262,000, respectively.

Further details of auditors' remuneration are set out in Note 9 to the financial statements.

Signed on behalf of the Board, as approved by the Board
in accordance with a resolution of the Directors,

JAMES WONG TET FOH

LEONG CHOON MENG

30 April 2025

INDEPENDENT AUDITORS' REPORT

To The Members of Mudajaya Group Berhad

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of **MUDAJAYA GROUP BERHAD**, which comprise the statements of financial position of the Group and of the Company as at 31 December 2024, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 142 to 233.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

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

Key audit matter	Our audit performed and responses thereon
The Group **Revenue from construction contracts** Revenue from construction contracts during the year as disclosed in Note 5 to the financial statements amounted to RM148,967,000, representing 40% of the Group's total revenue. The Group recognises the revenue for construction contracts over time using input method as per the requirements under MFRS 15 Revenue from Contracts with Customer on the basis of the Group's efforts or inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation. In determining the total expected construction contracts costs, significant management estimates and judgements are involved, which include relying on the opinion or service of experts, past experiences and continuous monitoring of the budgeting process.	The procedures that we have performed to address the matter include the following: • We have read and evaluated the key terms and conditions of major sales transactions to determine that revenue recognised conforms with the Group's policies and the requirements of MFRS 15 *Revenue from Contracts with Customers.* • We have obtained understanding of the revenue recognition process, performed walkthrough procedures, evaluated the design and implementation and performed tests of the effectiveness of relevant controls surrounding revenue recognition.

INDEPENDENT AUDITORS' REPORT

(CONT'D)

Key Audit Matters (Cont'd)

Key audit matter	Our audit performed and responses thereon
Revenue from construction contracts (Cont'd) These management estimates and judgements affect the cost-based input method computations and the amount of revenue and profit recognised during the year. Refer to "Key sources of estimation uncertainty" in Note 5 to the financial statements.	The procedures that we have performed to address the matter include the following: (Cont'd) • We have evaluated the appropriateness of the estimates made and assessed whether these estimates showed any evidence of management bias, based on historical accuracy of management's estimates in prior years. We have discussed the changes in total budgeted costs of individually significant construction projects from prior years with management. • We have interviewed management's project team on the reasonableness of the budgeted costs to the completion of individually significant construction projects. • We have challenged the stage of completion taking into account the construction costs recognised during the year and the budgeted costs by testing samples of costs incurred to date to the relevant supporting documentation. We have also performed site-visits for individually significant on-going projects to arrive at an overall assessment as to whether percentage of completion determined on a cost-to-cost basis was reasonable. • We have reviewed updated management-prepared budgets for on-going projects, ensuring the budgets are not understated, percentage of completion is not overstated and adequate allowance for foreseeable loss is properly provided, if necessary. • We have reviewed provision made in respect of work performed by subcontractors of which invoice/progress claim has yet to be received to ensure compliance with MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets.* • We have assessed the exposures to liquidated damages for late delivery of the construction works by making enquiries with management and read correspondences and minutes of meetings with contract customers on the expected delivery date and the ability of the Group to deliver on time based on historical progress of the construction works. • We have checked the mathematical accuracy of the revenue and profit based on percentage of completion calculations and considered the implications of any changes in estimates.

INDEPENDENT AUDITORS' REPORT

(CONT'D)

Key Audit Matters (Cont'd)

Key audit matter	Our audit performed and responses thereon
Other Investments Other investments include a stake in R.K.M Powergen Private Limited ("RKM"), valued at fair value through profit or loss. As at 31 December 2024, the fair value of this investment, as detailed in Note 21 to the financial statements, was RM148,815,000, constituting about 7% of the Group's total assets. The statements of profit or loss and other comprehensive income for the year ended 31 December 2024, recorded a fair value gain of RM121,315,000. The fair value of the investment in RKM was assessed by external valuers using the income approach, which involves significant unobservable inputs and is classified as a Level 3 fair value measurement. Significant management judgement was applied in the valuation process, particularly in assessing RKM's ability to extend its operations beyond the existing power purchase agreements and in forecasting coal prices during the concession period. These key management estimates and judgements directly impact the fair value calculation and the amount of fair value gain recognised during the year. Refer to "Key sources of estimation uncertainty" in Note 21 to the financial statements.	The procedures that we have performed to address the matter include the following: • We have assessed the appropriateness of the independent valuer's scope of work and evaluated their independence and competency. • We have evaluated the reasonableness of management's estimate on the fair value of the investment. • We have engaged our internal valuation specialist to assess the appropriateness of the valuation methodology, management assumptions and discount factors used in the external valuation report.

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to be communicated in our auditors' report.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

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

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

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

INDEPENDENT AUDITORS' REPORT

(CONT'D)

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

INDEPENDENT AUDITORS' REPORT
(CONT'D)

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

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 19 to the financial statements.

Other Matters

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

DELOITTE PLT (LLP0010145-LCA)
Chartered Accountants (AF 0080)

WONG YEW CHOONG
Partner - 03195/06/2025 J
Chartered Accountant

30 April 2025

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Year Ended 31 December 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	5	372,191	460,701	–	–
Cost of sales	6	(294,070)	(421,668)	–	–
Gross profit		78,121	39,033	–	–
Other income	7	167,640	54,699	13,331	13,829
Distribution and selling expenses		(1,879)	(1,884)	–	–
Administrative expenses		(54,301)	(64,970)	(6,218)	(9,538)
Other expenses		–	–	(75,176)	(25,000)
Net (provision)/reversal of allowance for doubtful debts on financial assets	9	(25,514)	1,439	38,300	(1,616)
Finance costs	8	(52,185)	(52,418)	(8,800)	(7,370)
Share of (loss)/profit of equity accounted associates, net of tax		(2,851)	3,060	–	–
Profit/(Loss) before tax	9	109,031	(21,041)	(38,563)	(29,695)
Income tax expense	11	(11,583)	(10,212)	–	–
Profit/(Loss) for the year		97,448	(31,253)	(38,563)	(29,695)
Other comprehensive loss for the year					
Items that may be reclassified subsequently to profit or loss:					
Foreign currency translation differences for foreign operations		(26,579)	(7,451)	–	–
Total comprehensive income/(loss) for the year		70,869	(38,704)	(38,563)	(29,695)
Profit/(Loss) for the year attributable to:					
Owners of the Company		87,093	(48,524)	(38,563)	(29,695)
Non-controlling interests		10,355	17,271	–	–
		97,448	(31,253)	(38,563)	(29,695)
Total comprehensive income/(loss) attributable to:					
Owners of the Company		76,573	(62,511)	(38,563)	(29,695)
Non-controlling interests		(5,704)	23,807	–	–
		70,869	(38,704)	(38,563)	(29,695)
Earnings per ordinary share (sen):					
Basic	12	4.00	(2.59)		
Diluted	12	4.00	(2.59)		

The accompanying Notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION
as at 31 December 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
ASSETS					
Non-Current Assets					
Property, plant and equipment	14	153,207	166,573	1	2
Right-of-use assets	15	38,612	38,298	–	–
Investment properties	16	49,750	50,673	–	–
Intangible assets	17	89,888	10,934	–	–
Service concession assets	18	246,720	262,325	–	–
Investments in subsidiaries	19	–	–	183,750	186,450
Investments in associates	20	15,847	25,672	–	–
Other investments	21	150,631	29,283	–	–
Land held for property development	23	20,004	20,004	–	–
Trade and other receivables	27	23,439	29,945	–	–
Deferred tax assets	22	10,862	8,743	–	–
Total Non-Current Assets		798,960	642,450	183,751	186,452
Current Assets					
Service concession assets	18	15,605	14,996	–	–
Inventories	24	77,075	95,341	–	–
Other current assets	25	152,361	151,100	–	–
Contract assets	26	22,129	18,347	–	–
Trade and other receivables	27	643,632	900,175	453,500	320,292
Loan receivables	28	76,898	23,487	–	–
Tax recoverable		724	1,087	172	164
Structured deposits	29	49,153	26,358	–	–
Cash and bank balances	30	183,703	306,956	366	28
Total Current Assets		1,221,280	1,537,847	454,038	320,484
TOTAL ASSETS		2,020,240	2,180,297	637,789	506,936

STATEMENTS OF FINANCIAL POSITION

(CONT'D)

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	31	788,940	667,683	788,940	667,683
Warrant reserve	31	24,094	–	24,094	–
Foreign currency translation reserve	31	(27,739)	(17,219)	–	–
Accumulated losses		(224,838)	(311,931)	(296,828)	(258,265)
Equity attributable to owners of the Company		560,457	338,533	516,206	409,418
Non-controlling interests		263,079	283,144	–	–
Total Equity		823,536	621,677	516,206	409,418
Liabilities					
Non-Current Liabilities					
Loans and borrowings	32	317,763	307,197	20,000	96,547
Lease liabilities	34	38,249	39,880	–	–
Refundable deposits	33	1,302	1,500	–	–
Deferred tax liabilities	22	35,054	34,884	–	–
Total Non-Current Liabilities		392,368	383,461	20,000	96,547
Current Liabilities					
Loans and borrowings	32	348,081	577,145	93,909	–
Refundable deposits, trade and other payables	33	394,266	530,032	7,674	971
Lease liabilities	34	2,529	2,007	–	–
Contract liabilities	26	12,804	17,922	–	–
Tax liabilities		46,656	48,053	–	–
Total Current Liabilities		804,336	1,175,159	101,583	971
Total Liabilities		1,196,704	1,558,620	121,583	97,518
TOTAL EQUITY AND LIABILITIES		2,020,240	2,180,297	637,789	506,936

The accompanying Notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY
For The Year Ended 31 December 2024

		Attributable to owners of the Company						
		Non-distributable						
Group	**Note**	**Share capital RM'000**	**Warrant reserve RM'000**	**Foreign currency translation reserve RM'000**	**Accumulated losses RM'000**	**Total RM'000**	**Non-controlling interests RM'000**	**Total equity RM'000**
As at 1 January 2023		663,450	4,195	(3,232)	(263,407)	401,006	274,844	675,850
Contribution by/(Distributions to) owners of the Company								
Issuance of ordinary shares pursuant to exercise of warrants	31(a)	38	–	–	–	38	–	38
Transferred from warrant reserve to share capital	31(b)	4,195	(4,195)	–	–	–	–	–
Dividends to non-controlling interest		–	–	–	–	–	(15,507)	(15,507)
Total transactions with owners of the Company		4,233	(4,195)	–	–	38	(15,507)	(15,469)
(Loss)/Profit for the year		–	–	–	(48,524)	(48,524)	17,271	(31,253)
Other comprehensive (loss)/ income		–	–	(13,987)	–	(13,987)	6,536	(7,451)
As at 31 December 2023		667,683	–	(17,219)	(311,931)	338,533	283,144	621,677

STATEMENTS OF CHANGES IN EQUITY

(CONT'D)

		Attributable to owners of the Company						
		Non-distributable						
Group	Note	Share capital RM'000	Warrant reserve RM'000	Foreign currency translation reserve RM'000	Accumulated losses RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
As at 1 January 2024		667,683	–	(17,219)	(311,931)	338,533	283,144	621,677
Contribution by/(Distributions to) owners of the Company								
Issuance of ordinary shares	31(a)	55,000	–	–	–	55,000	–	55,000
Proceeds from Rights Issue	31(b)	66,257	24,094	–	–	90,351	–	90,351
Dividends to non-controlling interest		–	–	–	–	–	(14,361)	(14,361)
Total transactions with owners of the Company		121,257	24,094	–	–	145,351	(14,361)	130,990
Profit for the year		–	–	–	87,093	87,093	10,355	97,448
Other comprehensive loss		–	–	(10,520)	–	(10,520)	(16,059)	(26,579)
As at 31 December 2024		788,940	24,094	(27,739)	(224,838)	560,457	263,079	823,536

STATEMENTS OF CHANGES IN EQUITY
(CONT'D)

		Attributable to owners of the Company			
		Non-distributable			
Company	**Note**	**Share capital RM'000**	**Warrant reserve RM'000**	**Accumulated losses RM'000**	**Total equity RM'000**
As at 1 January 2023		663,450	4,195	(228,570)	439,075
Contribution by owners of the Company					
Issuance of ordinary shares pursuant to exercise of warrants	31(a)	38	–	–	38
Transferred from warrant reserve to share capital	31(b)	4,195	(4,195)	–	–
Total transactions with owners of the Company		4,233	(4,195)	–	38
Total comprehensive loss for the year		–	–	(29,695)	(29,695)
As at 31 December 2023/ 1 January 2024		667,683	–	(258,265)	409,418
Contribution by owners of the Company					
Issuance of ordinary shares	31(a)	55,000	–	–	55,000
Proceeds from Rights Issue	31(b)	66,257	24,094	–	90,351
Total transactions with owners of the Company		121,257	24,094	–	145,351
Total comprehensive loss for the year		–	–	(38,563)	(38,563)
As at 31 December 2024		788,940	24,094	(296,828)	516,206

The accompanying Notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

For The Year Ended 31 December 2024

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES				
Profit/(Loss) before tax	109,031	(21,041)	(38,563)	(29,695)
Adjustments for:				
Amortisation of intangible assets	789	784	–	–
Interest income	(28,087)	(31,768)	(33)	(2)
Interest expense	52,185	52,418	8,800	7,370
Depreciation of property, plant and equipment	9,491	10,883	1	66
Depreciation of investment properties	1,362	925	–	–
Depreciation of right-of-use assets	3,474	3,763	–	–
Fair value gain on structured deposits	(556)	(482)	–	–
Fair value gain on other investments	(121,348)	–	–	–
Impairment loss on investment in a subsidiary	–	–	40,000	25,000
Gain on disposal of property, plant and equipment	(1,143)	(1,233)	–	–
Gain on disposal of right-of-use assets	–	(71)	–	–
Loss on disposal of an associate	174	–	–	–
Property, plant and equipment written off	–	1,349	–	–
Waiver of amount due from related companies	–	–	35,176	–
Reversal of other payables and accruals	(2,488)	–	–	–
Allowance for doubtful debts on:				
- trade and other receivables	24,594	447	–	–
- amount due from subsidiaries	–	–	–	1,616
- loan receivables	920	3,697	–	–
Allowance for doubtful debts no longer required on:				
- trade and other receivables	–	(5,338)	–	–
- amount due from subsidiaries	–	–	(38,300)	–
- amount due from an associate	–	(245)	–	–
Inventories written down to net realisable value	–	1,239	–	–
(Reversal of)/Provision for foreseeable loss	(37)	2,773	–	–
Net unrealised gain on foreign exchange	(4,179)	(1,912)	(2,638)	(5,416)
(Reversal of)/Write-down of other current assets	(1,261)	1,261	–	–
Share of loss/(profit) of equity accounted associates	2,851	(3,060)	–	–
Operating Profit/(Loss) Before Working Capital Changes	45,772	14,389	4,443	(1,061)
Decrease/(Increase) in:				
Service concession assets	37,626	39,487	–	–
Inventories	18,686	8,987	–	–
Contract assets	(3,782)	47,263	–	–
Trade and other receivables	256,631	(225,222)	(167,384)	3,285
Increase/(Decrease) in:				
Refundable deposits	1,235	79	–	–
Trade and other payables	(199,971)	151,585	6,703	(5,713)
Contract liabilities	(5,118)	11,674	–	–

STATEMENTS OF CASH FLOWS

(CONT'D)

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES (CONT'D)				
Cash Generated From/(Used In) Operations	151,079	48,242	(156,238)	(3,489)
Income tax paid	(15,563)	(17,374)	(8)	(11)
Income tax refunded	1,680	–	–	20
Net Cash From/(Used In) Operating Activities	137,196	30,868	(156,246)	(3,480)
CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment	(2,331)	(6,385)	–	–
Proceeds from disposal of property, plant and equipment	1,175	1,235	–	–
Addition to intangible assets	(14,867)	(5)	–	–
Addition to land use right	(2,555)	–	–	–
Additional expenditure in investment property	(330)	(1,680)	–	–
Purchase of quoted shares	–	(847)	–	–
Repayment from an associate	–	2,245	–	–
Repayment from subsidiaries	–	–	–	1,179
Increase in investment in subsidiaries	–	–	–	(880)
Interest received	5,457	5,879	33	2
Proceeds from redemption of:				
- loan receivables	–	18,815	–	–
- structured deposits	26,223	–	–	–
Investment in:				
- loan receivables	(32,565)	–	–	–
- structured deposits	(49,446)	(40,584)	–	–
Proceeds from disposal of associate	6,800	–	–	–
Change in pledged deposits	71,288	(91,581)	–	–
Net Cash From/(Used In) Investing Activities	8,849	(112,908)	33	301
CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES				
Dividends paid to non-controlling interests	(14,361)	(15,507)	–	–
Repayment to non-controlling interests	–	(3,945)	–	–
Proceeds from issuance of ordinary shares	55,000	38	55,000	38
Proceeds from right issue	90,351	–	90,351	–
Repayment of loans and borrowings	(449,036)	(169,218)	–	(88,312)
Drawdown of loans and borrowings	129,622	291,564	20,000	98,700
Repayment for lease liabilities	(2,465)	(2,767)	–	–
Interest paid	(52,185)	(52,418)	(8,800)	(7,370)
Net Cash (Used In)/From Financing Activities	(243,074)	47,747	156,551	3,056

STATEMENTS OF CASH FLOWS

(CONT'D)

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(97,029)	(34,293)	338	(123)
Effect of foreign exchange translation	45,064	18,374	–	–
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF YEAR	152,450	168,369	28	151
CASH AND CASH EQUIVALENTS AS AT END OF YEAR	100,485	152,450	366	28

(i) Cash and cash equivalents

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

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances	60,091	116,257	366	28
Deposits placed with financial institutions	123,612	190,699	–	–
	183,703	306,956	366	28
Less: Pledged deposits	(83,218)	(154,506)	–	–
	100,485	152,450	366	28

(ii) Cash outflows for leases as a lessee

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Included in net cash used in operating activities:				
Payment relating to short-term leases	(1,885)	(7,309)	(56)	(77)
Included in net cash from financing activities:				
Interest in relation to lease liabilities	(2,277)	(2,365)	–	–
Repayment of lease liabilities	(2,465)	(2,767)	–	–
Total cash outflows for leases	(6,627)	(12,441)	(56)	(77)

STATEMENTS OF CASH FLOWS
(CONT'D)

(iii) Purchase of intangible asset is by way of:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Cash payment	14,867	5	–	–
Other payables	67,302	–	–	–
Total (Note 17)	82,169	5	–	–

The accompanying Notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The Company is an investment holding company. The information on the name, place of incorporation, principal activities, and percentage of issued share capital held by the holding company in the subsidiaries are disclosed in Note 19.

The registered office and principal place of business of the Company are both located at PH1 of Menara Mudajaya, No. 12A, Jalan PJU 7/3, Mutiara Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan.

The financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All information presented in RM has been rounded to the nearest thousand (RM'000), unless otherwise stated.

The financial statements of the Group and of the Company were authorised by the Board of Directors for issuance in accordance with a resolution of the Directors on 30 April 2025.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Adoption of Amendments to MFRSs

In the current year, the Group and the Company have adopted all the Amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are relevant to their operations and effective for annual periods beginning on or after 1 January 2024:

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Classification of Liabilities as Current or Non-Current
Amendments to MFRS 101	Non-Current Liabilities with Covenants
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangement

The adoption of these Amendments to MFRSs did not result in significant changes to the accounting policies of the Group and of the Company and had no significant effect on the financial performance or position of the Group and of the Company except as below.

Amendments to MFRS 107 and MFRS 7 Suppliers Finance Arrangements

The amendments add a disclosure objective to MFRS 107 Statement of Cash Flows stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows.

In addition, MFRS 7 Financial Instruments: Disclosures was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

The amendments contain specific transition provision for the first annual reporting period in which the Group applies the amendments. Under the transitional provision, an entity is not required to disclose:

- comparative information for any reporting periods presented before the beginning of the annual reporting period in which the entity first applies those amendments; and

- the information otherwise required by paragraph 44H(b)(ii) to (iii) of MFRS 107 as at the beginning of the annual reporting period in which the entity first applies those amendments.

The application of the amendments in the current year had no material impact on the consolidated financial statements but with more disclosures required which are set out in Note 33.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

New Standards and Amendments to MFRSs in Issue But Not Yet Effective

At the date of authorisation for issue of these financial statements, the new Standards and Amendments to MFRSs relevant to the Group and the Company, which were in issue but not yet effective and not early adopted by the Group and the Company are as listed below.

Amendments to MFRS 121	Lack of Exchangeability[1]
Amendments to MFRS 9 and MFRS 7	Financial Instruments and Disclosure of Financial Instruments - Classification and Measurement of Financial Instruments[2]
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature - Dependent Electricity[2]
Amendments to MFRSs	Annual Improvements to MFRS Standards[2]
MFRS 18	Presentation and Disclosure in Financial Statements[3]
MFRS 19	Subsidiaries without Public Accountability: Disclosures[3]
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]

[1] Effective for annual periods beginning on or after 1 January 2025.
[2] Effective for annual periods beginning on or after 1 January 2026.
[3] Effective for annual periods beginning on or after 1 January 2027.
[4] Effective date deferred to a date to be determined and announced by MASB.

