



LBI CAPITAL BERHAD

(41412-X)

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Forty Eighth Annual General Meeting of the Company will be held at the Company's office, Lot 1282, Jalan Bukit Kemuning, Seksyen 32, 40460 Shah Alam, Selangor Darul Ehsan on Thursday, 18 June 2026 at 11.00 a.m. for the following purposes:-

A G E N D A

- | | | |
|----|--|-----------------------|
| 1. | To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Report of the Directors and Auditors thereon. | Explanatory Notes |
| 2. | To approve the payment of Directors' fees of RM60,000 in respect of the financial year ended 31 December 2025. | Ordinary Resolution 1 |
| 3. | To re-elect the following Directors who retire by rotation in accordance with Clause 107 of the Company's Constitution and who being eligible, offer themselves for re-election: | |
| | (i) Datin Low Wee Chin | Ordinary Resolution 2 |
| | (ii) Azlan Bin Arshad | Ordinary Resolution 3 |
| 4. | To re-elect the following Director who retires in accordance with Clause 112 of the Company's Constitution and who being eligible, offers herself for re-election: | |
| | (i) Khor Joe Ann | Ordinary Resolution 4 |
| 5. | To re-appoint Messrs. UHY Malaysia PLT as Auditors of the Company and authorise the Directors to fix their remuneration. | Ordinary Resolution 5 |

AS SPECIAL BUSINESS:

To consider and, if thought fit, to pass with or without modifications, the following resolutions:

- | | | |
|----|--|-----------------------|
| 6. | Continuing in Office as Independent Non-Executive Director | |
| | (i) "THAT approval be and is hereby given to Azlan Bin Arshad who has served as an Independent Non-Executive Director of the Company for a term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company and to hold office until the conclusion of the next Annual General Meeting of the Company. | Ordinary Resolution 6 |
| 7. | Authority to Directors to Allot and Issue Shares Pursuant to the Companies Act 2016 | Ordinary Resolution 7 |
| | "THAT subject to the Companies Act 2016, the Constitution of the Company and the approvals and/or requirements of the relevant governmental and/or regulatory authorities, where necessary, the Directors be and are hereby authorised pursuant to Sections 75 and 76 of the Companies Act 2016 to allot and issue new shares in the Company from time to time at such price, upon such terms and conditions and for such purposes and to such person or persons whomsoever as the Directors may, in their absolute discretion, deem fit provided the aggregate number of shares to be allotted and issued does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being AND THAT the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company. | |

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

8. Proposed Renewal of Authority for the Company to Purchase its Own Shares

Ordinary Resolution 8

“THAT subject to the Companies Act 2016, the provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the approvals of all relevant governmental and/or regulatory authorities, if any, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such amount of ordinary shares in the Company (“Proposed Share Buy-Back”) as may be determined by the Directors from time to time, through Bursa Malaysia Securities Berhad and upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:-

- i) the aggregate number of ordinary shares purchased pursuant to this resolution does not exceed ten percent (10%) of the total issued and paid-up share capital of the Company as quoted on Bursa Malaysia Securities Berhad as at the point of purchase; and
- ii) an amount not exceeding the Company’s retained profits at the time of the purchase(s) be allocated by the Company for the Proposed Share Buy-Back;

AND THAT the authority conferred by this resolution shall commence immediately upon the passing of this resolution and shall, subject to renewal thereat, expire at the conclusion of the next Annual General Meeting of the Company following the passing of this resolution (unless earlier revoked or varied by ordinary resolution of shareholders of the Company in a general meeting);

AND THAT the Directors be and are hereby authorised to act and to take all steps and do all things as they may deem necessary or expedient in order to implement, finalise and give full effect to the Proposed Share Buy-Back AND FURTHER THAT authority be and is hereby given to the Directors to decide in their absolute discretion to either retain the ordinary shares in the Company purchased by the Company pursuant to the Proposed Share Buy-Back as treasury shares to be either distributed as share dividends or transferred to eligible employees and Directors of the Group pursuant to an employees’ share scheme, or transferred as purchase consideration or resold on Bursa Malaysia Securities Berhad or subsequently cancelled, or to cancel the shares so purchased, or a combination of any of the above, or for such other purposes as may be permitted by the Companies Act 2016, as amended from time to time and any re-enactment thereof.”