The Directors anticipate that the abovementioned new Standards and Amendments to MFRSs will be adopted in the annual financial statements of the Group and of the Company when they become effective and that the adoption of these new Standards and Amendments to MFRSs will have no material impact on the financial statements of the Group and of the Company in the period of initial application, except as further discussed below.

MFRS 18 Presentation and Disclosure in Financial Statements

The MFRS 18 *Presentation and Disclosure in Financial Statements* replaces MFRS 101 *Presentation of Financial Statements*, effective for annual periods beginning on or after 1 January 2027. The new MFRS introduces a new structure of profit or loss statement.

i. Income and expenses are classified into 3 new main categories:
   - Operating category which typically includes results from the main business activities;
   - Investing category that presents that results of investments in associates and joint ventures and other assets that generate a return largely independently of other resources; and
   - Financing category that presents income and expenses from financing liabilities.

ii. Entities are required to present two new specified subtotals: "Operating profit or loss" or "Profit or loss before financing and income taxes".

Management-defined performance measures are disclosed in a single note and reconciled to the most similar specified subtotal in MFRS Accounting Standards.

Changes to the guidance on aggregation and disaggregation which focus on grouping items based on their shared characteristics. The adoption of MFRS 18 will have no impact on the Group's and the Company's net profit/(loss) but will result in the changes of presentation of income statements on the grouping of income and expenses categories, as well as additional disclosure on management-defined performance measures.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

3. MATERIAL ACCOUNTING POLICY INFORMATION

Basis of Accounting

The financial statements of the Group and of the Company have been prepared on the historical cost basis, unless otherwise indicated in the accounting policies stated below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of MFRS 2 *Share-based Payment*, leasing transactions that are within the scope of MFRS 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in MFRS 102 *Inventories* or value in use in MFRS 136 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

Going Concern

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Foreign Currencies

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia, which is the Company's functional currency and presentation currency of the financial statements.

(b) Transactions and balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the exchange rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Foreign Currencies (Cont'd)

(b) Transactions and balances (Cont'd)

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income and are presented in the foreign currency translation reserve in equity.

(c) Foreign operations

The assets and liabilities of foreign operations are translated into RM at exchange rate prevailing on the reporting date. The income and expense items of foreign operations are translated into RM at the exchange rates at the dates of the transactions.

The exchange differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve in equity. However, if the operation is a non-wholly owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests.

Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with the Group's accounting policies.

All intragroup assets and liabilities, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

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

Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ("FVTPL") are recognised immediately in profit or loss.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

Classification of financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value through profit or loss ("FVTPL") based on the Group's and the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

The Group and the Company classify its financial assets in the following measurement categories.

Measurement category	Criteria	Financial assets
Financial assets at amortised cost	Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding.	- Service concession assets (Note 18) - Trade and other receivables (Note 27) - Loan receivables (Note 28) - Cash and bank balances (Note 30)
Financial assets at FVTPL	Financial assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at FVTPL.	- Other investments (Note 21) - Structured deposits (Note 29) - Cash and bank balances (Note 30)

Impairment of financial assets

The Group and the Company recognise a loss allowance for expected credit losses ("ECL") on trade receivables and other receivables, contract assets and other debt instruments that are measured at amortised cost. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial asset. The ECL incorporates forward-looking information and is a probability-weighted estimate of the difference between all contractual cash flows that are due to the Group and the Company in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at the original effective interest rate. Details about the Group's and the Company's credit risk management and impairment policies are disclosed in Note 36.

Financial Liabilities and Equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group and the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities at amortised cost

Financial liabilities at amortised cost are initially measured at fair value, net of transaction costs that are directly attributable to the acquisition or issue of the financial liabilities, and are subsequently measured at amortised cost using the effective interest method.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Critical judgements made in applying accounting policies

In the process of applying the Group's accounting policies, the Directors are of the opinion that there are no instances of application of judgement, which are expected to have a significant effect on the amount recognised in the financial statements.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at end of each reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of specific assets and liabilities within the next year are discussed in respective notes:

- Note 5 'Revenue': *Construction contracts*
- Note 5 'Revenue': *Revenue and Cost of Sales Recognition for Property Development Activities*
- Note 17 'Intangible assets': *Impairment of mining right*
- Note 19 'Investments in subsidiaries': *Impairment of investments in subsidiaries*
- Note 21 'Other investments': *Fair value of other investments*
- Note 22 'Deferred tax assets/(liabilities)': *Recognition of deferred tax assets*
- Note 23 'Land held for property development': *Net realisable value ("NRV") of land held for property development*
- Note 24 'Inventories': *NRV of properties held for sale*
- Note 25 'Other current assets': *NRV of contra properties*
- Note 27 'Trade and other receivables': *Expected credit loss ("ECL")*

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

5. REVENUE

5.1 Disaggregation of revenue

	Note	Group 2024 RM'000	Group 2023 RM'000
Revenue from contracts with customers			
Construction contracts		148,967	158,384
Sale of completed properties			
- properties		10,718	9,453
- car park		790	54
- furniture and fittings		637	80
Sale of construction materials		177,193	257,978
Operation and maintenance revenue from service concession assets		8,595	7,219
Provision of service on environmental protection and energy conservation		18,840	21,977
Sale of properties under development		389	–
	(a)	366,129	455,145
Other revenue			
Rental of office space		6,062	5,556
		372,191	460,701

(a) Timing and recognition of revenue

	Group 2024 RM'000	Group 2023 RM'000
At a point in time	189,338	267,565
Over time	176,791	187,580
	366,129	455,145

5. REVENUE (CONT'D)

5.2 Nature of goods and services

The following information reflects the typical transactions of the Group:

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms	Variable element in consideration	Warranty
Construction contracts	Revenue is recognised progressively over time using input method on the basis of the actual construction costs incurred relative to the estimated total construction costs.	Based on agreed milestones. Credit period of 30-40 days from invoice date.	Promised consideration may vary if change of scope of work.	Defect liability period of 12 - 24 calendar months from certificate of practical completion/ certificate of completion and compliance as per construction contracts.
Sale of completed properties	Revenue is recognised at a point in time upon delivery of vacant possession.	Credit period of 30 days from invoice date.	Not applicable.	Not applicable.
Sale of car park	Revenue is recognised at a point in time upon delivery of vacant possession.	Credit period of 14 days from invoice date.	Not applicable.	Not applicable.
Sale of furniture and fittings	Revenue is recognised at a point in time upon delivery of furniture and fittings.	Credit period of 14 days from invoice date.	Not applicable.	Not applicable.
Sale of construction materials	Revenue is recognised at a point in time when the construction materials are certified by the customers or delivered and accepted by the customers at their premises.	Cash term/Credit period of 30 to 270 days from invoice date.	Not applicable.	Not applicable.
Operation and maintenance revenue from service concession assets	The Group constructs or upgrades an existing infrastructure to provide services to operate and maintain the infrastructure (operation services) for a specified period of time. The Group recognises revenue to which the Group has a right to invoice if it corresponds directly with the value to customer of the Group's performance that is completed to date.	Credit period of 30 days from invoice date.	Not applicable.	Not applicable.
Provision of service on environmental protection and energy conservation	The revenue is recognised over time based on output method.	Credit period of 30 days from invoice date.	Not applicable.	Not applicable.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

5. REVENUE (CONT'D)

5.2 Nature of goods and services (Cont'd)

The following information reflects the typical transactions of the Group: (Cont'd)

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms	Variable element in consideration	Warranty
Property development	Revenue from property development is recognised over time if it creates an asset with no alternative use to the Company, and the Company has an enforceable right to payment for performance completed to date. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction is measured based on the Company's efforts or inputs to the satisfaction of the performance obligation (i.e. by reference to the property development costs incurred to date as a percentage of the estimated total costs of development of the contract).	Credit period of 21 days after receipt of written notice.	Discounts are given to the customers upon signing of sales and purchase agreements.	A defect liability period of 18 calendar months shall commerce from the date of handing over vacant possession of the properties.

5.3 Transaction price allocated to the remaining performance obligations

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

			Group		
	2024 RM'000	2025 RM'000	2026 RM'000	After 2026 RM'000	Total RM'000
2024					
Construction contracts	–	97,284	42,355	–	139,639
Operation and maintenance revenue from service concession assets	–	7,813	8,047	119,204	135,064
Sale of properties under development	–	799	799	599	2,197
	–	105,896	51,201	119,803	276,900

5. REVENUE (CONT'D)

5.3 Transaction price allocated to the remaining performance obligations (Cont'd)

			Group		
	2023 RM'000	2024 RM'000	2025 RM'000	After 2025 RM'000	Total RM'000
2023					
Construction contracts	–	122,266	52,763	123,276	298,305
Operation and maintenance revenue from service concession assets	–	7,585	7,813	127,251	142,649
	–	129,851	60,576	250,527	440,954

The Group applies the practical expedients for exemption on disclosure of information on remaining performance obligations that have original expected durations of one year or less.

Key sources of estimation uncertainty

Construction contracts

The Group recognises construction contracts revenue and expenses in the profit or loss by using input method on the basis of the actual costs incurred relative to the estimated total costs.

Significant judgement is required in determining the progress towards complete satisfaction of performance obligations, the extent of the costs incurred and the estimated total revenue and costs, as well as recoverability of the property development and construction contracts costs. In making the judgement, the Group evaluates based on past experience and external economic factors.

Revenue and cost of sales recognition for property development activities

Revenue is recognised as and when the control of the asset is transferred to customers and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. The Group measure revenue after adjusting the effects of any variable consideration and consideration payable to customer.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation based on the physical proportion of contract work-to-date certified by professional consultants. Significant judgement is required in determining the progress towards complete satisfaction of that performance obligation based on the certified work-to-date corroborated by the level of completion of the development based on actual costs incurred to date over the estimated total property development costs. The total estimated costs are based on approved budgets, which require assessments and judgements to be made on changes in, for example, work scope, changes in costs and costs to completion. In making these judgements and management relies on past experience.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

6. COST OF SALES

	Group	
	2024 RM'000	2023 RM'000
Cost of inventories sold	141,377	232,708
Property development costs	295	–
Contract fulfilment costs	148,531	181,204
Property maintenance costs	3,904	3,744
Inventories written down to net realisable value	–	1,239
(Reversal of)/Provision for foreseeable loss	(37)	2,773
	294,070	421,668

7. OTHER INCOME

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Corporate guarantee income from:				
- an associate	106	299	–	–
- subsidiaries	–	–	1,207	1,129
Fair value gain on:				
- structured deposits	556	482	–	–
- other investments	121,348	–	–	–
Funding income from a subsidiary	–	–	9,093	7,282
Gain on disposal of:				
- property, plant and equipment	1,143	1,233	–	–
- right-of-use assets	–	71	–	–
Income from legal settlement	–	4,074	–	–
Interest income from:				
- deposits with financial institutions	4,190	4,505	33	2
- amount due from an associate	578	680	–	–
- loan receivables	689	694	–	–
- service concession assets	22,630	25,889	–	–
Foreign exchange gain:				
- realised	–	2	–	–
- unrealised	4,179	5,752	2,638	5,416
Rental income from:				
- investment properties	194	124	–	–
- residential units	2,054	1,677	–	–
- others	1,916	2,056	–	–
Secondment fees receivable	198	213	–	–
Subsidy from the government	1,152	2,471	–	–
Reversal of other current assets written down	1,261	–	–	–
Reversal of other payables and accruals	2,488	–	–	–
Miscellaneous	2,958	4,477	360	–
	167,640	54,699	13,331	13,829

Funding income from a subsidiary consists of income receivable from a subsidiary when loan facility is entered on behalf of the subsidiary.

8. FINANCE COSTS

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Interest expense on:				
- bank and other borrowings	49,908	50,045	8,800	7,370
- lease liabilities	2,277	2,365	–	–
Others	–	8	–	–
	52,185	52,418	8,800	7,370

9. PROFIT/(LOSS) BEFORE TAX

Profit/(Loss) before tax is arrived at after charging/(crediting):

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Auditors' remuneration:				
- Audit fees				
Auditors of the Company	1,849	1,701	262	296
Other auditors	40	53	–	–
- Non-audit fees				
Auditors of the Company	15	15	15	15
Amortisation of intangible assets	789	784	–	–
Depreciation of:				
- property, plant and equipment	9,491	10,883	1	66
- investment properties	1,362	925	–	–
- right-of-use assets	3,474	3,763	–	–
Property, plant and equipment written off	–	1,349	–	–
Impairment loss on investment in a subsidiary	–	–	40,000	25,000
Employee benefits expenses (Note 10)	28,988	32,875	1,354	1,866
Waiver of amount due from subsidiaries	–	–	35,176	–
Foreign exchange losses:				
- realised	2,332	6,622	2,479	6,009
- unrealised	–	3,840	–	–
Loss on disposal of an associate	174	–	–	–
Executive Directors' remuneration (Note 10)	1,832	2,799	873	1,405
Non-executive Directors' remuneration (Note 10)	415	411	415	411
Expenses relating to short-term leases	1,885	7,309	56	77
Net provision/(reversal) of allowance for doubtful debts:				
- trade receivables	19,353	447	–	–
- other receivables	5,241	(5,338)	–	–
- amount due from subsidiaries	–	–	(38,300)	1,616
- loan receivables	920	3,697	–	–
- amount due from an associate	–	(245)	–	–
Other current assets written down	–	1,261	–	–

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

10. EMPLOYEE BENEFITS EXPENSES AND KEY MANAGEMENT PERSONNEL COMPENSATION

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Wages and salaries	23,654	27,574	868	1,296
Social security contributions	132	117	2	1
Contributions to defined contribution plan	1,482	1,479	65	112
Other benefits	3,720	3,705	419	457
	28,988	32,875	1,354	1,866

Included in employee benefits expenses of the Group and the Company are Executive Directors' and other key management personnel remuneration amounting to RM6,131,000* (2023: RM8,008,000*) and RM873,000** (2023: RM1,405,000**) as disclosed below.

The key management personnel compensations are as follows:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Executive Directors:				
Salaries and other emoluments	1,728	2,592	821	1,296
Defined contribution plan	104	207	52	109
	1,832*	2,799*	873**	1,405**
Non-executive Directors:				
Fees	240	240	240	240
Other emoluments	175	171	175	171
	415	411	415	411
	2,247	3,210	1,288	1,816
Estimated money value of benefits-in-kind	37	65	-	-
Total Directors' remuneration	2,284	3,275	1,288	1,816
Other key management personnel:				
Salaries and other emoluments	4,068	4,923	–	–
Defined contribution plan	231	286	–	–
	4,299*	5,209*	–	–
Estimated money value of benefits-in-kind	9	29	–	–
Total other key management personnel compensation	4,308	5,238	–	–

11. INCOME TAX EXPENSE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Estimated tax payable:				
- current year	13,177	18,297	–	–
- (over)/under provision in prior years	(328)	682	–	–
	12,849	18,979	–	–
Deferred tax (Note 22):				
- current year	(1,256)	(10,609)	–	–
- (over)/under provision in prior years	(10)	1,842	–	–
	(1,266)	(8,767)	–	–
	11,583	10,212	–	–

A reconciliation of income tax expense/(credit) applicable to profit/(loss) before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit/(Loss) before tax	109,031	(21,041)	(38,563)	(29,695)
Tax at statutory tax rate of 24%	26,167	(5,050)	(9,255)	(7,127)
Tax effects of:				
- non-deductible expenses	12,470	10,990	1,498	3,146
- non-taxable income	(32,689)	(10,186)	(1,843)	(2,019)
Effect of share of associates' result	684	(734)	–	–
Different tax rates in other tax jurisdiction	183	578	–	–
Utilisation of deferred tax assets previously not recognised	(2,742)	(5,612)	–	–
Effect of deferred tax assets not recognised	7,848	17,702	9,600	6,000
(Over)/Under provision in prior years:				
- current tax	(328)	682	–	–
- deferred tax	(10)	1,842	–	–
	11,583	10,212	–	–

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

11. INCOME TAX EXPENSE (CONT'D)

Material accounting policy information

Income tax expense comprises current and deferred tax. Income tax is recognised in profit or loss. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of the previous year.

Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates enacted or substantively enacted at the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related benefits will be realised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income tax levied by the same taxation authority on either the same taxable entity, or different entities, where there is an intention to settle the balance on a net basis.

12. EARNINGS PER ORDINARY SHARE

Basic and diluted earnings per ordinary share

Basic and diluted earnings per ordinary share is calculated by dividing the profit attributable to ordinary shareholders over weighted average number of ordinary shares outstanding as at 31 December, as follows:

	Group	
	2024 **RM'000**	**2023** **RM'000**
Profit/(Loss) for the year attributable to owners of the Company	87,093	(48,524)
Basic and diluted earnings per ordinary shares		
Weighted average number of ordinary shares as at 31 December ('000)	2,178,080	1,875,921
Basic earnings per ordinary share (sen)	4.00	(2.59)

The following potential ordinary shares are anti-dilutive and are thereafter excluded from the weighted average number of ordinary shares for the purpose of diluted earnings per share.

Number of shares		
Warrants ('000)	531,477	–

13. OPERATING SEGMENTS

Segment information

The Group has five reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Executive Chairman and Acting Group Chief Operating Officer reviews internal management reports at least on a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

(a)	Construction	-	undertaking engineering, constructions works, and equipment and construction materials procurement
(b)	Trading and manufacturing	-	trading in construction materials and manufacturing of construction related products
(c)	Property	-	the development of residential and commercial properties plus rental
(d)	Power	-	sale of power energy and facilities management
(e)	Investment and others	-	Investment holding and others

The management monitors the operating results of its business units separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain aspects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments have been entered into in normal course of business and have been established on mutually agreed terms and conditions.

Segment assets

The total of segment asset is measured based on all assets (including goodwill) of a segment, as included in the internal management reports that are reviewed by the Executive Chairman and Acting Group Chief Operating Officer. Segment total asset is used to measure the return on assets of each segment.

Segment liabilities

Segment liabilities information is based on the liabilities of a segment as included in the internal management reports that are reviewed by the Executive Chairman and Acting Group Chief Operating Officer.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment and investment properties.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

13. OPERATING SEGMENTS

2024	Construction RM'000	Trading and manufacturing RM'000	Property RM'000	Power RM'000	Investment and others RM'000	Adjustments and eliminations RM'000	Note	Total RM'000
Revenue:								
External customers	148,967	196,033	18,596	8,595	–	–		372,191
Inter-segment	10	2,741	1,297	2,614	–	(6,662)	(i)	–
Total revenue	148,977	198,774	19,893	11,209	–	(6,662)		372,191
Results:								
Included in the measure of segment (loss)/profit are:								
Interest income	856	2,420	340	24,438	33	–		28,087
Fair value gain on structured deposits	–	556	–	–	–	–		556
Fair value gain on other investments	–	–	–	121,348	–	–		121,348
Net (provision)/reversal of allowance for doubtful debts on financial instruments	(23,295)	(2,233)	14	–	–	–		(25,514)
Depreciation and amortisation	(271)	(10,041)	(1,733)	(3,070)	(1)	–		(15,116)
Finance costs	(3,988)	(20,751)	(3,460)	(15,186)	(8,800)	–		(52,185)
Share of loss of associates	(871)	–	–	(1,980)	–	–		(2,851)
Tax credit/(expense)	3	(11,703)	1,646	(1,529)	–	–		(11,583)
(Loss)/Profit for the year	(33,582)	7,360	4,374	128,022	(9,471)	745	(ii)	97,448
Included in the measure of segment assets are:								
Investment in associates	455	–	–	15,392	–	–		15,847
Additions to non-current assets	90	88,129	499	33	–	–	(iii)	88,751
Segment assets	535,474	999,896	242,498	412,991	651,019	(821,638)	(iv)	2,020,240
Segment liabilities	398,169	787,173	113,739	342,095	122,456	(566,928)	(v)	1,196,704

13. OPERATING SEGMENTS (CONT'D)

2023	Construction RM'000	Trading and manufacturing RM'000	Property RM'000	Power RM'000	Investment and others RM'000	Adjustments and eliminations RM'000	Note	Total RM'000
Revenue:								
External customers	158,384	279,955	15,143	7,219	–	–		460,701
Inter-segment	–	11,035	1,854	3,504	–	(16,393)	(i)	–
Total revenue	158,384	290,990	16,997	10,723	–	(16,393)		460,701
Results:								
Included in the measure of segment (loss)/profit are:								
Interest income	747	3,172	214	27,633	2	–		31,768
Fair value gain on structured deposits	–	482	–	–	–	–		482
Net (provision)/reversal of allowance for doubtful debts on financial instruments	(2,131)	2,983	342	245	–	–		1,439
Depreciation and amortisation	(409)	(11,143)	(1,639)	(3,098)	(66)	–		(16,355)
Finance costs	(3,807)	(22,518)	(3,613)	(15,110)	(7,370)	–		(52,418)
Share of profit of associates	372	–	–	2,688	–	–		3,060
Tax (expense)/credit	(2,290)	(13,569)	(1,739)	7,485	(99)	–		(10,212)
(Loss)/Profit for the year	(57,066)	8,074	889	19,568	(4,805)	2,087	(ii)	(31,253)
Included in the measure of segment assets are:								
Investment in associates	8,300	–	–	17,372	–	–		25,672
Additions to non-current assets	310	6,140	2,053	4	–	–	(iii)	8,507
Segment assets	463,163	1,525,285	243,996	431,688	581,582	(1,065,417)	(iv)	2,180,297
Segment liabilities	470,383	1,042,852	120,404	356,968	193,388	(625,375)	(v)	1,558,620

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

13. OPERATING SEGMENTS (CONT'D)

(i) Inter-segment revenues are eliminated on consolidation.

(ii) The following items are deducted from segment profit to arrive at profit/(loss) before tax presented in the consolidated statement of profit or loss and other comprehensive income:

	Group	
	2024 RM'000	**2023 RM'000**
Profit from inter-segment	745	2,087

(iii) Additions to non-current assets consist of property, plant and equipment (Note 14), right-of-use assets (Note 15), investment properties (Note 16) and intangible assets (Note 17).

(iv) The following items are deducted from segment assets to arrive at total assets reported in the consolidated statement of financial position:

	Group	
	2024 RM'000	**2023 RM'000**
Inter-segment assets	(821,638)	(1,065,417)

(v) The following items are deducted from segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:

	Group	
	2024 RM'000	**2023 RM'000**
Inter-segment liabilities	(566,928)	(625,375)

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on geographical location of customers. Segment assets are based on the geographical location of the assets.

	Total revenue from external customers		Non-current assets		Additions to non-current assets	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Malaysia	193,462	208,920	556,530	463,007	4,677	2,512
China	178,729	251,781	242,430	179,443	84,074	5,995
	372,191	460,701	798,960	642,450	88,751	8,507

Major customers

Approximately 41% (2023: 38%) of total revenue during the year is mainly contributed from five (5) (2023: five (5)) major customers.

14. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land RM'000	Land improvements RM'000	Buildings RM'000	Factory RM'000	Plant, machinery and equipment RM'000	Office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Capital work-in-progress RM'000	Total RM'000
Cost									
As at 1 January 2023	9,572	1,777	169,726	5,519	218,696	19,447	17,965	1,352	444,054
Additions	–	–	3,298	–	1,281	735	–	1,071	6,385
Transfers	–	–	691	–	–	–	–	(691)	–
Disposals/Written off	–	–	–	–	(5,515)	(616)	(2,117)	–	(8,248)
Effect of movements in exchange rates	–	47	4,213	–	4,128	194	85	39	8,706
As at 31 December 2023/ 1 January 2024	9,572	1,824	177,928	5,519	218,590	19,760	15,933	1,771	450,897
Additions	–	–	423	19	635	569	–	685	2,331
Transfers *	–	–	(43,432)	–	(106,300)	–	–	30,020	(119,712)
Disposals/Written off	–	–	–	–	(7,404)	(740)	(1,518)	–	(9,662)
Reclassification	–	–	(558)	–	–	–	–	(45)	(603)
Effect of movements in exchange rates	–	(78)	(6,396)	–	(5,102)	(312)	(141)	(596)	(12,625)
As at 31 December 2024	9,572	1,746	127,965	5,538	100,419	19,277	14,274	31,835	310,626

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

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

Group	Freehold land RM'000	Land improvements RM'000	Buildings RM'000	Factory RM'000	Plant, machinery and equipment RM'000	Office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Capital work-in-progress RM'000	Total RM'000
Accumulated depreciation									
As at 1 January 2023	–	736	49,624	5,468	187,751	15,871	16,180	–	275,630
Charge for the year	–	65	4,546	22	4,540	1,055	655	–	10,883
Disposals/Written off	–	–	–	–	(4,323)	(459)	(2,115)	–	(6,897)
Effect of movements in exchange rates	–	20	1,189	–	3,333	116	50	–	4,708
As at 31 December 2023/1 January 2024	–	821	55,359	5,490	191,301	16,583	14,770	–	284,324
Charge for the year	–	65	3,595	10	4,258	1,201	362	–	9,491
Transfers *	–	–	(18,470)	–	(101,242)	–	–	–	(119,712)
Disposals/Written off	–	–	–	–	(7,404)	(740)	(1,486)	–	(9,630)
Reclassification	–	–	(449)	–	–	–	–	–	(449)
Effect of movements in exchange rates	–	(38)	(1,911)	–	(4,326)	(226)	(104)	–	(6,605)
As at 31 December 2024	–	848	38,124	5,500	82,587	16,818	13,542	–	157,419
Net book value									
As at 31 December 2023	9,572	1,003	122,569	29	27,289	3,177	1,163	1,771	166,573
As at 31 December 2024	9,572	898	89,841	38	17,832	2,459	732	31,835	153,207

* During the year, reusable assets with a net book value of RM30,020,000 (equivalent to RMB129,583,000) from building, plant, machinery and equipment to capital work-in-progress, as these assets will be incorporated into the expansion of its production line.

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

Company	Office equipment RM'000	Motor vehicle RM'000	Total RM'000
Cost			
As at 1 January 2023/31 December 2023/ 31 December 2024	20	512	532
Accumulated depreciation			
As at 1 January 2023	12	452	464
Charge for the year	6	60	66
As at 31 December 2023/1 January 2024	18	512	530
Charge for the year	1	–	1
As at 31 December 2024	19	512	531
Net book value			
As at 31 December 2023	2	–	2
As at 31 December 2024	1	–	1

Security

The freehold lands with carrying amount of RM9,572,000 (2023: RM9,572,000) were pledged to secure the Group's revolving credit (Note 32 (e)).

Certain buildings of the Group with carrying amount of RM1,068,000 (2023: RM1,101,000), RM312,000 (2023: RM414,000) and RM21,933,000 (2023: RM23,793,000) were pledged to secure the Group's term loan (Note 32(a)), revolving credit (Note 32(e)) and short-term bank facilities in respect of issuance of bills payable (Note 33(b)) respectively.

Material accounting policy information

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date they are available for use. Freehold land is not depreciated. Capital work-in-progress is not depreciated until such time when the asset is available for use.

The current and comparative periods annual rates of depreciation are as follows:

Land improvements	4.5% - 18%
Buildings	2% - 20%
Factory	10%
Plant, machinery and equipment	5% - 33.3%
Office equipment, furniture and fittings	9% - 33.3%
Motor vehicles	18% - 33.3%

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

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

Material accounting policy information (Cont'd)

At the end of each reporting period, the carrying amount of any item of property, plant and equipment is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount of the assets. These are included in the profit or loss.

15. RIGHT-OF-USE ASSETS

Group	Land RM'000	Buildings RM'000	Plant, machinery and equipment RM'000	Motor vehicles RM'000	Total RM'000
As at 1 January 2023	39,948	1,423	54	365	41,790
Additions	–	322	120	–	442
Disposals	–	(277)	(2)	–	(279)
Depreciation charged for the year	(2,580)	(1,070)	(36)	(77)	(3,763)
Effect of movements in exchange rates	76	32	–	–	108
As at 31 December 2023/ 1 January 2024	37,444	430	136	288	38,298
Additions	2,771	1,135	15	–	3,921
Reclassification from property, plant and equipment	45	–	–	–	45
Depreciation charged for the year	(2,593)	(768)	(36)	(77)	(3,474)
Effect of movements in exchange rates	(167)	(11)	–	–	(178)
As at 31 December 2024	37,500	786	115	211	38,612

Material accounting policy information

The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessees, except for short-term leases and leases of low-value assets.

The lease liability is initially measured at the present value of the lease payments, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment loss. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

The Group leases several assets including land, buildings, plant, machinery and equipment and motor vehicles. The lease term ranges from 2 to 22 years (2023: 2 to 23 years).

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

Material accounting policy information (Cont'd)

As at 31 December 2024, the Group pledged right-of-use assets on land use rights with carrying amount of RM335,000 (2023: RM366,000) to secure for short-term bank facilities in respect of the issuance of bills payable (Note 33(b)).

15.1 Restriction imposed by lease

The Group has certain lease contracts for land which restrict the Group's ability to sublease the leased assets. Such land shall be used solely and exclusively for the solar panel facility.

15.2 Included in land are land use rights granted by the relevant People's Republic of China ("PRC") government authorities located in Shandong, the PRC, and depreciated over the remaining term of leases.

16. INVESTMENT PROPERTIES

Group	Investment properties RM'000
Cost	
As at 1 January 2023	58,980
Additional expenditure in investment properties	1,680
As at 31 December 2023/1 January 2024	60,660
Reclassification from property, plant and equipment	558
Additional expenditure in investment properties	330
As at 31 December 2024	61,548
Accumulated depreciation	
As at 1 January 2023	9,062
Charge for the year	925
As at 31 December 2023/1 January 2024	9,987
Reclassification from property, plant and equipment	449
Charge for the year	1,362
As at 31 December 2024	11,798
Net book value	
As at 31 December 2023	50,673
As at 31 December 2024	49,750

Investment properties comprise a number of commercial properties that are leased to third parties. The leases contain initial non-cancellable period up to 3 years. No contingent rents are charged.

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16. INVESTMENT PROPERTIES (CONT'D)

The following are recognised in profit or loss in respect of the investment properties:

	Group	
	2024 RM'000	**2023 RM'000**
Rental income:		
- Revenue	6,062	5,556
- Other income	194	124
Property maintenance cost from:		
- Income generating investment properties	(3,619)	(3,744)
- Non-income generating investment properties	(285)	–

Fair value information

	Group	
	2024 RM'000	**2023 RM'000**
Estimated fair value	127,897	124,414

Fair value of investment properties is categorised as Level 3. The fair value of the investment properties is derived based on sales comparison approach by reference to observed market price in other similar property transactions.

Estimated fair value of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable properties.

Security

Certain investment properties with carrying amount of RM48,551,000 (2023: RM49,454,000) and RM589,000 (2023: RM579,000) were pledged to secure the Group's term loans (Note 32(a)) and revolving credits (Note 32(e)) respectively.

Operating lease payments receivable

The operating lease payments to be received are as follows:

	Group	
	2024 RM'000	**2023 RM'000**
Less than one year	5,397	4,543
One to two years	3,550	4,376
Total undiscounted lease payments	8,947	8,919

16. INVESTMENT PROPERTIES (CONT'D)

Material accounting policy information

Investment properties are properties which are owned or right-of-use asset held under a lease contract to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties initially and subsequently measured at cost are accounted for similarly to property, plant and equipment.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

17. INTANGIBLE ASSETS

Group	REPPA RM'000	Mining right RM'000	Trademark RM'000	Production capacity license RM'000	Total RM'000
Cost					
As at 1 January 2023	12,393	6,359	–	–	18,752
Addition	–	–	5	–	5
Effect of movements in exchange rates	–	167	–	–	167
As at 31 December 2023/ 1 January 2024	12,393	6,526	5	–	18,924
Addition	–	–	–	82,169	82,169
Effect of movements in exchange rates	–	(286)	–	(2,257)	(2,543)
As at 31 December 2024	12,393	6,240	5	79,912	98,550
Accumulated amortisation					
As at 1 January 2023	4,960	2,188	–	–	7,148
Amortisation for the year	620	164	–	–	784
Effect of movements in exchange rates	–	58	–	–	58
As at 31 December 2023/1 January 2024	5,580	2,410	–	–	7,990
Amortisation for the year	620	164	5	–	789
Effect of movements in exchange rates	–	(117)	–	–	(117)
As at 31 December 2024	6,200	2,457	5	–	8,662
Carrying amounts					
As at 31 December 2023	6,813	4,116	5	–	10,934
As at 31 December 2024	6,193	3,783	–	79,912	89,888

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

17. INTANGIBLE ASSETS (CONT'D)

Intangible asset arising from interest over Renewable Energy Power Purchase Agreement ("REPPA")

The intangible assets relate to the REPPA as discussed in Note 18.

Intangible assets have finite useful lives and are subject to impairment assessment only if there is an indication of impairment. There is no indication of impairment during the year. The intangible assets are amortised on a straight-line basis over its estimated useful life of 21 years.

Mining right

The license period for the mining of limestone quarry located in the China is 10 years and renewable for another 10 years or more at minimal charges. The mining right is amortised on a straight-line basis over its estimated useful life of 50 years.

Production capacity license

The production capacity license grants the right to manufacture the cement in China within the bounds of production quotas established by the regulatory authorities. The license is recognised as an intangible asset and is initially recorded at cost.

As the license does not have a contractual term or expiry, it is classified as having an indefinite useful life. It is not amortised, but is subject to annual impairment testing.

Key sources of estimation uncertainty

Impairment of mining right

Mining right is stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgement and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the assets belongs. Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the recoverable amounts.

18. SERVICE CONCESSION ASSETS

	Group	
	2024 RM'000	**2023 RM'000**
Current	15,605	14,996
Non-current	246,720	262,325
	262,325	277,321

18. SERVICE CONCESSION ASSETS (CONT'D)

The movements in the net carrying amounts of non-current and current service concession assets are as follows:

	Group	
	2024 RM'000	**2023 RM'000**
As at beginning of year	277,321	290,919
Received from TNB	(46,049)	(45,673)
Operation and maintenance revenue	8,595	7,219
Finance income from service concession assets	22,630	25,889
Modification loss on service concession assets	(172)	(1,033)
As at end of year	262,325	277,321

Material accounting policy information

On 15 June 2012 and 28 June 2012, a subsidiary (Special Universal Sdn. Bhd. ("SUSB")) and Tenaga Nasional Berhad ("TNB") entered into Renewable Energy Power Purchase Agreement ("REPPA") to develop, design, finance, insure, procure, construct, install, test, commission, own, operate, manage and maintain the Renewable Energy Installation, the Interconnection Facilities and the Communication Facilities. The effective period of the REPPA as specified in the Feed-in Approval date is 21 years.

On 16 March 2017, a subsidiary (Sinar Kamiri Sdn. Bhd. ("SKSB")) and TNB entered into Power Purchase Agreement ("PPA") to design, construct, own, operate and maintain a solar photovoltaic energy generating facility with a capacity of 49MW proposed to be located in Sungai Siput, Kuala Kangsar, Perak to generate and deliver solar photovoltaic energy to TNB. The PPA will be expiring on the day before 21 years of the commercial operation date of the facility. The service concession asset of SKSB was pledged to secure the Green Sustainable and Responsible Investment ("SRI") Sukuk Wakalah (Note 32(c)).

In the service concession arrangements, the Group recognises a financial asset arising from its construction services when it has an unconditional contractual right to receive fixed and determinable amounts of payments irrespective of the output produced. The consideration receivable is measured initially at fair value and subsequently measured at amortised cost using the effective interest method. The receivables will be collected over the period of the concession contracts.

The portion falling due within less than one year is presented in the statements of financial position under current assets, while the portion falling due within more than one year is presented in the non-current heading.

Revenue and finance income associated with this financial asset model include:

- amounts specified or determined in the contract or; revenue from the construction of the operating financial assets on a percentage of completion basis;
- operation and maintenance revenue; and
- finance income related to the capital investment in the operating financial assets.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

19. INVESTMENTS IN SUBSIDIARIES

	Note	Company 2024 RM'000	Company 2023 RM'000
At cost:			
Unquoted shares			
As at beginning of year		358,350	357,470
Additions	(a)	46,300	880
		404,650	358,350
Less: Impairment loss	(b)	(261,590)	(221,590)
		143,060	136,760
Amount due from a subsidiary	(c)	40,690	49,690
As at end of year		183,750	186,450

(a) Subscription of shares in a subsidiary

On 30 June 2024, the Company subscribed for 46,300,000 ordinary shares in the share capital of Mudajaya Corporation Bhd ("MCB"), a wholly-owned subsidiary of the Company at an issue price of RM1.00 per share and the consideration is by way of capitalisation of the amount owing by MCB to the Company amounted to RM46,300,000.

In prior year, the Company subscribed for 880,000 ordinary shares in the share capital of Mudajaya Energy Sdn Bhd ("MESB"), a wholly-owned subsidiary of the Company at an issue price of RM1.00 per share and the consideration is by way of capitalisation of the amount owing by MESB to the Company amounted to RM880,000.

(b) Impairment loss on investments in subsidiaries

The carrying amount of the investment in subsidiaries is assessed for impairment during the year and the recoverable amount of the investment in subsidiaries is determined based on the value in use of the subsidiaries. An impairment loss is recognised immediately in profit or loss if the recoverable amount is less than carrying amount.

The movement in the impairment loss during the year is as follows:

	Company 2024 RM'000	Company 2023 RM'000
As at beginning of year	221,590	196,590
Amount recognised during the year	40,000	25,000
As at end of year	261,590	221,590

As at the reporting date, the carrying amount of investment in Mudajaya Corporation Berhad ("MCB"), a wholly owned subsidiary of the Company is lower than its recoverable amount of RM178,000,000. This resulted in an impairment loss of RM40,000,000 (2023: RM25,000,000) recognised in profit or loss. The impairment loss was recognised as a result of additional capitalisation into the investment during the year, while there was no significant change in the subsidiary's projected future performance.

19. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(b) Impairment loss on investments in subsidiaries (Cont'd)

The recoverable amount of the investment in MCB is determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by the Directors with the following key assumptions:

- revenue is projected based on both secured and tendered projects;
- gross profit margins are estimated based on historically achievable rates; and
- a pre-tax discount rate of 11.4% (2023: 10.5%) is applied.

The above estimates are particularly sensitive in the following areas:

- An increase of 1% in the discount rate used would have decreased the value in use by RM16,645,000 (2023: RM12,140,000).
- A decrease of 1% future operating profit margin would have decreased the value in use by RM83,838,000 (2023: RM36,000,000).

(c) Amount due from a subsidiary

The amount due from a subsidiary is unsecured, non-interest bearing and with no fixed term of repayment. Management is of the view that, in substance, the advances provided are similar to an interest in equity shares of the subsidiary. Accordingly, the amount due from a subsidiary is classified as an investment in the subsidiary.