9. To transact any other business of the Company for which due notice shall have been given.

BY ORDER OF THE BOARD,

NG SAY OR
Company Secretary
SSM PC No. 201908003672
(LS 0000515)

Selangor Darul Ehsan

Date: 30 April 2026

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

Notes:-

1. The members whose names appear in the Record of Depositors on 10 April 2026 shall be entitled to attend and vote at this Forty Eighth Annual General Meeting.
2. A member entitled to attend and vote at this meeting is entitled to appoint not more than two (2) proxies (or in the case of a corporation, a duly authorised representative) to attend and vote in his stead. A proxy may but need not be a member of the Company.
3. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
4. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
5. Where a member is an exempt authorised nominee ("EAN") as defined under the Securities Industry (Central Depositories) Act, 1991 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 EAN may appoint in respect of each omnibus account it holds. An EAN refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act, 1991 which is exempted from compliance with the provisions of subsection 25A(1) of the said act.
6. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, if the appointer is a corporation, under its Common Seal or the hand of an officer or attorney duly authorised.
7. The instrument appointing a proxy must be deposited at the Company's registered office at Lot 1282, Jalan Bukit Kemuning, Seksyen 32, 40460 Shah Alam, Selangor Darul Ehsan, not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof.

Explanatory Notes to Ordinary Business

1. Audited Financial Statements for financial year ended 31 December 2025

The audited financial statements are for discussion only under Agenda 1, as it does not require shareholders' approval under the provisions of Section 340(1)(a) of the Companies Act 2016. Hence, it shall not be put for voting.

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

Explanatory Notes to Special Business

1. Ordinary Resolution 6 – Continuing in Office as Independent Non-Executive Director

For the purpose of determining the eligibility of the Director to continue in Office as Independent Non-Executive Director at this 48th AGM and pursuant with Practice 5.3 of the revised Malaysian Code on Corporate Governance issued by the Securities Commission Malaysia on 28 April 2021, the Nomination Committee (“NC”) has reviewed and assessed each of the Independent Non-Executive Directors from the annual assessment and evaluation of the Board for the FYE 2025.

The NC had recommended that the Independent Non-Executive Directors remain based on the following considerations:-

- (i) has met the “Independence” criteria set out in Chapter 1 of the Main Market Listing Requirements of Bursa Malaysia Berhad;
- (ii) satisfactory performance and have met Board's expectation in discharging their duties and responsibilities;
- (iii) met the criteria of character, experience, integrity, competence and time commitment in discharging their roles as independent directors of the Company;
- (iv) level of independence demonstrated by the independent directors; and their ability to act in the best interest of the Company in decision-making.
- (v) The Board endorsed the recommendation of the NC that AZLAN BIN ARSHAD continue to hold office as Independent Non-Executive Director.

The profile of the AZLAN BIN ARSHAD is stated in the Annual Report 2025 of the Company.

2. Ordinary Resolution 7 – Authority to Directors to Allot and Issue Shares Pursuant to the Companies Act 2016

The Proposed Ordinary Resolution 7 of the Agenda is a renewal of the General Mandate for the Directors to issue and allot shares pursuant to the Companies Act 2016.

The proposed Ordinary Resolution 7, if passed, will give authority to the Directors of the Company, from the date of the above Annual General Meeting, to issue and allot shares to such persons in their absolute discretion without convening a general meeting provided the aggregate number of share issued does not exceed 10% of the issued share capital of the Company for the time being. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the Forty Seventh Annual General Meeting held on 28 May 2025 and which will lapse at the conclusion of the Forty Eighth Annual General meeting to be held on 18 June 2026.

The General Mandate sought will enable the Directors of the Company to issue and allot shares, including but not limited to further placing of shares, for purposes of funding investment(s), working capital and/or acquisition(s).