Details of the subsidiaries are as follows:

Name of subsidiaries	Principal place of business	Principal activities	Effective equity interest 2024 %	Effective equity interest 2023 %
Held by the Company:				
Mudajaya Corporation Berhad ("MCB")	Malaysia	Civil engineering and building construction	100	100
MJC Development Sdn. Bhd. ("MJCD")	Malaysia	Property management, development and construction	100	100
MJC Industries Sdn. Bhd. ("MJCI")	Malaysia	Investment holding	100	100
Mudajaya Energy Sdn. Bhd. ("MESB")	Malaysia	Investment holding	100	100
Mudajaya Ventures Limited ("MVL")	Federal Territory of Labuan, Malaysia	Special purpose vehicle for issuance of medium term notes	100	100
Dayang Pertiwi Sdn. Bhd. ("DPSB")#	Malaysia	Investment holding	100	100

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

19. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows: (Cont'd)

Name of subsidiaries	Principal place of business	Principal activities	Effective equity interest	
			2024 %	2023 %
Held through MCB:				
Mudajaya Land Sdn. Bhd.	Malaysia	Property management and development	100	100
MJC City Development Sdn. Bhd. ("MJCC")	Malaysia	Property development	70	70
Entrutech Sdn. Bhd.	Malaysia	Engineering, procurement, construction and commissioning ("EPCC") services	100	100
Mudajaya Middle East Ltd. ("MMEL")#	Kingdom of Saudi Arabia	General construction and investment holding	75	75
Mudajaya International Investment Ltd. ("MIIL")#	British Virgin Islands	Has not commenced operations	100	100
Desiran Johan Sdn. Bhd.#	Malaysia	Property development and building construction	70	70
Mudajaya City Corporation Sdn. Bhd. ("MCSB")#	Malaysia	Property development and construction	100	100
Mudajaya Holdings Sdn. Bhd. ("MHSB")#	Malaysia	Has not commenced operations	100	100
Mudajaya Facilities Management Sdn. Bhd. ("MFMSB")	Malaysia	Operation and management of power plant	100	100
Sumber Jayakita Sdn. Bhd. ("SJSB")#	Malaysia	Investment holding	60	60
Held through MIIL:				
Mudajaya Construction (India) Private Ltd.#	India	Construction and related business	100	100
Held through MJCI:				
MJC Precast Sdn. Bhd. ("MJCP")	Malaysia	Manufacturing and trading of precast concrete and other related products	100	100
MJC Trading Sdn. Bhd. ("MJCT")	Malaysia	Trading in construction related materials	100	100
Held through MJCP:				
Mudajaya IBS Sdn. Bhd. ("MIBS")*	Malaysia	Dormant	–	100

19. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows: (Cont'd)

Name of subsidiaries	Principal place of business	Principal activities	Effective equity interest 2024 %	Effective equity interest 2023 %
Held through MESB:				
Active Flora Sdn. Bhd. ("AFSB")#	Malaysia	Investment holding	100	100
Positive Range Sdn. Bhd ("PRSB")#	Malaysia	Investment holding	100	100
Mudajaya Power International Sdn. Bhd. ("MPISB")	Malaysia	Civil engineering and building construction	100	100
Mudajaya RE Sdn. Bhd.	Malaysia	Investment holding	100	100
Mudajaya Solar Energy Sdn. Bhd.# >	Malaysia	Dormant	100	–
Held through AFSB and PRSB:				
Special Universal Sdn. Bhd. ("SUSB")	Malaysia	Photovoltaic power plant and trading in green energy saving products	60	60
Held through MPISB:				
PT Mudajaya Energi Indonesia #	Indonesia	Electricity power installation services	95	95
Held through Mudajaya RE Sdn. Bhd.:				
Sinar Kamiri Sdn. Bhd.	Malaysia	Power generation and investment holding	100	100
Held through MJCD:				
Piala Tebrau (M) Sdn. Bhd.#	Malaysia	Dormant	100	100
Held through DPSB:				
Captain Profit Limited ("CPL")#	British Virgin Island	Has not commenced operations	100	100
Double Ace Global Limited ("DAG")#	British Virgin Island	Has not commenced operations	100	100
Held through CPL:				
Mudajaya Pacific Limited ("MPL")#	Hong Kong	Has not commenced operations	100	100
Held through MPL:				
Ji Feng Building Material Co., Ltd#	China	Trading of building materials	100	100

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

19. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows: (Cont'd)

Name of subsidiaries	Principal place of business	Principal activities	Effective equity interest 2024 %	Effective equity interest 2023 %
Held through DAG:				
Xelmont Limited ("Xelmont")#	British Virgin Islands	Investment holding	100	100
Held through Xelmont:				
Real Jade Limited ("RJL")	British Virgin Islands	Investment holding	100	100
Held through RJL:				
Splendid Link Limited ("Splendid Link")	British Virgin Islands	Investment holding	100	100
Power Enrich Ltd.	British Virgin Islands	Dormant	100	100
Level Supreme Ltd.	British Virgin Islands	Dormant	100	100
Held through Splendid Link:				
Shanghai Allied Cement Holdings Limited ("SACHL")	Hong Kong	Investment holding	100	100
Held through SACHL:				
SAC Intellectual Properties Limited ("SACIPL")	British Virgin Islands	Investment holding	100	100
Shandong Allied Wangchao Cement Limited ("SAWCL")	China	Manufacture and sales of cement and clinker	100	100
All-cement Limited ("ACL")	British Virgin Islands	Investment holding and cement business	100	100
Held through SACIPL:				
Silver Bloom Holdings Limited ("Silver Bloom")	Hong Kong	Investment holding	100	100
Held through Silver Bloom:				
All-Shanghai Inc. ("ASI")	British Virgin Islands	Investment holding and cement business	83.33	83.33
Held through ASI:				
Shanghai Allied Cement Co., Ltd. ("SHAC") ^	China	Trading of cement and clinker	50	50

19. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows: (Cont'd)

Name of subsidiaries	Principal place of business	Principal activities	Effective equity interest	
			2024 %	2023 %
Held through SAWCL:				
Zaozhuang Laisheng New Building Materials Co., Ltd.	China	Manufacture and sales of building stones	70	70
Held through ACL:				
Shandong Shanghai Allied Cement Co., Ltd. ("SSACC")	China	Manufacture and sales of slag	100	100
Held through SSACC:				
Shanghai Guorui Tongshun Environmental Protection Technology Co., Ltd. ("SHGT")	China	Provision of energy conversation and reuse solutions	70.83	70.83
Held through SHGT:				
Shanghai Guokunsheng Construction Group Co., Ltd.^	China	Provision of energy conversation and reuse solutions	36.12	36.12

\# Not audited by Deloitte.
^ Effective interest.
* Voluntary winding-up.
> Newly incorporated.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

19. INVESTMENTS IN SUBSIDIARIES (CONT'D)

19.1 Non-controlling interests in subsidiaries

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows:

2024	SHAC RM'000	SUSB RM'000	MJCC RM'000	Other subsidiaries with immaterial NCI RM'000	Total RM'000
NCI percentage of ownership interest and voting interest	50%	40%	30%		
Carrying amount of NCI	211,532	9,541	21,512	20,494	263,079
Profit allocated to NCI	3,360	875	640	5,480	10,355

Summarised financial information before intra-group elimination

	SHAC RM'000	SUSB RM'000	MJCC RM'000
As at 31 December			
Non-current assets	46,268	66,499	35,760
Current assets	613,697	22,779	46,205
Non-current liabilities	(14,479)	(21,864)	(2,348)
Current liabilities	(222,422)	(43,561)	(7,910)
Net assets	423,064	23,853	71,707
Year ended 31 December			
Revenue	21,281	1,472	9,432
Profit for the year	6,719	2,187	2,132
Total comprehensive income	6,719	2,187	2,132
Dividends paid to NCI	–	6,000	–
Net cash flows from/(used in) operating activities	75,182	2,979	(5,993)
Net cash flows from investing activities	22,715	415	545
Net cash flows used in financing activities	(121,812)	(2,292)	(329)

19. INVESTMENTS IN SUBSIDIARIES (CONT'D)

19.1 Non-controlling interests in subsidiaries (Cont'd)

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows: (Cont'd)

2023	SHAC RM'000	SUSB RM'000	MJCC RM'000	Other subsidiaries with immaterial NCI RM'000	Total RM'000
NCI percentage of ownership interest and voting interest	50%	40%	30%		
Carrying amount of NCI	226,676	14,667	20,871	20,930	283,144
Profit allocated to NCI	11,624	877	(389)	5,159	17,271

Summarised financial information before intra-group elimination

	SHAC RM'000	SUSB RM'000	MJCC RM'000
As at 31 December			
Non-current assets	48,962	71,562	33,134
Current assets	916,570	9,985	45,484
Non-current liabilities	(13,168)	(23,516)	(2,534)
Current liabilities	(499,012)	(21,364)	(6,513)
Net assets	453,352	36,667	69,571
Year ended 31 December			
Revenue	34,630	2,124	6,064
Profit for the year	23,247	2,193	(1,298)
Total comprehensive income	23,247	2,193	(1,298)
Dividends paid to NCI	–	877	–
Net cash flows from operating activities	19,299	7,672	5,285
Net cash flows (used in)/ from investing activities	(102,347)	72	(1,528)
Net cash flows from/(used in) financing activities	100,143	(6,483)	(328)

NOTES TO THE FINANCIAL STATEMENTS
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19. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Key sources of estimation uncertainty

Impairment of investments in subsidiaries

The Company assesses whether there are any indicators of impairment for its investments in subsidiaries at each reporting date.

In assessing whether there is any indication that its investments in subsidiaries may be impaired, the Company considers the external and internal sources of information. The external sources include the market value of the investments, the significant changes in the market and economic environment in which the subsidiaries operate, market interest rate and other market rate of return on investments. The internal sources include corporate plan and evidence of internal reporting of the subsidiaries.

The Company conducts an annual impairment review of its investment in subsidiaries. When there is an indication that the carrying amount may be impaired, the investment in subsidiaries' recoverable amount, being the higher of its fair value less costs to sell and its value-in-use ("VIU"), will be assessed. In determining the VIU of the cash generating unit ("CGU") of the investees, being the future economic benefits to be expected from its continued use, the Company makes estimates and assumptions that require significant judgements. While the Company believes these estimates and assumptions of VIU could be reasonable and appropriate, changes on these estimates and assumptions of VIU could impact the Company's financial position and results.

20. INVESTMENTS IN ASSOCIATES

	Group	
	2024 RM'000	**2023 RM'000**
At cost:		
Unquoted shares	17,089	17,089
Share of post-acquisition reserves	5,732	8,583
	22,821	25,672
Disposal during the year	(6,974)	–
	15,847	25,672

20. INVESTMENTS IN ASSOCIATES

Name of associates	Principal place of business	Principal activities	Effective equity interest 2024 %	Effective equity interest 2023 %
Held by MCB:				
Musyati Mudajaya JV Sdn. Bhd. ("MMJV")	Malaysia	Construction works. It is involved in a construction project in Sarawak, Malaysia, where the Group acts as the subcontractor for the project.	–	30
Kendiri Emas Mudajaya Sdn. Bhd. ("KEM")	Malaysia	Construction works. It is involved in a construction project in Sarawak, Malaysia, where the Group acts as the subcontractor for the project.	30	30
Held through MPISB:				
PT Harmoni Energy Indonesia ("PT Harmoni")	Indonesia	Power producer. It is a strategic investment of the Group, enabling the Group to leverage its knowledge and expertise in the power sector.	46	46

20.1 Disposal of an associate

On 19 November 2024, Mudajaya Corporation Berhad ("MCB"), a wholly owned subsidiary, has entered into a share sale and purchase agreement with Musyati Sdn. Bhd. ("MSB") for the disposal of the Group's entire 30% shareholding in MMJV to MSB, the existing 70% shareholder of MMJV, for a consideration of RM6,800,000. The share sale transaction has been deemed completed and MMJV ceased to be an associate of the Group on even date.

As a result of the transaction, the Group recognised a loss on disposal amounted to RM174,000 for year ended 31 December 2024.

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(CONT'D)

20. INVESTMENTS IN ASSOCIATES (CONT'D)

Summarised financial information

The summarised financial information in respect of the Group's material associates, not adjusted for the proportion of ownership interest held by the Group, is as follows:

	2024		2023	
	PT Harmoni RM'000	MMJV RM'000	PT Harmoni RM'000	MMJV RM'000
Summarised statement of financial position				
Current assets	23,954	31,244	24,078	157,268
Non-current assets	94,391	–	108,187	–
Total assets	118,345	31,244	132,265	157,268
Current liabilities	(63,043)	(7,997)	(61,008)	(131,189)
Non-current liabilities	(35,897)	–	(44,644)	–
Total liabilities	(98,940)	(7,997)	(105,652)	(131,189)
Summarised statement of comprehensive income				
Revenue for the year/period	52,028	23,991	69,006	115,781
(Loss)/Profit and total comprehensive (loss)/income for the year/period	(4,304)	(2,832)	5,841	361

The reconciliation of summarised financial information presented above to the carrying amount of the Group's interest in material associates as follows:

	2024		2023	
	PT Harmoni RM'000	MMJV RM'000	PT Harmoni RM'000	MMJV RM'000
Net assets as at 1 January	26,613	26,079	22,463	25,718
Exchange rate movement	(2,904)	–	(1,691)	–
(Loss)/Profit for the year	(4,304)	(2,832)	5,841	361
	19,405	23,247	26,613	26,079
Interest in associate	46%	30%	46%	30%
Group's share of net assets	8,926	6,974	12,242	7,824

The summarised financial information in respect of MMJV as disclosed above represents the financial position and performance of associate as of date of disposal.

20. INVESTMENTS IN ASSOCIATES (CONT'D)

	PT Harmoni RM'000	MMJV RM'000	KEM RM'000	Total RM'000
2024				
Reconciliation of net assets carrying amount				
Group's share of net assets	8,926	–	456	9,382
Goodwill	7,783	–	–	7,783
Exchange rate movement	485	–	–	485
Impairment loss	(1,803)	–	–	(1,803)
Carrying amount in the statement of financial position	15,391	–	456	15,847
2023				
Reconciliation of net assets carrying amount				
Group's share of net assets	12,242	7,824	476	20,542
Goodwill	7,783	–	–	7,783
Exchange rate movement	(850)	–	–	(850)
Impairment loss	(1,803)	–	–	(1,803)
Carrying amount in the statement of financial position	17,372	7,824	476	25,672

Material accounting policy information

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

The results and assets and liabilities of associate are incorporated in these consolidated financial statements using the equity method of accounting.

21. OTHER INVESTMENTS

	Note	Group 2024 RM'000	Group 2023 RM'000
Fair value through profit or loss			
- Quoted shares		880	847
- Unquoted shares	(a)	148,815	27,500
- Club memberships		936	936
		150,631	29,283

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

21. OTHER INVESTMENTS (CONT'D)

(a) R.K.M Powergen Private Limited ("RKM") has a 4x360MW Coal-Fired Independent Power Producer Project with a project cost amounting to INR127.06 billion (equivalent to RM7.29 billion translated at closing exchange rate of INR18.0968: RM1.00 as at 31 December 2020) in the state of Chhattisgarh, India.

The shareholders agreement dated 8 February 2007 between MCB and RK Powergen Private Limited ("RKP"), a company incorporated in India, provides for the subscription of shares in RKM to the extent of 26% and 74% by MCB and RKP respectively. The Group's equity stake in RKM was reduced from 26% to 19.24% following the completion of the Master Debt Restructuring Agreement on 4 December 2020 by RKM and its lenders. The carrying amount of the investment in RKM had been impaired to nil in 2019 and 2020.

In 2021, the Group reassessed the investment in RKM and concluded that they no longer have any significant influence over the investment in RKM and ceased equity accounting for the associate.

Accordingly, the investment in RKM was redesignated to other investment measured at fair value through profit or loss in 2021.

The fair value of investment in RKM is determined by external valuers, having appropriate recognised professional qualifications. The fair value was measured based on income approach with significant unobservable inputs and categorised as Level 3 fair value. Changes in Level 3 fair values are analysed by the management every year after obtaining valuation report from the external valuers.

The financial model was projected for 18 (2023: 19) years based on the key assumptions as follows:

- existing medium term power purchase agreements with tariff rate at Rs 5.44/kwh (2023: Rs 5.44/kwh) with the ability to extend after the end of the signed power purchase agreement;
- a certain portion of the excess capacity of power energy can be sold via Indian Energy Exchange at Rs 6.76/kwh (2023: Rs 5.71/kwh);
- coal price is estimated at the range of Rs 2,687/MT to Rs 3,600/MT (2023: Rs 2,378/MT to Rs 3,500/MT);
- a pre-tax discount rate of 22% (2023: 23%) was applied.

The above estimates are particularly sensitive in the following areas:

- An increase of 1% in the discount rate used would have decreased the fair value by RM10,834,000 (2023: RM1,190,000).
- A decrease of 1% in future planned revenue would have decreased the fair value by RM35,747,000 (2023: RM15,070,000).

Key Sources of estimation uncertainty

Fair value of investment in unquoted shares

The Group assesses the fair value of investment in unquoted shares based on discounted cash flow method.

Significant management judgement was applied in the valuation process, particularly in assessing RKM's ability to extend its operations beyond the existing power purchase agreements and in forecasting coal prices during the concession period.

These key management estimates and judgements directly impact the fair value calculation and the amount of fair value gain recognised during the year.

22. DEFERRED TAX ASSETS/(LIABILITIES)

	Group	
	2024 RM'000	2023 RM'000
As at beginning of year	(26,141)	(34,523)
Recognised in profit or loss (Note 11):		
Unabsorbed capital allowances	(1,111)	3,462
Property, plant and equipment	630	(4,343)
Right-of-use assets	1,359	(7,302)
Investment properties	41	128
Service concession assets	569	8,167
Lease liabilities	(368)	7,888
Trade and other payables	(481)	(1,765)
Others	627	2,532
	1,266	8,767
Effect of movement in exchange rates	683	(385)
As at end of year	(24,192)	(26,141)

The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:

	Group	
	2024 RM'000	2023 RM'000
Deferred tax assets	10,862	8,743
Deferred tax liabilities	(35,054)	(34,884)
	(24,192)	(26,141)

Deferred tax assets/(liabilities) provided in the financial statements are in respect of the tax effects of the following:

	Group	
	2024 RM'000	2023 RM'000
Deferred tax assets		
Temporary differences arising from:		
Unabsorbed capital allowances	43,975	45,086
Service concession assets	15,129	17,251
Lease liabilities	9,540	9,908
Others	8,920	8,293
	77,564	80,538
Offsetting	(66,702)	(71,795)
Deferred tax assets (after offsetting)	10,862	8,743

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

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

Deferred tax assets/(liabilities) provided in the financial statements are in respect of the tax effects of the following: (Cont'd)

	Group	
	2024 RM'000	**2023 RM'000**
Deferred tax liabilities		
Temporary differences arising from:		
Property, plant and equipment	(21,600)	(22,230)
Service concession assets	(68,716)	(71,407)
Investment properties	(2,338)	(2,379)
Right-of-use assets	(7,660)	(9,019)
Trade and other payables	(2,246)	(1,765)
	(102,560)	(106,800)
Offsetting	66,702	71,795
	(35,858)	(35,005)
Effect of movement in exchange rates	804	121
Deferred tax liabilities (after offsetting)	(35,054)	(34,884)

Unrecognised deferred tax assets

The amount of deductible temporary differences, unutilised tax losses, unabsorbed capital allowances and unabsorbed investment tax allowances for which deferred tax assets are not recognised in the financial statements due to uncertainty of realisation are as follows:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Unutilised tax losses	231,858	208,032	–	–
Unabsorbed capital allowances	-	302	–	–
Unabsorbed investment tax allowances	222,433	191,264	–	–
Other temporary differences	651	34,068	65,000	25,000
	454,942	433,666	65,000	25,000

With effect from year of assessment 2019, any unutilised business losses in a year of assessment can only be carried forward for a maximum period of 10 consecutive years of assessment.

Subsequently, pursuant to an amendment to Section 44 (5F) of the Income Tax Act 1967, the time limit to utilise tax losses has been extended to a maximum of 10 consecutive years.

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

The unutilised tax losses will expire in the following year of assessment:

	Group	
	2024 RM'000	**2023 RM'000**
Year of assessment:		
2028	8,830	14,308
2029	125,985	120,507
2030	–	332
2031	–	806
2032	6,734	6,734
2033	22,269	22,269
2034	20,048	–
	183,866	164,956

Any amounts not utilised upon expiry period of the above year of assessment will be disregarded.

In relation to the subsidiaries in China, unutilised tax losses will gradually expire in five years and the remaining unutilised tax losses of RM47,992,000 (2023: RM43,076,000) can be carried forward indefinitely.

Key sources of estimation uncertainty

<u>Recognition of deferred tax assets</u>

Deferred tax assets are recognised for all unutilised tax losses, unabsorbed capital allowances, unabsorbed investment tax allowances and other temporary differences to the extent that it is probable that taxable profit will be available against which the tax losses, capital allowances, investment tax allowances and temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

23. LAND HELD FOR PROPERTY DEVELOPMENT

	Group	
	2024 RM'000	**2023 RM'000**
As at beginning of year	20,004	11,121
Additions	–	39
Transferred from inventories - properties under development	–	8,844
As at end of year	20,004	20,004
At cost		
Long term leasehold land	10,728	10,728
Development costs	9,276	9,276
	20,004	20,004

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

23. LAND HELD FOR PROPERTY DEVELOPMENT (CONT'D)

The leasehold land cost comprises land premium, alienation cost and annual rent. The leasehold land was registered under a third party and was being developed by a subsidiary pursuant to the Development Agreement and a Supplemental Agreement entered into between the subsidiary and the said third party on 22 July 1996 and 23 July 1996 respectively. The Development Agreement and Supplemental Agreement provide inter alia for the payment in kind in return for the land contributed by the third party.

Material accounting policy information

Land held for property development, stated at lower of cost and net realisable value, if any, is classified as non-current assets when no development work has been carried out or where development activities are not expected to be completed within the normal operating cycle.

Cost associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

Land held for property development is reclassified as properties under development at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the Group's normal operating cycle of 3 to 4 years.

Key sources of estimation uncertainty

<u>Net realisable value ("NRV") of land held for property development</u>

The Group assesses the NRV of land held for property development based on estimated selling price in the ordinary course of business of comparable properties in close proximity less the estimated costs necessary to make the sale and estimated costs of completion.

In the process of determining the NRV, significant judgement is involved in identifying comparable properties and factoring in adjustments which are unique to the properties held by the Group.

24. INVENTORIES

	Group 2024 RM'000	2023 RM'000
At cost:		
- Properties held for sale	11,594	18,463
- Properties under development	7,991	4,177
- Raw materials	3,500	3,906
- Work in progress	54	55
- Finished goods	5,400	16,866
- Spare parts	1,031	1,736
	29,570	45,203
At net realisable value:		
- Properties held for sale	47,505	50,138
	77,075	95,341
Recognised in profit or loss:		
Inventories recognised as cost of inventories sold		
- Properties held for sale	10,214	7,616
- Finished goods	116,289	195,308
- Property development costs	295	–
Inventories written down to NRV	–	1,239
	126,798	204,163
Properties under development:		
As at beginning of year	4,177	13,021
Addition	4,109	–
Transferred to land held for property development	–	(8,844)
Cost charged to profit or loss	(295)	–
As at end of year	7,991	4,177
Included in the properties under development are as follows:		
- Long term leasehold land	1,880	1,880
- Development costs	6,111	2,297
	7,991	4,177

Certain properties with carrying amount of RM40,749,000 (2023: RM42,749,000) held for sale are pledged to secure the Group's secured revolving credits (Note 32(e)).

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24. INVENTORIES (CONT'D)

Material accounting policy information

Inventories are measured at the lower of cost and net realisable value.

Properties held for sale and properties under development is determined on a specific identification basis. Properties held for sale and properties under development includes acquisition costs, development expenditure and other costs directly attributable to the development activities.

Cost of raw materials and spare parts is determined on a weighted average method, as appropriate, according to the category of inventories concerned. The cost of raw materials and spare parts comprises original purchase price plus costs incurred in bringing the inventories to their present location and condition. The cost of finished goods and work in progress comprises cost associated with the direct costs and appropriate proportions of common costs.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Key sources of estimation uncertainty

<u>NRV of properties held for sale</u>

The Group assesses the NRV of properties held for sale based on estimated selling price in the ordinary course of business of comparable properties in close proximity less the estimated costs necessary to make the sale and estimated costs of completion.

In the process of determining the NRV, significant judgement is involved in identifying comparable properties and factoring in adjustments which are unique to the properties held by the Group.

25. OTHER CURRENT ASSETS

		Group	
	Note	**2024 RM'000**	**2023 RM'000**
Contra properties	(i)	152,361	151,100
Recognised in profit or loss:			
Other current assets written down to net realisable value		–	1,261
Reversal of other current assets written down		(1,261)	–

(i) In 2013, a wholly-owned subsidiary of the Company, MCB entered into a Compromise and Settlement Agreement with one of its debtors whereby the amount due from the debtor was settled via transfer of properties ("contra properties") to MCB. The contra properties comprise service apartments, office suites, retail units and parking lots in Kuala Lumpur, Malaysia.

On 6 April 2016, MCB entered into Final Settlement Agreement with the debtor and both parties agreed that MCB shall complete the balance of work in the project on its own cost. The project was completed in year 2017.

The Group has not obtained vacant possession of the contra properties. A civil suit has been taken by MCB against the debtor to seek, amongst others, an order of specific performance to deliver vacant possession of the contra properties. Based on the legal advise, the Group has a reasonably good chance of successfully obtaining the order for specific performance of the sale and purchase agreements for the delivery of vacant possession of the units. As at 31 December 2024, these contra properties have a carrying amount of RM152,361,000 (2023: RM151,100,000).

25. OTHER CURRENT ASSETS (CONT'D)

All contra properties with carrying amount of RM152,361,000 (2023: RM151,100,000) are pledged to secure the Group's revolving credits (Note 32(e)).

Key sources of estimation uncertainty

NRV of contra properties

The Group assesses the NRV of contra properties based on estimated selling price in the ordinary course of business of comparable properties in close proximity less the estimated costs necessary to make the sale and estimated costs of completion.

In the process of determining the NRV, significant judgement is involved in identifying comparable properties and factoring in adjustments which are unique to the properties held by the Group.

26. CONTRACT ASSETS/(LIABILITIES)

	Group	
	2024 RM'000	**2023 RM'000**
Contract assets	22,129	18,347
Contract liabilities	(12,804)	(17,922)

	Group	
	2024 RM'000	**2023 RM'000**
As at beginning of year	425	59,362
Revenue recognised that was included in contract liabilities at the beginning of year	10,839	1,627
Revenue recognised during the year	154,890	185,379
Progress billings	(157,146)	(245,766)
Effect of movement in exchange rates	317	(177)
As at end of year	9,325	425

Material accounting policy information

Contract asset is the right to consideration for goods or services transferred to the customers. The Group's contract asset is the excess of cumulative revenue earned over the billings to-date. Contract asset is reclassified to trade receivables at the point at which invoices have been billed to customers.

Contract liability is the obligation to transfer goods or services to customers for which the Group has received the consideration or have billed the customers. The Group's contract liability is the excess of the billings to-date over the cumulative revenue earned. Contract liabilities are recognised as revenue when the Group performs their obligation under the contracts.

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27. TRADE AND OTHER RECEIVABLES

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current					
Non-trade					
Amount due from an associate	(f)	23,996	23,996	–	–
Less: Allowance for doubtful debts		(15,246)	(15,246)	–	–
		8,750	8,750	–	–
Deposits	(a)	14,689	21,195	–	–
		23,439	29,945	–	–
Current					
Trade					
Trade and bills receivables from contracts with customers	(b)	265,930	393,275	–	–
Less: Allowance for doubtful debts		(22,858)	(3,617)	–	–
		243,072	389,658	–	–
Retention sums	(c)	49,373	48,927	–	–
Accrued revenue		444	2,800	–	–
		292,889	441,385	–	–
Non-trade					
Other receivables	(d)	336,484	412,019	–	–
Less: Allowance for doubtful debts		(15,605)	(10,460)	–	–
		320,879	401,559	–	–
Amount due from subsidiaries	(e)	–	–	453,489	358,565
Less: Allowance for doubtful debts		–	–	–	(38,300)
		–	–	453,489	320,265
Amount due from associates	(f)	3,307	5,557	1	–
Less: Allowance for doubtful debts		–	–	–	–
		3,307	5,557	1	–
Deposits		5,425	7,904	–	2
Prepayments		16,462	3,624	10	25
Advance payments	(g)	4,670	40,146	–	–
		643,632	900,175	453,500	320,292

27. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) Deposits

Included in the deposits is an amount of RM14,689,000 (2023: RM15,347,000) made for the purchases of certain equipment and machineries. The equipment and machineries under the purchase agreements were for future use in the development of new cement production facilities at Bailonggang, Pudong, Shanghai.

(b) Trade and bills receivables

The Group's normal trade credit terms ranges from 30 to 270 days (2023: 30 to 365 days) terms.

Certain bill receivables with carrying amount RM24,852,000 (2023: RM129,070,000) are pledged to secure the Group's invoice financing (Note 32 (f)).

(c) Retention sums

Retention sums are due upon the expiry of the defect liability period stated in the respective construction contracts. The defect liability periods range from 12 to 24 months. Retention sums are expected to be collected as follows:

	Group	
	2024 RM'000	2023 RM'000
Within 1 year	11,977	1,947
More than 1 year	37,396	46,980
	49,373	48,927

(d) Other receivables

Mainly represented the receivables from the sales of goods to customers on behalf of the suppliers.

(e) Amount due from subsidiaries

The amount due from subsidiaries are unsecured, non-interest bearing and repayable on demand.

(f) Amount due from associates

Included in the amount due from associates are advances amounting to RM8,750,000 (2023: RM8,750,000) extended to PT Harmoni and are subjected to interest at 6.5% (2023: 6.5%) per annum unsecured and repayable on 31 October 2033. The remaining balance is non-interest bearing, unsecured and repayable on demand.

(g) Advance payments

These are mainly contractual advance payments to subcontractors for construction works and suppliers for the purchases of materials.

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27. TRADE AND OTHER RECEIVABLES (CONT'D)

Key sources of estimation uncertainty

Expected credit loss ("ECL")

The Group recognises loss allowances for ECL on financial assets measured at amortised cost and contract assets. ECL are a probability-weighted estimate of credit losses.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information, where available.

28. LOAN RECEIVABLES

	Note	Group 2024 RM'000	Group 2023 RM'000
Loan receivables		39,204	40,415
Less: Allowance for doubtful debts	(a)	(24,739)	(24,371)
		14,465	16,044
Reverse repurchase agreements	(b)	62,433	7,443
		76,898	23,487

(a) As at 31 December 2024, included in the Group's loan receivables are debtors with carrying amount of RM24,739,000 (2023: RM24,371,000), represented an unsecured loan to an independent third party which the Directors of the Group consider credit risk had increased significantly. The debtors are in severe financial difficulties and have been placed under liquidation. The amount is fully impaired.

The remaining loan receivables of RM14,465,000 (2023: RM16,044,000) were unsecured, carry interest at a fixed rate of 4.35% (2023: 4.35%) per annum and were due on 29 June 2023.

(b) The reverse repurchase agreement party, entered into pledge-style bond repurchase agreement transactions through the Shanghai Stock Exchange are denominated in Chinese Yuan with maturity periods from 1 to 28 (2023: 1 to 28) days and carried interest ranging from 1.32% to 5.56% (2023: 1.51% to 5.20%) per annum.

29. STRUCTURED DEPOSITS

	Group	
	2024 RM'000	2023 RM'000
At fair value through profit or loss		
Structured deposits	49,153	26,358

Structured deposits represent products issued by the banks and pay interest (i) at a rate which has an inverse relationship to the market interest rate and (ii) which linked to the fluctuation of foreign exchange rate.

These structured deposits do not meet the solely payments of principal and interest on the principal amount outstanding, hence are designated as financial assets at fair value through profit or loss on initial recognition.

Certain structured deposits were pledged to secure for short-term bank facilities in respect of the issuance of bills payable (Note 33(b)).

30. CASH AND BANK BALANCES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances	60,091	116,257	366	28
Deposits with financial institutions	123,612	190,699	–	–
	183,703	306,956	366	28

Financial institutions include licensed investment banks and asset management companies.

Cash at banks and deposits with financial institutions earned interest at floating rates based on daily deposit rates that cater for immediate cash requirements of the Group and the Company. Deposits placed with licensed investment banks and asset management companies are in the form of fixed deposits and units placed in money market funds. These deposits are on call and/or repo basis and bear interest at rates ranging from 1.35% to 2.95% (2023: 1.35% to 2.95%) per annum during the year.

Included in cash and bank balances of the Group is Designated Collection Accounts ("DCA") and Finance Service Reserve Account ("FSRA") of RM1,125,000 (2023: RM1,125,000) charged for the term loans (Note 32(a)).

Included in bank balances and deposits with financial institutions are deposits for the Group Disbursement Accounts held for the Green Sustainable and Responsible Investment ("SRI") Sukuk Wakalah which are restricted from use for other operations amounting to RM117,000 (2023: RM516,000) and RM42,165,000 (2023: RM38,617,000) respectively (Note 32(c)).

Included in the deposits with a financial institution are monies held in escrow accounts amounting to RM1,702,000 (2023: RM1,650,000) for the Group which are restricted in usage and do not form part of cash and cash equivalents.

Included in the deposits with a financial institution is RM38,109,000 (2023: RM112,598,000) charged to secure for short-term bank facilities in respect of the issuance of bills payable (Note 33(b)).

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31. CAPITAL RESERVES

(a) Share capital

Group and Company	Number of shares 2024 '000	Amount 2024 RM'000	Number of shares 2023 '000	Amount 2023 RM'000
Ordinary shares, issued and fully paid:				
As at beginning of year	1,875,921	667,683	1,875,747	663,450
Issued during the year	781,477	145,351	–	–
Exercise of warrants	–	–	174	38
	2,657,398	813,034	1,875,921	663,488
Allocated to warrant reserves	–	(24,094)	–	–
Transferred from warrant reserve to share capital	–	–	–	4,195
As at end of year	2,657,398	788,940	1,875,921	667,683

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. The ordinary shares have no par value.

In 2023, the Company increased its issued and paid up ordinary share capital of RM38,000 comprising 174,000 ordinary shares pursuant to the exercise of warrants.

During the year, the Company raised total proceeds of RM90,351,000 by issuance of Rights Issue with Warrants exercise with 531,477,000 Rights Shares issued at RM0.17 per share, together with 531,477,000 free warrants on the basis of 1 Warrant for every 1 Right Share. The total proceeds of RM90,351,000 were allocated between ordinary shares and warrants based on the fair value of the two instruments on a prorate basis. The Company also raised total proceeds of RM55,000,000 by issuance of 250,000,000 ordinary shares at RM0.22 per share pursuant to the corporate exercises.

The new ordinary shares issued rank pari passu with the existing ordinary shares of the Company.

(b) Warrant reserve

In 2021, the Company allotted and issued 648,862,166 free warrants in conjunction with Rights Issue. The warrants are valid for exercise for a period of 2 years from its issue date and will expire on 3 October 2023. During this period, each warrant entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 4 October 2021 to 3 October 2023, at an exercise price of RM0.22 per Warrant in accordance with the Deed Poll dated 29 June 2021. Any warrants not exercised by its expiry date will lapse thereafter and cease to be valid for all purposes. In 2023, 174,000 warrants were exercised at the exercise price of RM0.22 each and all the 70,665,000 unexercised warrants have been lapsed and ceased to be valid for all purposes.

During the year, the Company allotted and issued 531,477,000 free warrants in conjunction with Rights Issue. The warrants are valid for exercise over a period of three years from its issue date and will expire on 30 July 2027. Each warrant entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 1 August 2024 to 30 July 2027, at an exercise price of RM0.22 per warrant in accordance with the Deed Poll dated 24 June 2024. Any warrants not exercised by its expiry date will lapse thereafter and cease to be valid for all purposes.

None of the warrants were exercised for year ended 31 December 2024.

31. CAPITAL RESERVES (CONT'D)

(c) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

32. LOANS AND BORROWINGS

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Non-current					
Unsecured:					
Other borrowings	(b)	125,389	–	20,000	–
Term loans	(a)	–	96,547	–	96,547
		125,389	96,547	20,000	96,547
Secured:					
Term loans	(a)	24,469	27,859	–	–
Green SRI Sukuk Wakalah	(c)	167,905	182,791	–	–
		192,374	210,650	–	–
		317,763	307,197	20,000	96,547
Current					
Unsecured:					
Bankers' acceptance	(d)	2,200	4,572	–	–
Term loans	(a),(g)	122,409	27,000	93,909	–
Revolving credits	(e),(g)	7,500	4,000	–	–
Invoice financing	(f)	1,957	2,304	–	–
Other borrowings	(b)	–	225,705	–	–
		134,066	263,581	93,909	–
Secured:					
Term loans	(a)	39,390	23,881	–	–
Green SRI Sukuk Wakalah	(c)	14,838	14,837	–	–
Revolving credits	(e)	61,381	69,230	–	–
Invoice financing	(f)	23,545	129,070	–	–
Other borrowings	(b)	74,861	76,546	–	–
		214,015	313,564	–	–
		348,081	577,145	93,909	–
		665,844	884,342	113,909	96,547

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32. LOANS AND BORROWINGS (CONT'D)

The maturities of the loans and borrowings are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Within one year	348,081	577,145	93,909	–
More than 1 year and less than 2 years	143,703	114,851	20,000	96,547
3 to 5 years	55,098	55,069	–	–
5 years and above	118,962	137,277	–	–
	665,844	884,342	113,909	96,547

(a) Term loans

Both unsecured and secured term loans bear interest at rates ranging from 4.72% to 8.50% (2023: 4.47% to 8.50%) per annum.

Certain secured term loans are secured by a charge over cash deposits into DCA and FSRA (Note 30), a charge over 8 units of commercial shop lots (Note 14 and Note 16) and 8 units of residential units (Note 14), a charge over certain investment properties (Note 16) and corporate guarantee by the Company.

Other information on financial risk of borrowings is disclosed in Note 36.

(b) Other borrowings

The other borrowings of the Group mainly comprise the following:

(i) An unsecured third-party borrowing of RM95,345,000 (equivalent to HKD157,000,000) (2023: RM92,793,000; equivalent to HKD157,000,000) which bear interest rate of 6% per annum (2023: 5%) and repayable on 9 November 2026. In 2023, an unsecured third-party borrowing of RM132,912,000 (equivalent to HKD214,980,000) which bore interest rate of 5% per annum, was fully repaid during the year.

(ii) Third-party borrowings of RM74,861,000 (equivalent to HKD130,000,000) (2023: RM76,545,000; equivalent to HKD130,000,000) which are secured, bear interests at fixed rates and are repayable within 1 year as at the reporting date. The effective interest rate of the borrowings is at 6.04% (2023: 6.13%) per annum.

(iii) Two new unsecured third-party borrowing of RM20,000,000 and RM10,044,000 (equivalent to HKD17,441,000) which bear interest rate of 8% per annum.

The borrowings are secured by share mortgages and several debentures that created first fixed and floating charges over the undertaking, property and assets of the Group in favour of the lenders.

(c) Green SRI Sukuk Wakalah

On 30 January 2018, SKSB issued RM245 million Green SRI Sukuk Wakalah under the Shariah Principle of Wakalah Bi Al-Istithmar which bears profit at rates ranging from 5.36% to 6.35% (2023: 4.96% to 6.35%) per annum and was based on the Securities Commission's Sustainable and Responsible Investment ("SRI") Sukuk Framework ("Green SRI SUKUK WAKALAH").

32. LOANS AND BORROWINGS (CONT'D)

(c) Green SRI Sukuk Wakalah (Cont'd)

The borrowing is secured by the following:

(i) a first ranking charge pursuant to the National Land Code, 1965 ("NLC") over the Photovoltaic ("PV") Site Lease ("Charge over PV Site Lease") (Note 18);

(ii) a first ranking charge pursuant to the NLC over the Koperasi NLFCS Berhad ("NLFCS") SPA Land A ("Charge over NLFCS SPA Land A") (Note 18);

(iii) a first ranking charge pursuant to the NLC over the NLFCS Lease ("Charge over NLFCS Lease") (Note 18);

(iv) a first ranking debenture comprising fixed and floating charges over all present and future assets of SKSB (Note 18);

(v) a first ranking legal and absolute assignment ("Deed of Assignment") of all the rights, titles, interests and benefits under the following and proceeds therefrom (Note 30):

- the Project Agreements (save and except for the Perak State Agricultural Development Corporation ("SADC") Lease Agreement);
- all performance and/or maintenance bonds in respect of the Project and all other guarantees, advance payment bonds and other forms of payment or performance security issued in favour of the Issuer pursuant to any Project Agreements; and
- all permits and licences required to undertake the Project (to the extent that such permits and licences are assignable).

(d) Bankers' acceptance

The bankers' acceptance was drawn down to finance trade purchases and bears interest at rates of 4.77% to 5.24% (2023: 5.20% to 5.24%) per annum.

(e) Revolving credits

Both unsecured and secured revolving credit facilities were drawn down for working capital requirements. The revolving credits which were rolled-over on a monthly basis bear interest at rates ranging from 4.83% to 6.57% (2023: 4.95% to 6.91%) per annum. The interest rates are fixed at the date of each drawdown and might be revised at the commencement of each roll-over period.

The secured revolving credits are secured by a charge over freehold lands of the Group (Note 14), certain buildings of the Group (Note 14), certain investment properties of the Group (Note 16), certain properties held for sale of the Group (Note 24) and certain contra properties of the Group (Note 25).

(f) Invoice financing

The secured invoice financing bear interests at fixed rates and are repayable within one year as at the reporting date. The effective interest rate is at 2.75% (2023: 2.80% to 3.20%) per annum. The invoice financing are secured by a charge over certain bill receivables of the Group (Note 27).

The unsecured invoice financing bear interests at fixed rates of 5.79% (2023: 5.00% to 5.70%) per annum and are repayable within one year as at the reporting date.

32. LOANS AND BORROWINGS (CONT'D)

(g) Financial and non-financial covenants

As at 31 December 2024, the Group did not meet certain financial covenants for borrowings totalling RM45,250,000.

Details of the breaches of the financial covenants are as follows:

(i) Revolving credit

A wholly-owned subsidiary of the Company was not in compliance with one of the financial covenants in accordance with the facilities agreements as at 31 December 2024 which is:

- The net gearing ratio shall not be more than 2 times

The total revolving credit related to the breach in covenants is RM9,250,000. These borrowings are presented as current liabilities as at 31 December 2024.

(ii) Term loan

A wholly-owned subsidiary of the Company was not in compliance with certain financial and non-financial covenants in accordance with the facilities agreements as at 31 December 2024 which are:

- The debt service coverage ratio shall be more or equal to 1.2 times;
- Submission of quarterly performance output report within 30 days after the end of each quarter;
- Submission of audited accounts within 120 days from the financial year end; and
- Obtaining written consent from the lender for advances provided to a related company.

The total term loan related to breach in covenants is RM36,000,000. These borrowings are presented as current liabilities as at 31 December 2024.

The lenders have not requested accelerated repayment of the loan, and the terms of the loan remain unchanged. Management is actively engaging with the lenders on obtaining a formal waiver letter in respect of the covenant breaches.

Reconciliation of Liabilities Arising from Financing Activities

The table below details changes in the Group's and the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's and the Company's statements of cash flows as cash flows from financing activities.

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
As at beginning of year	884,342	729,861	96,547	88,312
Cash flows:				
Drawdown of loans and borrowings	129,622	291,564	20,000	98,700
Repayment of principal portion of loans and borrowings	(449,036)	(169,218)	–	(88,312)
Repayment of interest portion loans and borrowings	(49,908)	(50,045)	(8,800)	(7,370)
Interest expense	49,908	50,045	8,800	7,370
Effect of movement in exchange rates	100,916	32,135	(2,638)	(2,153)
As at end of year	665,844	884,342	113,909	96,547

33. REFUNDABLE DEPOSITS, TRADE AND OTHER PAYABLES

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current					
Non-trade					
Refundable deposits	(a)	1,302	1,500	–	–
Current					
Trade					
Trade and bills payables	(b)	227,734	362,997	–	–
Provision for foreseeable loss	(c)	2,736	2,773	–	–
		230,470	365,770	–	–
Non-trade					
Refundable deposits	(a)	4,450	3,017	–	–
Accruals		28,575	16,588	7,644	956
Other payables	(d)	120,353	118,224	30	15
Provision for mine restoration and reclamation costs	(e)	8,522	25,857	–	–
Deposits received	(f)	1,896	486	–	–
Amount due to related parties	(g)	–	90	–	–
		163,796	164,262	7,674	971
		394,266	530,032	7,674	971

The movements of provisions are analysed as follow:

	Provision for foreseeable loss RM'000	Provision for mine restoration and reclamation costs RM'000
As at 1 January 2023	–	25,158
Recognised in profit or loss:		
Additional provision during the year	2,773	–
Exchange difference	–	699
As at 31 December 2023/1 January 2024	2,773	25,857
Recognised in profit or loss:		
Additional provision during the year	2,736	–
Reversal of provision no longer required	(2,773)	(15,284)
Exchange difference	–	(2,051)
As at 31 December 2024	2,736	8,522

33. REFUNDABLE DEPOSITS, TRADE AND OTHER PAYABLES (CONT'D)

(a) Refundable deposits

Refundable deposits consist of security deposits, utilities deposits, letterbox deposits and renovation deposits which are refundable to the tenants of investment property upon the end of the tenancy agreement.