3. Ordinary Resolution 8 – Proposed Renewal of Authority for the Purchase of Its Own Shares by the Company

The proposed Ordinary Resolution 8, if passed, will empower the Company to purchase its own shares up to 10% of the issued and paid-up capital of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company. Please refer to the Share Buy-Back Statement in the Annual Report for more information.

4. Poll Voting

Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the Resolutions set out in this Notice will be put to vote by way of a poll.

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

Statement Accompanying Notice of Annual General Meeting

(Pursuant to Paragraph 8.27(2) of the Listing Requirements of Bursa Malaysia Securities Berhad)

1. Details of persons who are standing for election as Directors

No individual is seeking election as a Director at the Forty Eighth Annual General Meeting of the Company

2. General Mandate for issue of securities in accordance with Paragraph 6.03(3) of MMLR

The details of the proposed authority for Directors to issue shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 are set out in Explanatory Notes to Special Business (2) of the Notice of 48th AGM.

SHARE BUY-BACK STATEMENT

Statement Accompanying Notice of Annual General Meeting Pursuant to Paragraph 12.06 of the Listing Requirements of Bursa Malaysia Securities Berhad

1. DISCLAIMER STATEMENT

If you are in doubt as to the course of action to take, you should consult your stockbroker, solicitor, accountant, banker or other professional adviser immediately.

Bursa Malaysia Securities Berhad (“Bursa Securities”) has not perused the Statement prior to its issuance as it is an exempt document. Bursa Securities takes no responsibility for the contents of this Share Buy-Back Statement (“Statement”), makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Statement.

2. INTRODUCTION

The Company had announced on 27 April 2026 that it will be seeking shareholders’ approval at the 48th Annual General Meeting (“AGM”) for the proposed renewal of authority for the Company to purchase its own ordinary shares of up to ten percent (10%) of the issued and paid-up share capital of the Company (“Proposed Share Buy-Back Authority”).

The purpose of this Statement is to provide the information on the Proposed Share Buy-Back Authority together with the Directors’ recommendation thereon, and to seek shareholders’ approval of the Ordinary Resolution on the Proposed Share Buy-Back Authority to be tabled at the 48th AGM to be held on Thursday, 18 June 2026 at 11.00 a.m. at the Company’s office, Lot 1282, Jalan Bukit Kemuning, Seksyen 32, 40460 Shah Alam, Selangor Darul Ehsan.

The Notice of the 48th AGM of the Company and the Form of Proxy are enclosed in the Annual Report 2025 of the Company.

3. DETAILS OF THE PROPOSED SHARE BUY-BACK AUTHORITY

At the 47th Annual General Meeting of LBI held on 28 May 2025, the shareholders had approved the renewal of the authority for the Company to purchase its own shares of up to ten percent (10%) of the issued and paid-up share capital of the Company (“Share Buy-Back Authority”). The said approval will expire at the conclusion of the 48th AGM to be held on 18 June 2026 unless renewed by an ordinary resolution passed by the shareholders.

The renewal of authority for the Company to purchase its own shares will be effective immediately upon the passing of the Ordinary Resolution on the Proposed Share Buy-Back Authority at the 48th AGM to be held on 18 June 2026 until:-

- (i) the conclusion of the next AGM of the Company, at which time it will lapse, unless renewed by an ordinary resolution passed by the shareholders of the Company in a general meeting;
- (ii) the expiry of the period within which the next AGM of LBI is required by law to be held; or
- (iii) the authority is revoked or varied by an ordinary resolution passed by shareholders in a general meeting,

whichever occurs first.

In accordance with Section 127 of the Companies Act 2016 (the “Act”), the Board may, at its discretion, deal with the purchased LBI shares in the following manner:

- (i) cancel the LBI shares so purchased;
- (ii) retain the LBI shares so purchased as treasury shares;
- (iii) retain part of the LBI shares so purchased as treasury shares and cancel the remainder of the LBI shares;

SHARE BUY-BACK STATEMENT (CONT'D)

Shares that are purchased by the Company shall be deemed to be cancelled immediately on purchase unless it is held as treasury shares. If such purchased shares are held as treasury shares, the Directors of the Company may:-