(b) Trade and bills payables

Trade and bills payables are non-interest bearing. The normal trade credit terms granted to the Group are ranging from 7 to 120 days (2023: 7 to 120 days) and the bills payables credit terms granted to the Group are ranging from 180 to 365 days (2023: 180 to 365 days). Bills payables are secured by a charge over certain buildings of the Group (Note 14), certain right-of-use assets on land use rights (Note 15), certain structured deposits (Note 29), and certain deposits with a financial institution (Note 30).

The Group has entered into supplier finance arrangements that permit the suppliers to obtain payment from the banks for the amounts billed only on due dates of the bills, under the same conditions as agreed with the suppliers without further extension. In the consolidated statement of cash flows, settlements of these bills are included within operating cash flows based on the nature of the arrangements. As the arrangements do not permit the Group to delay payment beyond the original terms, the Group considers amounts payable to the banks should be presented as part of trade and bills payables. As at 31 December 2024, 50.7% (2023: 63.5%) of trade and bills payables were amounts owed under these arrangements.

In the event that the Group applied for further extension of payment term with the financial institution, these portion are classified and presented as loans and borrowings (Note 32).

		Group	
	31/12/2024 RM'000	31/12/2023 RM'000	1/1/2023 RM'000
Carrying amount of the financial liabilities			
Presented within trade and bills payables:	115,557	230,387	N/A
- of which suppliers have received payments from banks	–	N/A	N/A
Presented within loans and borrowings:	25,502	131,374	N/A
- of which suppliers have received payment from banks	25,502	N/A	N/A
Range of payment due dates	**Days**	**Days**	**Days**
Presented within trade and bill payables:			
Liabilities that are part of supplier finance arragements	7 to 120	N/A	N/A
Comparable trade payables that are not part of supplier finance arrangements	7 to 120	N/A	N/A
Presented within loans and borrowings:			
Liabilities that are part of supplier finance arragements	365	N/A	N/A
Comparable trade payables that are not part of supplier finance arrangements	7 to 120	N/A	N/A

33. REFUNDABLE DEPOSITS, TRADE AND OTHER PAYABLES (CONT'D)

(b) Trade and bills payables (Cont'd)

Changes in liabilities that are subject to supplier finance arrangements are primarily attributable to additions resulting from purchases of goods and services and subsequent cash settlements. There were no material non-cash changes in these liabilities.

The Group does not face a significant liquidity risk as a result of its supplier finance arrangements given the limited amount of liabilities subject to supplier finance arrangements and the Group's access to other sources of finance on similar terms.

(c) Provision for foreseeable loss

Provision for foreseeable losses represents the present obligation for losses expected to be incurred for construction contracts.

(d) Other payables

Mainly represented the payables to the suppliers on behalf of the customers. As according to the Group's practice, the Group acts as an agent and sells the goods to the customers on behalf of suppliers. The Group collects full payment from customers, retains its commissions and remaining balance will be repaid to the suppliers.

(e) Provision for mine restoration and reclamation cost

Provision for mine restoration and reclamation cost represents a liability recognised for the estimated future costs associated with restoring and rehabilitating mining sites after the completion of mining activities. This includes activities such as removing facilities, recontouring the land, replacing topsoil, and replanting vegetation to return the land to a safe and environmentally stable condition.

The provision is recognised when there is a present legal or constructive obligation arising from past mining operations, and when a reliable estimate of the cost can be made. The amount is typically based on current legal requirements, environmental regulations, and company policies, and is updated periodically to reflect changes in estimates, timing, and discount rates.

(f) Deposits received

Deposit received represent cash deposits received from customers, primarily related to the Group's sale of construction materials revenue stream.

(g) Amount due to related parties

The amount due to related parties are unsecured, interest-free and are repayable on demand. The related parties represent the non-controlling shareholders of the Group's subsidiary.

Material accounting policy information

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, it is probable that the Group and the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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34. LEASE LIABILITIES

	Group 2024 RM'000	Group 2023 RM'000
Analysed as:		
Non-current	38,249	39,880
Current	2,529	2,007
	40,778	41,887
Maturity analysis:		
Current liabilities:		
- Within one year	4,698	4,238
Non-current liabilities		
- More than 1 year and within 2 years	4,128	4,855
- More than 2 years and within 5 years	12,310	12,067
- More than 5 years	38,641	41,906
	59,777	63,066
Less: Unearned interest	(18,999)	(21,179)
	40,778	41,887
As at beginning of year	41,887	44,523
Additions	1,366	442
Finance costs	2,277	2,365
Payments of leases	(4,742)	(5,132)
Termination	–	(350)
Effect of movement in exchange rates	(10)	39
As at end of year	40,778	41,887

The Group discounted the lease liabilities by using the Group's incremental borrowings rates, which ranges from 2.08% to 6.83% (2023: 3.00% to 5.08%).

Reconciliation of Liabilities Arising from Financing Activities

The table below details changes in the liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the statements of cash flows as cash flows from financing activities.

	Group 2024 RM'000	Group 2023 RM'000
As at beginning of year	41,887	44,523
Repayment of lease liabilities	(2,465)	(2,767)
Other changes (i)	1,356	131
As at end of year	40,778	41,887

(i) Other changes include additions, termination of leases and effect of movement in exchange rates.

35. HOLDING COMPANY AND RELATED PARTY TRANSACTIONS

Holding company

The immediate and ultimate holding company of the Company is Yakin Setiamas Sdn. Bhd., a company incorporated in Malaysia.

Identities of related parties

For the purposes of financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the parties are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly and entity that provide key management personnel services to the Group. The key management personnel include all the Directors of the Group, and certain members of senior management of the Group.

The Group has related party relationship with its subsidiaries, associates and key management personnel.

Significant related party transactions

The related party transactions of the Group and the Company, other than key management personnel compensation (see Note 10), are as follows:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Subsidiaries				
Corporate guarantee fee	–	–	1,207	1,129
Funding income	–	–	9,093	7,282
Rental expense	–	–	(59)	(77)
Associates				
Interest income	578	680	–	–
Secondment fee receivables	492	213	–	–
Corporate guarantee fee	106	299	–	–

These transactions have been entered into a negotiated term basis.

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36. FINANCIAL INSTRUMENTS

Capital Risk Management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and acceptable capital ratios in order to support its business and maximise shareholder value. The Group's overall strategy remains unchanged from 2023.

The capital structure of the Group consists of equity and debt of the Group. The Group's equity includes share capital and reserve as disclosed in Note 31. Debt is defined by the Group as both long-term and short-term loans and borrowings and lease liabilities as disclosed in Note 32 and Note 34.

The Group manages its capital structure and make adjustments to it, in light of changes in economic conditions or expansion plans of the Group. The Group may adjust the capital structure by issuing new shares, returning capital to shareholders or adjusting dividend payment policies.

There are no externally imposed capital requirements.

Categories of financial instruments

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Financial assets				
Amortised cost:				
Trade and other receivables	645,495	883,550	453,490	320,267
Cash and bank balances	141,538	268,339	366	28
Service concession assets	262,325	277,321	–	–
Loan receivables	76,898	23,487	–	–
Fair value through profit or loss:				
Other investments	150,631	29,283	–	–
Structured deposits	49,153	26,358	–	–
Cash and bank balances	42,165	38,617	–	–
Financial liabilities				
Amortised cost:				
Refundable deposits, trade and other payables	382,414	502,416	7,674	971
Lease liabilities	40,778	41,887	–	–
Loans and borrowings	665,844	884,342	113,909	96,547

Financial Risk Management Objectives and Policies

The operations of the Group are subject to a variety of financial risks, including credit risk, liquidity risk, foreign currency risk, interest rate risk and cash flow risk. The Group's principal objective is to minimise the Group's exposure to risks and/or costs associated with the financing, investing and operating activities of the Group.

Various risk management policies are formulated and approved by the directors for observation in the day-to-day operations for controlling and managing the risks associated with financial instruments.

36. FINANCIAL INSTRUMENTS (CONT'D)

(a) Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from trade and other receivables, loan receivables, contract assets, service concession assets and cash and bank balances. The Company's exposure to credit risk arises principally from amount due from subsidiaries, financial guarantee given to banks for credit facilities granted to subsidiaries and cash and bank balances.

Trade receivables and contract assets

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

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

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

There are no significant changes as compared to previous years.

Exposure to credit risk, credit quality and collateral

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

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk arising from the financial assets is the carrying amount of each class of financial assets as recognised in the statements of financial position.

A significant portion of these receivables are regular customers that have been transacting with the Group.

Concentration of credit risk

At the end of the reporting period, approximately 35% (2023: 28%) of the Group's trade receivables were due from 5 (2023: 5) major customers.

The exposure of credit risk for trade receivables and contract assets as at the end of the reporting period by industry sector and geographic region were:

	2024		2023	
Group	**RM'000**	**% of total**	**RM'000**	**% of total**
By industry sector:				
Construction	105,182	33	111,019	24
Property development	4,380	1	4,383	1
Power	5,016	2	5,840	1
Manufacturing, trading and others	200,440	64	338,490	74
	315,018	100	459,732	100

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

36. FINANCIAL INSTRUMENTS (CONT'D)

(a) Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

Concentration of credit risk (Cont'd)

Group	2024 RM'000	2024 % of total	2023 RM'000	2023 % of total
By geographical:				
Malaysia	119,415	38	132,341	29
China	195,603	62	327,391	71
	315,018	100	459,732	100

Recognition and measurement of allowance for doubtful debts

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. The Group assessed the risk of loss of each customer individually based on their financial information, past trend of payments, letter of undertaking from banks and external credit ratings, where applicable.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets which are grouped together as they are expected to have similar risk nature.

Group	Gross carrying amount RM'000	Allowance for doubtful debts RM'000	Net balance RM'000
2024			
Current (not past due)	274,086	–	274,086
1-30 days past due	3,081	–	3,081
31-60 days past due	2,153	–	2,153
61-90 days past due	8,248	–	8,248
91-120 days past due	4,291	–	4,291
More than 120 days past due	46,017	(22,858)	23,159
	337,876	(22,858)	315,018
Trade receivables	315,747	(22,858)	292,889
Contract assets	22,129	–	22,129
	337,876	(22,858)	315,018

36. FINANCIAL INSTRUMENTS (CONT'D)

(a) Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

Recognition and measurement of allowance for doubtful debts (Cont'd)

Group	Gross carrying amount RM'000	Allowance for doubtful debts RM'000	Net balance RM'000
2023			
Current (not past due)	407,198	–	407,198
1-30 days past due	5,029	–	5,029
31-60 days past due	3,409	–	3,409
61-90 days past due	4,461	–	4,461
91-120 days past due	5,213	–	5,213
More than 120 days past due	38,039	(3,617)	34,422
	463,349	(3,617)	459,732
Trade receivables	445,002	(3,617)	441,385
Contract assets	18,347	–	18,347
	463,349	(3,617)	459,732

There are trade receivables that are past due but not impaired where the Group has not recognised any allowance of doubtful debts. Based on past trend, these receivables are collected within the next 12 months subsequent to the immediate year end. These receivables are unsecured in nature.

The movements in the allowance for doubtful debts in respect of trade receivables during the year are shown below.

Group	Trade receivables RM'000
Credit Impaired	
As at 1 January 2023	8,227
Allowance written off	(5,057)
Net measurement of allowance	447
As at 31 December 2023/1 January 2024	3,617
Net measurement of allowance	19,353
Exchange difference	(112)
As at 31 December 2024	22,858

36. FINANCIAL INSTRUMENTS (CONT'D)

(a) Credit risk (Cont'd)

Cash and bank balances

The cash and bank balances are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

Other receivables

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. At each reporting date, the Group assesses whether any of the other receivables are credit impaired.

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

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk of other receivables is represented by their carrying amounts in the statements of financial position.

Recognition and measurement of allowance for doubtful debts

As there are only a few other receivables, the Group assessed the risk of loss of each other receivables individually based on past trend of payment.

The movements in the allowance for allowance for doubtful debts in respect of other receivables during the year are shown below:

	Group	
	2024 RM'000	2023 RM'000
As at beginning of year	10,460	15,798
Net measurement/(reversal) of allowance	5,241	(5,338)
Exchange difference	(96)	–
As at end of year	15,605	10,460

36. FINANCIAL INSTRUMENTS (CONT'D)

(a) Credit risk (Cont'd)

Loan receivables

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. At each reporting date, the Group assesses whether any of the loan receivables are credit impaired.

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

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk of loan receivables is represented by their carrying amounts in the statements of financial position.

The movements in the allowance for doubtful debts in respect of loan receivables during the year are shown below:

	Group	
	2024 RM'000	2023 RM'000
As at beginning of year	24,371	20,674
Net measurement of loss allowance	920	3,697
Exchange difference	(552)	–
As at end of year	24,739	24,371

Service concession assets

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. At each reporting date, the Group assesses whether any of the service concession assets are credit impaired.

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

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk of service concession assets is represented by their carrying amounts in the statements of financial position.

36. FINANCIAL INSTRUMENTS (CONT'D)

(a) Credit risk (Cont'd)

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Group and the Company provide unsecured financial guarantees to banks, customers and payables as performance bonds, tender bonds, security deposits or in respect of guarantee for banking facilities granted to certain subsidiaries and associates.

The Company also provides financial support to certain subsidiaries to enable them to meet their liabilities as and when they fall due.

Exposure to credit risk, credit quality and collateral

The total amount of financial guarantees provided by the Group and the Company for credit facilities granted to certain subsidiaries and associates amounted to RMNil and RM194,147,000 (2023: RM19,724,000 and RM183,982,000) respectively.

The financial guarantees are provided as credit enhancements to banks, customers and payables.

Recognition and measurement of allowance for doubtful debts

The Group and the Company assume that there is a significant increase in credit risk when a subsidiary's or associate's financial position deteriorates significantly. The Group and the Company consider a financial guarantee to be credit impaired when:

- The subsidiary or associate is unlikely to repay its credit obligation to the bank in full; or
- The subsidiary or associate is continuously loss making and is having a deficit shareholders' fund.

The Group and the Company determine the probability of default of the debts individually using internal information available.

As at the end of the reporting period, it was not probable that the counterparties to financial guarantee contracts will claim under the contract. The Group and the Company did not recognise any liability on financial guarantees.

Related company loans and advances

Risk management objectives, policies and processes for managing the risk

The Group provides advances to associates. The Group monitors the ability of the associates to repay the advances on an individual basis. The Company provides unsecured advances to subsidiaries. The Company monitors the ability of the subsidiaries to repay the advances on an individual basis.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk of related company loans and advances is represented by their carrying amounts in the statements of financial position.

Advances provided are not secured by any collateral or supported by any other credit enhancements.

36. FINANCIAL INSTRUMENTS (CONT'D)

(a) Credit risk (Cont'd)

Related company loans and advances (Cont'd)

Recognition and measurement of allowance for doubtful debts

Generally, the Group and the Company consider advances to associates or subsidiaries have low credit risk. The Group and the Company assume that there is a significant increase in credit risk when an associate's or subsidiary's financial position deteriorates significantly. The Group and the Company consider advances to an associate or subsidiary to be credit impaired when:

- The associate or the subsidiary is unlikely to repay its advance to the Company in full; or
- The associate or the subsidiary is continuously loss making and is having a deficit shareholders' fund.

The following table provides information about the exposure to credit risk and ECLs for amount due from associates:

Group	Gross carrying amount RM'000	Allowance for doubtful debts RM'000	Net balance RM'000
2024			
Low credit risk	12,057	–	12,057
Credit impaired	15,246	(15,246)	–
	27,303	(15,246)	12,057
2023			
Low credit risk	14,307	–	14,307
Credit impaired	15,246	(15,246)	–
	29,553	(15,246)	14,307

The following table provides information about the exposure to credit risk and ECLs for amount due from subsidiaries:

Company	Gross carrying amount RM'000	Allowance for doubtful debts RM'000	Net balance RM'000
2024			
Low credit risk	453,129	–	453,129
2023			
Low credit risk	320,265	–	320,265
Credit impaired	38,300	(38,300)	–
	358,565	(38,300)	320,265

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

36. FINANCIAL INSTRUMENTS (CONT'D)

(a) Credit risk (Cont'd)

Related company loans and advances (Cont'd)

Recognition and measurement of allowance for doubtful debts (Cont'd)

The movement in the allowance for doubtful debts in respect of amount due from associates or subsidiaries during the year is as follows:

	Group RM'000	Company RM'000
As at 1 January 2023	15,491	36,684
Net (reversal)/measurement of allowance	(245)	1,616
As at 31 December 2023/1 January 2024	15,246	38,300
Net reversal of allowance	–	(38,300)
As at 31 December 2024	15,246	–

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables, refundable deposits, lease liabilities and loans and borrowings.

The Group maintains a level of cash and bank balances and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash terms included in the maturity analysis occur significantly earlier or at significant different amounts.

36. FINANCIAL INSTRUMENTS (CONT'D)

(b) Liquidity risk (Cont'd)

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

Group	Carrying amount RM'000	Contractual interest rate	Contractual cash flows RM'000	Under 1 year RM'000	1-5 years RM'000	More than 5 years RM'000
2024						
Non-derivative financial liabilities						
Refundable deposits, trade and other payables	382,414	–	382,414	381,112	1,302	–
Lease liabilities	40,778	2.08% - 6.83%	59,777	4,698	16,438	38,641
Revolving credits	68,881	4.83% - 6.57%	72,807	72,807	–	–
Term loans	186,268	4.72% - 8.50%	198,581	172,494	14,557	11,530
Bankers' acceptance	2,200	4.77% - 5.24%	2,310	2,310	–	–
Invoice financing	25,502	2.75% - 5.79%	26,591	26,591	–	–
Other borrowings	200,250	6.00% - 8.00%	214,269	80,102	134,167	–
Green SRI Sukuk Wakalah	182,743	5.36% - 6.35%	193,442	15,706	63,256	114,480
	1,089,036		1,150,191	755,820	229,720	164,651

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

36. FINANCIAL INSTRUMENTS (CONT'D)

(b) Liquidity risk (Cont'd)

Maturity analysis (Cont'd)

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments: (Cont'd)

Group	Carrying amount RM'000	Contractual interest rate	Contractual cash flows RM'000	Under 1 year RM'000	1-5 years RM'000	More than 5 years RM'000
2023						
Non-derivative financial liabilities						
Refundable deposits, trade and other payables	502,416	–	502,416	500,916	1,500	–
Lease liabilities	41,887	3.00% - 5.08%	63,066	4,238	16,922	41,906
Revolving credits	73,230	4.95% - 6.91%	77,297	77,297	–	–
Term loans	175,287	4.47% - 8.50%	202,631	54,448	136,237	11,946
Bankers' acceptance	4,572	5.20% - 5.24%	4,602	4,602	–	–
Invoice financing	131,374	2.80% - 5.70%	135,277	135,277	–	–
Other borrowings	302,251	5.00% - 6.13%	316,873	316,873	–	–
Green SRI Sukuk Wakalah	197,628	4.96% - 6.35%	271,223	15,676	69,895	185,652
Financial guarantee	–		19,724	19,724	–	–
	1,428,645		1,593,109	1,129,051	224,554	239,504

36. FINANCIAL INSTRUMENTS (CONT'D)

(b) Liquidity risk (Cont'd)

Maturity analysis (Cont'd)

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments: (Cont'd)

Company	Carrying amount RM'000	Contractual interest rate	Contractual cash flows RM'000	Under 1 year RM'000	1-5 years RM'000	More than 5 years RM'000
2024						
Non-derivative financial liabilities						
Trade and other payables	7,674	–	7,674	7,674	–	–
Term loan	93,909	8.50%	101,892	101,892	–	–
Other borrowing	20,000	8.00%	21,600	–	21,600	–
Financial guarantee	–	–	194,147	194,147	–	–
	121,583		325,313	303,713	21,600	–
2023						
Non-derivative financial liabilities						
Trade and other payables	971	–	971	971	–	–
Term loan	96,547	8.50%	112,960	–	112,960	–
Financial guarantee	–	–	183,982	183,982	–	–
	97,518		297,913	184,953	112,960	–

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

36. FINANCIAL INSTRUMENTS (CONT'D)

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's financial position or cash flows.

(d) Foreign currency risk

The Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of Group entities, primarily Ringgit Malaysia ("RM"), Chinese Yuan ("CNY"), United States Dollar ("USD") and Hong Kong Dollars ("HKD"). The foreign currencies in which these transactions are denominated are mainly United State Dollar ("USD").

Exposure of foreign currency risk

The Group's exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period was:

	Denominated in USD RM'000
Balances recognised in the statements of financial position 2024	
Group	
Amount due from associates	12,057
Loans and borrowings	(93,909)
	(81,852)
Company	
Loans and borrowings	(93,909)
Balances recognised in the statements of financial position 2023	
Group	
Amount due from associates	14,307
Loans and borrowings	(96,547)
	(82,240)
Company	
Loans and borrowings	(96,547)

The Group has overseas operations and is exposed to currency risk as a result of the foreign currency transactions entered into by companies in currencies other than their functional currencies.

36. FINANCIAL INSTRUMENTS (CONT'D)

(d) Foreign currency risk (Cont'd)

Currency risk sensitivity analysis

A 3% (2023: 3%) strengthening of the Ringgit Malaysia against the following currencies at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

	Group		Company	
Profit or loss	**2024 RM'000**	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
USD	1,866	1,875	2,141	2,201

A 3% (2023: 3%) weakening of Ringgit Malaysia against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

(e) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises mainly from interest-bearing borrowings, loan receivables, deposits with financial institutions and amount owing from associates. Investments in financial assets, short-term receivables and payables are not significantly exposed to interest rate risk.

Risk management objectives, policies and processes for managing the risk

The Group and the Company manage its interest rate exposure by maintaining a mix of fixed and floating rate loans and borrowings. This strategy allows it to capitalise on cheaper funding in a low interest rate environment and achieve a certain level of protection against rate hikes.

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period were:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Fixed rate instruments				
Amount due from associates	8,750	8,750	–	–
Green SRI Sukuk Wakalah	(182,743)	(197,628)	–	–
Term loans	(122,409)	(123,547)	(93,909)	(96,547)
Other borrowings	(200,250)	(302,251)	(20,000)	–
Lease liabilities	(40,778)	(41,887)	–	–
Deposits with financial institutions	65,017	135,598	–	–
	(472,413)	(520,965)	(113,909)	(96,547)

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

36. FINANCIAL INSTRUMENTS (CONT'D)

(e) Interest rate risk

Exposure to interest rate risk (Cont'd)

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Floating rate instruments				
Deposits with financial institutions	58,595	55,101	–	–
Term loans	(63,859)	(51,740)	–	–
Invoice financing	(25,502)	(131,374)	–	–
Revolving credits	(68,881)	(73,230)	–	–
Bankers' acceptance	(2,200)	(4,572)	–	–
	(101,847)	(205,815)	–	–

Interest rate risk sensitivity analysis

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points (bp) in interest rates at the end of the reporting period would have increased/(decreased) post-tax profit or loss by amounts shown below. The analysis assumes that all other variables, in particular foreign currency rate, remained constant.

	Profit or loss	
	100 bp increase RM'000	100 bp decrease RM'000
Group		
2024		
Floating rate instruments	(774)	774
2023		
Floating rate instruments	(1,564)	1,564

(f) Fair values

The fair values of financial instruments refer to the amounts at which the instruments could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction. Fair values have been arrived at based on prices quoted in an active, liquid market or estimated using certain valuation techniques such as discounted future cash flows based upon certain assumptions. Amounts derived from such methods and valuation techniques are inherently subjective and therefore do not necessarily reflect the amounts that would be received or paid in the event of immediate settlement of the instruments concerned.

On the basis of the amounts estimated from the methods and techniques as mentioned in the preceding paragraph, the carrying amount of the various financial assets and financial liabilities reflected on the statements of financial position approximate their fair values.

36. FINANCIAL INSTRUMENTS (CONT'D)

(f) Fair values (Cont'd)

The methodologies used in arriving at the fair values of the principal financial assets and financial liabilities of the Group and the Company are as follows:

- **Cash and bank balances, trade and other receivables, loan receivables, service concession assets, trade and other payables, short-term refundable deposits and short-term borrowings:** The carrying amounts are considered to approximate the fair values as they are either within the normal credit terms or they have short-term maturity period.

- **Non-current service concession assets and trade and other receivables:** The fair values of non-current service concession assets and trade and other receivables are determined by the present value of future cash flows estimated and discounted using the interest rate for similar instruments.

- **Non-current refundable deposits:** The fair value of non-current refundable deposits are determined by estimating future cash flows and discounting these future cash flows using an interest rate which takes into consideration the Group's incremental borrowing rate at year end for similar types of debt arrangements.

- **Long-term borrowings:** The fair values of long-term borrowings are determined by estimating future cash flows on a borrowing-by-borrowing basis, and discounting these future cash flows using an interest rate which takes into consideration the Group's incremental borrowing rate at year end for similar types of debt arrangements.

- **Structured deposits:** The fair values of structured deposits are determined by estimating future cash flows based on the probabilities of future exchange rate movements (which are modelled using the implied volatility prices at the end of the reporting period from the foreign exchange options market) and contracted interest rates, discounted at a rate that reflects the credit risk of the Group or the counterparties, as appropriate.

- **Other investments:** The fair values of other investments is determined based on income approach and discounting the future cash flows using a discount rate that is relevant to the investment.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

36. FINANCIAL INSTRUMENTS (CONT'D)

(f) Fair values (Cont'd)

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position.

	Carrying amount			Fair value			
2024	**Mandatorily at FVTPL RM'000**	**Other financial liabilities RM'000**	**Total RM'000**	**Level 1 RM'000**	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**
Group							
Financial assets							
Structured deposits	49,153	–	49,153	–	49,153	–	49,153
Cash and bank balances	42,165	–	42,165	–	42,165	–	42,165
Other investments	150,631	–	150,631	880	936	148,815	150,631
	241,949	–	241,949	880	92,254	148,815	241,949
Financial liabilities							
Refundable deposits	–	1,302	1,302	–	–	1,302	1,302
Term loans	–	24,469	24,469	–	–	19,247	19,247
Green SRI Sukuk Wakalah	–	167,905	167,905	–	–	119,176	119,176
Other borrowings	–	125,389	125,389	–	–	111,421	111,421
	–	319,065	319,065	–	–	251,146	251,146
Company							
Financial liabilities							
Other borrowing	–	20,000	20,000	–	–	17,147	17,147

36. FINANCIAL INSTRUMENTS (CONT'D)

(f) Fair values (Cont'd)

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position. (Cont'd)

	Carrying amount			Fair value			
2023	**Mandatorily at FVTPL RM'000**	**Other financial liabilities RM'000**	**Total RM'000**	**Level 1 RM'000**	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**
Group							
Financial assets							
Structured deposits	26,358	–	26,358	–	26,358	–	26,358
Cash and bank balances	38,617	–	38,617	–	38,617	–	38,617
Other investments	29,283	–	29,283	847	936	27,500	29,283
	94,258	–	94,258	847	65,911	27,500	94,258
Financial liabilities							
Refundable deposits	–	1,500	1,500	–	–	1,500	1,500
Term loans	–	124,406	124,406	–	–	110,289	110,289
Green SRI Sukuk Wakalah	–	182,791	182,791	–	–	126,715	126,715
	–	308,697	308,697	–	–	238,504	238,504
Company							
Financial liabilities							
Term loan	–	96,547	96,547	–	–	89,811	89,811

36. FINANCIAL INSTRUMENTS (CONT'D)

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and Level 2 fair values during the year (2023: no transfer in either direction).

Level 3 fair value

The following table shows a reconciliation of Level 3 fair values:

	2024 RM'000	2023 RM'000
Group		
Other investments – Unquoted shares		
As at 1 January	27,500	27,500
Fair value gain	121,315	–
As at 31 December	148,815	27,500

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation models.

(a) Financial instruments carried at fair value

Type	Description of valuation technique and inputs used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Other investments - Unquoted shares	Discounted cash flow projections. Disclosed in Note 21	- Future planned revenue - Discount rate	The estimated fair value would increase (decrease) if the future planned revenue is higher (lower) and discount rate were lower (higher).

(b) Financial instruments not carried at fair value

Type	Description of valuation technique and inputs used	Discount rate
Refundable deposits and long-term borrowings	Discounted cash flow using a rate based on the indicative current market rate of borrowing of the Group entities at the reporting date.	4.72% - 8.50% (2023: 4.47% - 8.50%)

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

37. CAPITAL COMMITMENTS

Capital commitments contracted for but not provided in the consolidated financial statements in respect of:

Group	2024 RM'000	2023 RM'000
Capital contribution to a joint venture	234,062	244,556
Acquisition of intangible assets	2,083	81,869
Acquisition of property, plant and equipment	–	510
	236,145	326,935

38. CONTINGENT LIABILITIES

Shandong Allied Wangchao Cement Limited ("SAWCL"), a subsidiary of the Group is a defendant in a legal action involving the alleged failure of the subsidiary to fulfill the payment obligation in accordance with the terms of contract. As at the end of the year, the original contract amount of RMB105 million (approximately RM64 million) has been recognised as a liability. A contingent liability of up to RMB105 million (approximately RM64 million) may arise if the court determines that SAWCL failed to comply with the specific contractual terms.

The timing and likelihood of the additional outflow are dependent on the outcome of the ongoing court proceedings. SAWCL has submitted a counterclaim in response to the legal action, and the litigation is still ongoing as at the end of the year.

Based on legal advice obtained, the Directors of the Group believe that the action can be successfully defended and therefore no losses will be incurred. Accordingly, no provision has been recognised for the additional potential outflow.

39. SIGNIFICANT EVENTS SUBSEQUENT TO THE FINANCIAL YEAR END

The following events have occurred subsequent to the financial year end:

1. On 10 January 2025, Shandong Allied Wangchao Cement Limited ("SAWCL"), a subsidiary of the Group, entered into a contract with a third-party contractor amounting to RMB281 million (approximately RM172 million) for the engineering, procurement, construction, and commissioning works related to the expansion of its cement production lines. The expansion project is expected to be completed by the end of 2025.

2. On 4 February 2025, the Enforcement Directorate ("ED") of India issued a press release announcing that it had conducted on R.K.M Powergen Private Limited ("RKM"), an investee company of Mudajaya Corporation Berhad ("MCB"), under the provisions of the Prevention of Money Laundering Act, 2002. The searches were conducted in connection with alleged financial irregularities involving another shareholder of RKM, who also serves as one of its directors. The press alleges wrongdoing on the part of the RKM pertaining to coal block allocation that had been cancelled and a transaction involving MCB in relation to its equity participation in RKM.

   Following the search operations, RKM filed Writ Petitions in High Court. In response, the Additional Solicitor General, representing the ED, provided an undertaking that no further actions will be taken or continued by the ED until the Writ Petitions were heard. The Writ Petitions were heard in High Court over several dates in February, March and April 2025 and in the recent hearing of 28 April 2025, the case has been further postponed to a date to be determined.

   The Group has assessed that the alleged financial irregularities are linked to a previous investigation from 2010, which concluded with a judgement in favour of RKM by the High Court of Chennai. Pursuant to this, the court issued a Writ of Mandamus restraining the ED from exercising its enforcement powers against RKM.

   The Board of Directors ("BOD") wishes to clarify that the Group is not a party to the said investigations and none of its directors or officers are involved in the ongoing investigation by the ED. The BOD and management will continue to closely monitor the development on this matter and assess for any potential financial or operational impact.

   The BOD has assessed and obtained assurance from the RKM's Board that the business operations remain unaffected and continue as usual as at the date of issuance and authorisation of the financial statements.

STATEMENT BY DIRECTORS

The Directors of **MUDAJAYA GROUP BERHAD** state that, in their opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Signed on behalf of the Board, as approved by the Board
in accordance with a resolution of the Directors,

JAMES WONG TET FOH

LEONG CHOON MENG

30 April 2025

DECLARATION BY THE OFFICER PRIMARILY RESPONSIBLE

For The Financial Management Of The Company

I, **TAN CHIN BOO**, the officer primarily responsible for the financial management of **MUDAJAYA GROUP BERHAD**, do solemnly and sincerely declare that the accompanying financial statements are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

TAN CHIN BOO
MIA Membership No.: 46824

Subscribed and solemnly declared by the
abovenamed **TAN CHIN BOO** at **Petaling Jaya,**
Selangor Darul Ehsan on 30th day of April 2025.

Before me,

LILY YII LING CHOO
(No.: B583)
COMMISSIONER FOR OATHS

TOP 10 PROPERTIES

No.	LOCATION/ADDRESS	YEAR OF ACQUISITION	TENURE	YEAR LEASE EXPIRING	AGE OF BUILDING	LAND AREA/ BUILT UP AREA (sq.m)	DESCRIPTION/ EXISTING USE	NET BOOK VALUE (RM'000)
1	No.12A, Jalan PJU 7/3 Mutiara Damansara 47810 Petaling Jaya Selangor Darul Ehsan	2008	Freehold	N/A	16	4,269	Commercial land and office building	53,264
2	Dundong Village, Jiantouji Town, Taierzhuang District	2005	Leasehold	2056	19	141,838/ 20,036	Industrial land and building / Factory	52,754
3	Room 101-102, Building 27, No. 1388 Zhangdong Road, Pudong, Shanghai, the PRC	2007	Leasehold	2049	17	1,899.88	Industrial building	20,535
4	Rooms 101, 102, 201, 202, 301, 302, 401 and 402 with 4 Carparks, Block D7 of Shanglia Connes City, Taierzhuang District, Zaozhuang City, Shandong Province, the PRC	2012	Leasehold	2078	12	1439.55	Residential	4,813
5	Unit 678, No 8, Changle Road, Binhu District, Wuxi City, Jiangsu Province, the PRC	2013	Leasehold	Unspecified term	11	553.86	Residential	4,772
6	Lot No. 32 & 33 Mukim Ijok Jalan Bukit Badong Daerah Kuala Selangor	1998	Freehold	N/A	26	40,486/ 2,480	Industrial land and building/ Casting yard	4,058
7	Lot 2472 Mukim Ijok Jalan Bukit Badong Daerah Kuala Selangor	2012	Freehold	N/A	N/A	20,234	Agriculture land/Storage	3,864
8	Lot No. 31 Mukim Ijok Jalan Bukit Badong Daerah Kuala Selangor	2004	Freehold	N/A	N/A	20,234	Agriculture land/Casting yard	1,650
9	Bd107-109, Bd207-209, Bd313-319 Bd414-419, Bm413 Batu Kawan New Township Jalan Batu Kawah 93250 Kuching Sarawak	2007	Leasehold	2058	17	12,012	Office building and store room	1,501
10	Unit 1403, No. 83, An Shun Road, Changning District, Shanghai, the PRC	2000	Leasehold	Unspecified term	24	146.48	Office building	1,203

ANALYSIS OF SHAREHOLDINGS
as at 20 March 2025

Total Number of Issued Shares	:	2,657,397,503 ordinary shares
Class of Shares	:	Ordinary shares
Voting Rights	:	One vote per ordinary share on a poll

DISTRIBUTION OF SHAREHOLDINGS BASED ON RECORD OF DEPOSITORS

Size of Shareholdings	Number of Shareholders	% of Shareholders	Number of Shares held	% of Shareholdings
Less than 100	1,009	6.21	38,060	0.00
100 - 1,000	7,868	48.45	2,572,772	0.09
1,001 - 10,000	4,160	25.61	17,962,704	0.68
10,001 - 100,000	2,503	15.41	91,621,746	3.45
100,001 – 132,869,875 (less than 5% of issued shares)	700	4.31	554,737,888	20.88
132,869,876 (5%) and above	2	0.01	1,990,464,333	74.90
Total	**16,242**	**100.00**	**2,657,397,503**	**100.00**

SUBSTANTIAL SHAREHOLDERS BASED ON REGISTER OF SUBSTANTIAL SHAREHOLDERS

	Direct		Indirect	
Name of Substantial Shareholders	Number of Shares held	%	Number of Shares held	%
Yakin Setiamas Sdn Bhd	1,647,964,333	62.01	–	–
Ample Full Profits Limited	–	–	(1) 1,647,964,333	62.01
Jovial Day Holdings Limited	–	–	(2) 1,647,964,333	62.01
Cheerful Talent Holdings Limited	–	–	(3) 1,647,964,333	62.01
Kuo Jen-Hao	–	–	(4) 1,647,964,333	62.01
Minyi Holdings Limited	312,500,000	11.76	–	–
Master Cheers Enterprises Limited	–	–	(5) 312,500,000	11.76
Mastery Holdings Limited	–	–	(6) 312,500,000	11.76
Cheng Lung Don	–	–	(7) 312,500,000	11.76

Notes:

*(1) Deemed interest pursuant to Section 8 of the Companies Act 2016 (“**the Act**”) by virtue of its shareholding in Yakin Setiamas Sdn Bhd.*
(2) Deemed interest pursuant to Section 8 of the Act by virtue of its shareholding in Ample Full Profits Limited.
(3) Deemed interest pursuant to Section 8 of the Act by virtue of its shareholding in Jovial Day Holdings Limited.
(4) Deemed interest pursuant to Section 8 of the Act by virtue of his shareholding in Cheerful Talent Holdings Limited.
(5) Deemed interest pursuant to Section 8 of the Act by virtue of its shareholding in Minyi Holdings Limited.
(6) Deemed interest pursuant to Section 8 of the Act by virtue of its shareholding in Master Cheers Enterprises Limited.
(7) Deemed interest pursuant to Section 8 of the Act by virtue of his shareholding in Mastery Holdings Limited.

ANALYSIS OF SHAREHOLDINGS

(CONT'D)

DIRECTORS' SHAREHOLDINGS IN MUDAJAYA GROUP BERHAD BASED ON REGISTER OF DIRECTORS' SHAREHOLDINGS AND CHIEF EXECUTIVE'S SHAREHOLDING

	Direct		Indirect	
Name	Number of Shares held	%	Number of Shares held	%
Directors:				
Ir James Wong Tet Foh	–	–	–	–
Datuk Wira Arham Bin Abdul Rahman	–	–	–	–
Leong Choon Meng	–	–	–	–
Oei Su Lee	–	–	–	–
Dato' Amin Rafie Bin Othman (Resigned on 31 March 2025)	–	–	–	–
Chief Executive:				
Alvin Chew Chee Wai	–	–	*779,800	0.03

Note:

**Deemed interest by virtue of his spouse.*

THIRTY LARGEST SECURITIES ACCOUNT HOLDERS BASED ON RECORD OF DEPOSITORS

No.	Name of Shareholders	Number of Shares held	%
1	YAKIN SETIAMAS SDN BHD	1,647,964,333	62.01
2	PHILLIP NOMINEES (ASING) SDN BHD EXEMPT AN FOR EVERBRIGHT SECURITIES INVESTMENT SERVICES (HK) LIMITED	342,500,000	12.89
3	PHILLIP NOMINEES (ASING) SDN BHD EVERBRIGHT SECURITIES INVESTMENT SERVICES (HK) LIMITED FOR HARRISON ASSETS LIMITED	130,233,700	4.90
4	NAUTICAL INVESTMENTS LIMITED	21,347,752	0.80
5	PHILLIP NOMINEES (ASING) SDN BHD EVERBRIGHT SECURITIES INVESTMENT SERVICES (HK) LIMITED FOR NG QING HAI	18,300,000	0.69
6	LAI HEE KONG	17,618,200	0.66
7	MAGIC UNICORN LIMITED	14,141,913	0.53
8	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB BANK FOR CHEOK JIU SENG (PBCL-0G0898)	9,200,000	0.35
9	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAI HEE KONG (E-SS2)	9,140,200	0.34
10	KENANGA NOMINEES (TEMPATAN) SDN BHD LIM SOH WOON	8,600,000	0.32

ANALYSIS OF SHAREHOLDINGS
(CONT'D)

THIRTY LARGEST SECURITIES ACCOUNT HOLDERS BASED ON RECORD OF DEPOSITORS (CONT'D)

No.	Name of Shareholders	Number of Shares held	%
11	TYE LIM HUAT	6,389,200	0.24
12	LEE SEE JIN	6,161,200	0.23
13	LAI THIAM POH	4,603,400	0.17
14	LIEW SUI KUM	4,573,700	0.17
15	KENANGA NOMINEES (TEMPATAN) SDN BHD DERRICK KONG YING KIT (PCS)	3,565,300	0.13
16	MALACCA SECURITIES SDN BHD IVT(017) TEAM MK01	3,500,000	0.13
17	YEO KHEONG SOON	3,500,000	0.13
18	LAI LEE TECK	3,460,000	0.13
19	PHILLIP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR EVERBRIGHT SECURITIES INVESTMENT SERVICES (HK) LIMITED (A/C CLIENT)	3,392,705	0.13
20	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEH SWEE HENG (MM1118)	3,320,700	0.13
21	LOH SIEW HOOI	3,300,000	0.12
22	YONG ZHE WU	3,179,967	0.12
23	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR TAN MENG YOW	3,097,000	0.12
24	CHOW SONG LING	3,000,000	0.11
25	AFFIN HWANG NOMINEES (ASING) SDN BHD EXEMPT AN FOR PHILLIP SECURITIES (HONG KONG) LTD (CLIENTS' ACCOUNT)	2,989,200	0.11
26	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR YEO JIN HUI	2,800,000	0.11
27	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR BANK JULIUS BAER & CO LTD (SINGAPORE BCH)	2,777,248	0.11
28	KENANGA NOMINEES (TEMPATAN) SDN BHD CHIN KIAM HSUNG	2,749,625	0.10
29	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG KOK HIN (K DMSR-CL)	2,614,466	0.10
30	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD TAN TOW HOO	2,450,000	0.09