- (a) distribute the shares as dividends to shareholders, such dividends to be known as "share dividends";
- (b) resell the shares or any of the shares in accordance with the relevant rules of the stock exchange;
- (c) transfer the shares, or any of the shares for the purposes of or under an employees' share scheme;
- (d) transfer the shares, or any of the shares as purchase consideration.
- (e) cancel the shares or any of the shares; or
- (f) sell, transfer or otherwise use the shares for such other purposes as the minister charged with the responsibility for companies may by order prescribe.

or in any other manner as may be prescribed by the Act, all applicable laws regulations and guidelines applied from time to time by Bursa Securities and/or any other relevant authority for the time being in force and that the authority to deal with the purchased LBI shares shall continue to be valid until all the purchased LBI shares have been dealt with by the Directors of the Company.

In the event LBI ceases to hold all or part of the purchased LBI shares as a result of the above, LBI may further purchase such additional number of LBI shares provided that the total purchased LBI shares (including LBI shares held as treasury shares then) does not exceed 10% of its ordinary issued and paid-up share capital at the time of such purchase.

The maximum number of shares which may be purchased by LBI pursuant to the Proposed Share Buy-Back will be ten percent (10%) of the prevailing number of total issued and paid-up share capital of the Company.

The Company's Shares purchased and retained by the Company as treasury shares can only be resold at a price which is:

- (i) not less than the weighted average market price of LBI Shares for the five (5) market days immediately prior to the resale; or
- (ii) at a discount of not more than 5% to the weighted average market price of LBI Shares for the five (5) market days immediately before the resale provided that:
- (iii) the resale takes place not earlier than thirty (30) days from the date of purchase; and
- (iv) the resale price is not less than the cost of purchase of LBI Shares being resold.

In accordance with Paragraph 12.26 of the Listing Requirements, the Company may purchase its own shares in odd lots, i.e. any number of its own shares which is less than the number of shares prescribed by Bursa Securities as a board lot through Direct Business Transaction or in any other manner as may be approved by Bursa Securities in accordance with such requirements as may be prescribed or imposed by Bursa Securities.

To date, LBI has yet to determine the manner of which the purchased shares are to be treated.

4. RATIONALE FOR THE PROPOSED SHARE BUY-BACK AUTHORITY

The Proposed Share Buy-Back Authority will provide LBI with another option to utilise its financial resources more efficiently. The Proposed Share Buy-Back Authority is expected to stabilise the supply and demand of LBI Shares as well as the market price of LBI Shares. All else being equal, the Proposed Share Buy-Back Authority, irrespective of whether the Purchased LBI Shares are held as treasury shares or cancelled, will result in a lower number of LBI Shares being taken into account for the purpose of computing the earnings per share ("EPS"). Therefore, depending on the price paid for the purchase of each LBI Share and its impact on earnings, the Proposed Share Buy-Back Authority may improve the consolidated EPS of LBI, which in turn could be expected to have a positive impact on the market price of LBI Shares.

LBI may also retain the LBI Shares purchased as treasury shares with the intention of realising potential gains from the resale of treasury shares and/or to reward its shareholders through the distribution of the treasury shares as share dividends.

SHARE BUY-BACK STATEMENT (CONT'D)

5. RETAINED PROFITS

The Listing Requirements of Bursa Securities ("Listing Requirements") stipulate that the proposed purchase by a listed company of its own shares must be made wholly out of retained profits account of the listed company. LBI therefore proposed to allocate an amount not exceeding the audited retained profits account of LBI for the purpose of the Proposed Share Buy-Back Authority.

Based on the latest audited financial statements of LBI as at 31 December 2025, the accumulated profit account of LBI amounted to RM34,031,350.

6. SOURCE OF FUNDS

The funding for the Company to purchase its own shares will be from internally generated funds and/or bank borrowings (if necessary). In the event that the Company purchases its own shares using bank borrowings, the Board will ensure that the Company has sufficient funds to repay the external borrowings and that the repayment will not have a material effect on the cashflow of the Company.

The actual number of LBI shares to be purchased, the total amount of funds involved for each purchase and the timing of the purchase will depend on market conditions, as well as the availability of financial resources of the Company and the availability of retained profit of the Company.

7. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED SHARE BUY-BACK AUTHORITY

7.1 Advantages

The Proposed Share Buy-Back Authority, if exercised, is expected to potentially benefit LBI and its shareholders as follows:

- (i) the EPS of LBI Shares and the return on equity of LBI, assuming all other things being equal, would be enhanced. This is expected to have a positive impact on the market price of LBI Shares which will benefit the shareholders of LBI; and
- (ii) if the Purchased LBI Shares are retained as treasury shares, LBI may realise potential gains from the resale of treasury shares. Alternatively, the Purchased LBI Shares retained as treasury shares may be distributed as share dividends to shareholders of LBI.

7.2 Disadvantages

The potential disadvantages of the Proposed Share Buy-Back Authority, if exercised, are as follows:

- (i) the Proposed Share Buy-Back Authority will utilise the financial resources of the Company and may divert the Company from pursuing future investment opportunities; and
- (ii) as the funds to be allocated for the Proposed Share Buy-Back Authority must be made out of retained profits, the amount available from these accounts for distribution of dividend to the shareholders may decrease accordingly.

Nevertheless, the Board is of the view that the Proposed Share Buy-Back Authority is not expected to have any material disadvantage to the shareholders as well as the Group as it will be implemented only after careful consideration of the financial resources of the Group and the resultant impact on the Group and its shareholders.

SHARE BUY-BACK STATEMENT (CONT'D)

8. EFFECTS OF THE PROPOSED SHARE BUY-BACK AUTHORITY

The effects of the Proposed Share Buy-Back Authority on the share capital, shareholdings of the Directors and substantial shareholders, net tangible assets ("NTA"), net assets ("NA") and working capital, and earnings of LBI, assuming LBI purchases LBI Shares up to the maximum ten percent (10%) of the issued and paid-up share capital of LBI, are set out below:-

8.1 Share capital

In the event that all the Purchased LBI Shares are cancelled and on the assumption that the Proposed Share Buy-Back Authority is exercised in full, the proforma effects of the Proposed Share Buy-Back Authority on the issued and paid-up share capital of LBI as at 10 April 2026 are as follows:-

	Number of LBI Shares	RM
As at 10 April 2026	114,908,571	111,670,282
Cancellation of Purchased LBI Shares	(11,490,857)	(11,167,028)
After the Proposed Share Buy-Back Authority	103,417,714	100,503,254

However, the Proposed Share Buy-Back Authority will not have any effect on the issued and paid-up share capital of LBI in the event that all LBI Shares bought-back are retained as treasury shares, resold or distributed to our shareholders.

SHARE BUY-BACK STATEMENT (CONT'D)

8. EFFECTS OF THE PROPOSED SHARE BUY-BACK AUTHORITY (CONT'D)

8.2 Shareholdings of the Directors and Substantial Shareholders

(i) Shareholdings of Directors

In the event that all the Purchased LBI Shares are cancelled and on the assumption that the Proposed Share Buy-Back Authority is exercised in full, the proforma effects of the Proposed Share Buy-Back Authority on the shareholdings of the Directors of LBI based on the Register of Directors' Shareholdings as at 10 April 2026 are as follows:-

Directors	As at 10 April 2026			After the Proposed Share Buy-Back Authority		
	Direct No. of LBI Shares held	%* %	Indirect No. of LBI Shares held	Direct No. of LBI Shares held	% %	Indirect No. of LBI Shares held
Dato' Ng Chin Heng	828,000	0.72	63,693,629 ⁽¹⁾	828,000	0.80	63,693,629 ⁽¹⁾
Datin Low Wee Chin	5,691,000	4.97	58,830,629 ⁽¹⁾	5,691,000	5.50	58,830,629 ⁽¹⁾
Khor Joe Ann	—	—	—	—	—	—
Kong Sau Kian	629,694	0.55	—	629,694	0.61	—
Raymond Ng Yew Foong	414,000	0.36	63,745,729 ⁽¹⁾	414,000	0.40	63,745,729 ⁽¹⁾
Lee Kien Fatt	—	—	—	—	—	—
Azlan Bin Arshad	7,147	0.01	1,341,709 ⁽²⁾	7,147	0.01	1,341,709 ⁽²⁾

* Based on 114,908,571 ordinary shares, excluding treasury shares of 388,033 as at 10 April 2026.