ANALYSIS OF WARRANT HOLDINGS
as at 20 March 2025

Total Number of Issued Warrants	:	531,476,608 warrants
Exercise Price Per Warrant	:	RM0.22
Issue Date	:	1 August 2024
Expiry Date	:	30 July 2027

DISTRIBUTION OF WARRANT HOLDINGS BASED ON RECORD OF DEPOSITORS

Size of Warrant holdings	Number of Warrant holders	% of Warrant holders	Number of Warrants held	% of Warrant holdings
Less than 100	22	5.09	1,093	0.00
100 - 1,000	70	16.20	38,190	0.01
1,001 - 10,000	153	35.43	698,976	0.13
10,001 - 100,000	123	28.47	4,821,607	0.91
100,001 – 26,573,830 (less than 5% of issued warrants)	61	14.12	62,577,176	11.77
26,573,831 (5%) and above	3	0.69	463,339,566	87.18
Total	**432**	**100.00**	**531,476,608**	**100.00**

THIRTY LARGEST WARRANT HOLDERS BASED ON RECORD OF DEPOSITORS

No.	Name of Warrant holders	Number of Warrants held	%
1	YAKIN SETIAMAS SDN BHD	329,592,866	62.02
2	PHILLIP NOMINEES (ASING) SDN BHD EVERBRIGHT SECURITIES INVESTMENT SERVICES (HK) LIMITED FOR HARRISON ASSETS LIMITED	71,246,700	13.41
3	PHILLIP NOMINEES (ASING) SDN BHD EXEMPT AN FOR EVERBRIGHT SECURITIES INVESTMENT SERVICES (HK) LIMITED	62,500,000	11.76
4	LAI HEE KONG	22,673,400	4.27
5	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAI HEE KONG (E-SS2)	8,616,500	1.62
6	KENANGA NOMINEES (TEMPATAN) SDN BHD LIM SOH WOON	5,000,000	0.94
7	TYE LIM HUAT	3,889,200	0.73
8	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR TEO AH SENG (PB)	1,000,000	0.19
9	TEO AH SENG	1,000,000	0.19
10	LAI LEE TECK	950,000	0.18

ANALYSIS OF WARRANT HOLDINGS

(CONT'D)

THIRTY LARGEST WARRANT HOLDERS BASED ON RECORD OF DEPOSITORS (CONT'D)

No.	Name of Warrant holders	Number of Warrants held	%
11	FOO YUK WENG	927,700	0.18
12	LEE CHEE BENG	897,400	0.17
13	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEH SWEE HENG (MM1118)	864,100	0.16
14	LAI LEE TECK	800,000	0.15
15	KENANGA NOMINEES (TEMPATAN) SDN BHD FOR CHONG AH HOI	762,600	0.14
16	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHAN WAI MING	700,000	0.13
17	KUEK CHOON SENG	700,000	0.13
18	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SEE LAY HONG (J D HAMZAH-CL)	667,200	0.13
19	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR TAN MENG YOW	540,000	0.10
20	NINA NADZRINA BINTI NORDIN	505,000	0.10
21	LOO ZHI YONG	500,000	0.09
22	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KAN YEE CHIAN	500,000	0.09
23	MOHAMAD KHUZAIMIE BIN ABDUL KHALID	500,000	0.09
24	NOOR AZWAH BINTI SAMSUDIN	500,000	0.09
25	NURUL SARINA BINTI MOHD YUSRI	500,000	0.09
26	YONG SIEW NGEE	498,700	0.09
27	TAW WENG KONG	490,000	0.09
28	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM SOO TIEN (MARGIN)	475,000	0.09
29	TOH SUSAN	450,000	0.09
30	CHANG WUN CHING	438,350	0.08

NOTICE OF 22ND ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 22nd Annual General Meeting ("**AGM**") of Mudajaya Group Berhad ("**the Company**") will be held physically at Crystal Plaza, Ground Floor, Lobby 1, Hall 2, No. 4A, Jalan 51A/223, 46100 Petaling Jaya, Selangor Darul Ehsan, Malaysia on **Wednesday, 4 June 2025** at **2.30 p.m.** for the following purposes:

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Directors' and Auditors' Reports thereon. *(Please refer to Explanatory Note 1)*

2. To re-elect Ms Oei Su Lee who retires by rotation pursuant to Clause 106 of the Company's Constitution and being eligible, has offered herself for re-election. *(Ordinary Resolution 1)*

3. To re-elect Datuk Wira Arham Bin Abdul Rahman who retires pursuant to Clause 89 of the Company's Constitution and being eligible, has offered himself for re-election. *(Ordinary Resolution 2)*

4. To re-elect Mr Leong Choon Meng who retires pursuant to Clause 89 of the Company's Constitution and being eligible, has offered himself for re-election. *(Ordinary Resolution 3)*

5. To approve the payment of Directors' fees payable to the Directors of the Company up to an aggregate amount of RM135,000 for the period from 5 June 2025 until the conclusion of the next AGM of the Company to be held in 2026. *(Ordinary Resolution 4)*

6. To re-appoint Messrs Deloitte PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. *(Ordinary Resolution 5)*

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following Resolutions:-

7. **ORDINARY RESOLUTION:**
Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016

"THAT subject always to the Companies Act 2016 ("**the Act**"), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), the Company's Constitution and the approvals of the relevant government and/or regulatory authorities, the Directors be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act:

(a) to issue and allot new shares in the Company; and/or
(b) to grant rights to subscribe for shares in the Company; and/or
(c) to convert any security into shares in the Company; and/or
(d) to allot shares under an agreement or option or offer,

at any time and from time to time at such price, upon such terms and conditions, for such purposes and to such person(s) whomsoever as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of new shares issued pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares of the Company for the time being (excluding treasury shares, if any) ("**10% General Mandate**").

NOTICE OF 22ND ANNUAL GENERAL MEETING

(CONT'D)

THAT such approval of the 10% General Mandate shall continue to be in force until:

(a) the conclusion of the next AGM of the Company held after the approval was given;

(b) the expiration of the period within which the next AGM of the Company is required to be held after the approval was given; or

(c) revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

THAT the Directors be and are hereby empowered to obtain the approval from Bursa Securities for the listing of and quotation for such new shares on the Main Market of Bursa Securities.

THAT the Directors be further authorised to implement, finalise, complete and take all necessary steps and to do all acts, deeds and things as may be necessary or expedient (including executing such documents as may be required) in order to give full effect to the 10% General Mandate, with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

THAT pursuant to Section 85 of the Act, read together with Clause 49(1) of the Company's Constitution, approval be and is hereby given for the waiver of the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares, arising from any issuance of new shares pursuant to this general mandate AND THAT the Directors of the Company are exempted from the obligation to offer such new shares first to the existing shareholders of the Company in proportion to their respective shareholdings in the Company, provided however that if following the passing of this resolution, this paragraph is or is found to be in any way void, invalid or unenforceable, then this paragraph shall be ineffective to the extent of such voidness, invalidity or unenforceability and the remaining provisions of this resolution shall remain in full force and effect." *(Ordinary Resolution 6)*

8. **ORDINARY RESOLUTION:**
   Proposed Renewal of Authority for the Purchase by the Company of its Own Shares

"THAT subject to compliance with the Act, the Company's Constitution, the Main Market Listing Requirements of Bursa Securities and any other relevant rules and regulations that may be in force from time to time, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities, upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company PROVIDED THAT:

(a) the aggregate number of ordinary shares in the Company which may be purchased and/or held by the Company shall not exceed 10% of the total number of issued shares of the Company at any point in time; and

(b) the maximum funds to be allocated by the Company for the purpose of purchasing the ordinary shares shall not exceed the latest audited retained profits of the Company.

THAT such authority shall commence upon the passing of this ordinary resolution and shall remain in force until:

(i) the conclusion of the next AGM of the Company at which time such authority shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or

(ii) the expiration of the period within which the next AGM after that date is required by law to be held; or

(iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first.

THAT authority be and is hereby given to the Directors of the Company to decide in their discretion to retain the ordinary shares in the Company so purchased by the Company as treasury shares and/or to cancel them and/or to resell the treasury shares and/or to distribute them as share dividends and/or subsequently cancel them or such other manner as may be allowed under the Act and the Main Market Listing Requirements of Bursa Securities.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise or to give full effect to the aforesaid with full power to assent to any conditions, modifications, variations and/or amendments as may be required or imposed by the relevant authorities and to do all such acts and things (including executing all documents) as the Directors may deem fit and expedient in the best interest of the Company." *(Ordinary Resolution 7)*

9. To transact any other business of which due notice shall have been received.

By Order of the Board

TAN CHIN BOO (MIA 46824/SSM PC No. 202408000126)
BEH SIEW SIEW (MAICSA 7066637/SSM PC No. 202008001904)
Company Secretaries

Petaling Jaya
30 April 2025

NOTICE OF 22ND ANNUAL GENERAL MEETING

(CONT'D)

NOTES:

1. A member of the Company who is entitled to attend, speak and vote at a general meeting of the Company, may appoint not more than 2 proxies to exercise all or any of his/her rights to attend, speak and vote at the same meeting on his/her behalf. A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy and the proxy shall have the same rights as the member.
2. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be presented by each proxy must be specified in the instrument appointing the proxies.
3. Where a member is an authorised nominee as defined in the Securities Industry (Central Depositories) Act, 1991 ("**SICDA**"), it may appoint not more than 2 proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
4. Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of the SICDA.
5. Where a member or the authorised nominee appoints 2 proxies, or where an exempt authorised nominee appoints 2 or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies, otherwise the appointment shall be invalid. An exempt authorised nominee which intends to appoint multiple proxies, must submit separate instruments of proxy.
6. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing, or if such appointer is a corporation, either under its common seal or under the hand of its officer or attorney duly authorised.
7. The appointment of proxy may be made in a hardcopy form or by electronic means as specified below and must be received by the Company not less than forty-eight (48) hours before the time appointed for the taking of the poll:
   - **In hardcopy form**
     The original proxy form shall be deposited at the Company Share Registrar's office, Boardroom Share Registrars Sdn Bhd ("**Boardroom**"), 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia.
   - **Electronically**
     The proxy form can be electronically lodged with Boardroom via Boardroom Smart Investor Portal at https://investor.boardroomlimited.com. Please follow the procedures set out in the Administrative Guide for such lodgement. Alternatively, the proxy form can be emailed to Boardroom at bsr.helpdesk@boardroomlimited.com.
8. If the proxy form is submitted without any instructions as to how the proxy shall vote, the proxy will vote in his/her discretion. If no name is stated in the space provided for the name of your proxy, the Chairman of the Meeting will act as your proxy.
9. For the purpose of determining who shall be entitled to attend this AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at **28 May 2025** and only members whose names appear in the Record of Depositors shall be entitled to attend, speak and vote at this AGM.
10. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities, all resolutions set out in the Notice of AGM shall be put to vote by way of poll.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof), and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

NOTICE OF 22ND ANNUAL GENERAL MEETING

(CONT'D)

EXPLANATORY NOTES ON ORDINARY AND SPECIAL BUSINESSES

1. Item 1 of the Agenda – Audited Financial Statements for the financial year ended 31 December 2024

This agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Act requires the Audited Financial Statements to be laid at the AGM. As such, this agenda item does not require shareholders' approval and hence, is not put forward for voting.

2. Ordinary Resolution 1 – Re-Election of Retiring Director pursuant to Clause 106 of the Company's Constitution

Pursuant to Clause 106 of the Company's Constitution, one-third or the number nearest to one-third of the Directors of the Company shall retire from office by rotation annually and subject to re-election at the AGM. All Directors shall retire from office once at least in each 3 years but shall be eligible for re-election.

Ms Oei Su Lee is standing for re-election as Director of the Company and being eligible, has offered herself for re-election at this AGM.

For the purpose of determining the eligibility of the Director to stand for re-election at this AGM and in line with the Main Market Listing Requirements of Bursa Securities and Practice 5.1 of the Malaysian Code on Corporate Governance 2021 issued by the Securities Commission Malaysia, the Combined Nomination and Remuneration Committee ("**CNRC**") has reviewed and assessed the retiring Director from the annual assessment and evaluation of the Board for the financial year 2024. The retiring Director has provided the fit and proper declaration in accordance with the Directors' Fit and Proper Policy. Accordingly, the CNRC has recommended the re-election of the retiring Director based on the following considerations:

(a) demonstrated diligence and commitment, satisfactory performance and has met the Board's expectation in discharging her duties and responsibilities;
(b) met the fit and proper criteria with reference to the Directors' Fit and Proper Policy; and
(c) her ability to act in the best interest of the Company in decision-making.

The Board has endorsed the CNRC's recommendation subject to the shareholders' approval at this AGM. The retiring Director had abstained from deliberation and decision on her eligibility to stand for re-election at the relevant CNRC and Board Meetings. The profile of Ms Oei Su Lee is set out in the Directors' Profile section of this Annual Report.

3. Ordinary Resolutions 2 to 3 – Re-Election of Retiring Directors pursuant to Clause 89 of the Company's Constitution

Pursuant to Clause 89 of the Company's Constitution, any Director who is newly appointed by the Board either to fill a casual vacancy or as an additional Director, shall hold office only until the next AGM and shall be eligible for re-election at the AGM of the Company.

Datuk Wira Arham Bin Abdul Rahman and Mr Leong Choon Meng who were appointed as Independent Non-Executive Directors of the Company on 31 December 2024, would be retiring under Clause 89 of the Company's Constitution. Datuk Wira Arham Bin Abdul Rahman and Mr Leong Choon Meng are standing for re-election as Directors of the Company and being eligible, has offered themselves for re-election at this AGM.

The appointments of Datuk Wira Arham Bin Abdul Rahman and Mr Leong Choon Meng were duly considered by the CNRC taking into account their backgrounds, qualifications, experiences, competency, integrity, time commitment and independence. Upon the recommendation of the CNRC, the Board approved the said appointments. Their profiles are set out in the Directors' Profile section of this Annual Report.

4. Ordinary Resolution 4 – Payment of Directors' Fees

Section 230(1) of the Act provides amongst others, that the Directors' fees and benefits payable to the Directors of a listed company shall be approved by the shareholders at a general meeting. The proposed Resolution 4 is to facilitate the payment of Directors' fees on a current financial year basis, calculated based on the current board size. In the event the Directors' fees proposed are insufficient (due to enlarge Board size), approval will be sought at the next AGM to be held in 2026 for additional fees to meet the shortfall.

NOTICE OF 22ND ANNUAL GENERAL MEETING

(CONT'D)

EXPLANATORY NOTES ON ORDINARY AND SPECIAL BUSINESSES (CONT'D)

5. Ordinary Resolution 5 – Re-Appointment of Auditors

The Audit, Risk Management and Sustainability Committee ("**ARMSC**") has undertaken an annual assessment of the suitability and independence of Messrs Deloitte PLT ("**Deloitte**") as Auditors of the Company based on the criteria as prescribed under Paragraph 15.21 of the Main Market Listing Requirements of Bursa Securities.

In its assessment, the ARMSC considered several factors which include the following:

(a) Adequacy of experience and resources of Deloitte and the level of knowledge, capabilities and experience of the staff assigned to the audit;
(b) Ability to provide constructive observations, implications and recommendations in areas requiring improvements;
(c) Appropriateness of audit approach and the effectiveness of audit planning;
(d) Ability to perform audit work within agreed timeframe; and
(e) Independence and objectivity of Deloitte when interpreting standards/policies adopted by the Company.

The ARMSC was satisfied with the suitability of Deloitte based on the quality of audit, performance, competency and sufficiency of resources that Deloitte provided to the Group. The ARMSC was also satisfied in its review that the provision of non-audit services by Deloitte to the Company for the financial year 2024 did not in any way impair their objectivity and independence as the external auditors.

The Board has approved the ARMSC's recommendation for the shareholders' approval to be sought at this AGM on the re-appointment of Deloitte as Auditors of the Company.

6. Ordinary Resolution 6 – Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Act

This Resolution is to empower the Directors to issue and allot shares in the Company, grant rights to subscribe for shares in the Company, convert any security into shares in the Company and/or allot shares under an agreement or option or offer, at any time at such price, upon such terms and conditions, for such purposes and to such person(s) as they consider would be in the interest of the Company, provided that the aggregate number of new shares issued, when aggregated with the total number of any such shares issued during the preceding 12 months, does not exceed 10% of the total number of issued shares of the Company for the time being.

The Board is of the view that the general mandate would be in the best interest of the Company and its shareholders as it would allow the Company to raise funds efficiently and expeditiously to meet its funding requirements, should the Company be required to do so. It will provide flexibility to the Company for any possible fund raising activities, including but not limited to placement of shares for the purpose of funding current and future investment(s), project(s), acquisition(s) and/or working capital. The general mandate is sought to avoid any delay and cost involved in convening a general meeting merely to approve such issue of shares.

The authority for this general mandate will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier.

Pursuant to Section 85 of the Act, read together with Clause 49(1) of the Company's Constitution, shareholders of the Company have pre-emptive rights to be offered new shares in the Company which rank equally to the existing issued shares of the Company. By voting in favour of this Resolution, shareholders of the Company agree to waive their preemptive rights and thus will allow the Directors to issue new shares to any person under this general mandate without having to offer the new shares to all existing shareholders of the Company prior to the issuance of the new shares.

7. Ordinary Resolution 7 – Proposed Renewal of Authority for the Purchase by the Company of its Own Shares

This Resolution, if passed, will renew the shareholders' mandate for the Company to purchase and/or hold up to 10% of the total number of issued shares of the Company. The details on the proposed renewal of authority for the purchase by the Company of its own shares are set out in the Share Buy-back Statement dated 30 April 2025.

STATEMENT ACCOMPANYING NOTICE OF 22ND ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Securities)

1. Details of persons who are standing for election as Directors (excluding Directors standing for re-election)

No individual is seeking for election as a Director at the 22nd AGM of the Company.

2. A statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Securities

The proposed Ordinary Resolution 6 on the general mandate for issue of securities is a renewal mandate. As at the date of this Notice, no new shares or securities were issued pursuant to the said mandate granted to the Directors at the last AGM held on 13 June 2024.

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MUDAJAYA GROUP BERHAD

Registration No. 200301003119 (605539-H)
Incorporated in Malaysia

PROXY FORM

No. of Shares held	
CDS Account No.	

I/We______________________________NRIC No./Company No. _________________________ Tel No. ______________________

of ____

being a member of the Company, hereby appoint________________________________NRIC No. ____________________________

Email: _________________________________ of ____

and/or____________________________ NRIC No.___________________________Email: _______________________________ of

____

or failing him/her, the Chairman of the Meeting as my/our proxy to attend and vote on my/our behalf at the 22nd Annual General Meeting ("**AGM**") of the Company to be held physically at Crystal Plaza, Ground Floor, Lobby 1, Hall 2, No. 4A, Jalan 51A/223, 46100 Petaling Jaya, Selangor Darul Ehsan, Malaysia on **Wednesday, 4 June 2025** at **2.30 p.m.** and at any adjournment thereof.

Please indicate with 'X' in the space below how you wish your votes to be cast. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion.

ORDINARY RESOLUTIONS		FOR	AGAINST
Resolution 1	Re-election of Ms Oei Su Lee		
Resolution 2	Re-election of Datuk Wira Arham Bin Abdul Rahman		
Resolution 3	Re-election of Mr Leong Choon Meng		
Resolution 4	Payment of Directors' fees		
Resolution 5	Re-appointment of Messrs Deloitte PLT as Auditors		
Resolution 6	Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016		
Resolution 7	Proposed renewal of authority for the purchase by the Company of its own shares		

Dated this______day of__________ 2025

____
Signature of Member

For appointment of 2 proxies, the percentage of shareholdings to be represented by the proxies:		
	No. of Shares	**Percentage**
1st Proxy		%
2nd Proxy		%
Total:		100 %

Common Seal
(for Corporate Members)

NOTES:

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Personal Data Privacy:
By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the Personal Data Privacy terms set out in the Notice of AGM dated 30 April 2025.

Fold This Flap For Sealing

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AFFIX
STAMP

MUDAJAYA GROUP BERHAD
Registration No. 200301003119 (605539-H)

c/o Boardroom Share Registrars Sdn Bhd
Registration No. 199601006647 (378993-D)
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

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www.mudajaya.com

MUDAJAYA GROUP BERHAD
200301003119 (605539-H)

Level PH1, Menara Mudajaya
No.12A, Jalan PJU 7/3, Mutiara Damansara
47810 Petaling Jaya
Selangor Darul Ehsan, Malaysia

T (603) 7806 7899
F (603) 7806 7900
E info@mudajaya.com