Notes:

(1) Deemed interested by virtue of Section 8 of the Companies Act 2016 via, Ng C.H. Holdings Sdn. Bhd. and persons connected to.

(2) Deemed interested by virtue of Section 8 of the Companies Act 2016 via, Zaloraz Sdn. Bhd. and persons connected to.

SHARE BUY-BACK STATEMENT (CONT'D)

8. EFFECTS OF THE PROPOSED SHARE BUY-BACK AUTHORITY (CONT'D)

8.2 Shareholdings of the Directors and Substantial Shareholders (Cont'd)

(ii) Shareholdings of Substantial Shareholders

In the event that all the Purchased LBI Shares are cancelled and on the assumption that the Proposed Share Buy-Back Authority is exercised in full, the proforma effects of the Proposed Share Buy-Back Authority on the shareholdings of the substantial shareholders of LBI based on the Register of Substantial Shareholders as at 10 April 2026 are as follows:-

Substantial Shareholders	As at 10 April 2026			After the Proposed Share Buy-Back Authority		
	Direct No. of LBI Shares held	%* %	Indirect No. of LBI Shares held	Direct No. of LBI Shares held	% %	Indirect No. of LBI Shares held
Ng C.H. Holdings Sdn. Bhd.	57,019,729	49.79	—	57,019,729	55.14	—
Dato' Ng Chin Heng	828,000	0.72	63,693,629 ⁽¹⁾	828,000	0.80	63,693,629 ⁽¹⁾
Datin Low Wee Chin	5,691,000	4.97	58,830,629 ⁽¹⁾	5,691,000	5.50	58,830,629 ⁽¹⁾
Raymond Ng Yew Foong	414,000	0.36	63,745,729 ⁽¹⁾	414,000	0.40	63,745,729 ⁽¹⁾
Ng Pooi Mun	207,000	0.18	64,314,629 ⁽¹⁾	207,000	0.20	63,314,629 ⁽¹⁾
Ng Pooi Yee	—	—	64,159,729 ⁽¹⁾	—	—	64,159,729 ⁽¹⁾
Ng Pooi Cheng	—	—	64,159,729 ⁽¹⁾	—	—	64,159,729 ⁽¹⁾

* Based on 114,908,571 ordinary shares, excluding treasury shares of 388,033 as at 10 April 2026.

Notes:

(1) Deemed interested by virtue of Section 8 of the Companies Act 2016 via Ng C.H. Holdings Sdn. Bhd. and persons connected to.

SHARE BUY-BACK STATEMENT (CONT'D)

8. EFFECTS OF THE PROPOSED SHARE BUY-BACK AUTHORITY (CONT'D)

8.3 NTA, NA and Working Capital of the LBI Group

The Proposed Share Buy-Back Authority may increase or decrease the NTA and NA per LBI Share depending on the purchase price(s) of LBI Shares bought-back pursuant to the Proposed Share Buy-Back Authority. The NTA and NA per LBI Share will increase if the purchase price is less than the NTA and NA per LBI Share and will decrease if the purchase price exceeds the NTA and NA per LBI Share at the time when the LBI Shares are purchased.

In the event the Purchased LBI Shares which are retained as treasury shares are resold, the NTA and NA of the LBI Group will increase or decrease depending on whether a gain or loss is realized upon the resale. The quantum of the increase or decrease in NTA and NA will depend on the actual disposal price and the number of the Purchased LBI Shares, retained as treasury shares, which are resold.

The Proposed Share Buy-Back will reduce the working capital of the LBI, the quantum of which will depend on the purchase price and the number of LBI Shares that are purchased in the open market pursuant to the Proposed Share Buy-Back.

8.4 Earnings

The effect of the Proposed Share Buy-Back Authority on the EPS of LBI Shares will depend on, inter-alia, the number of LBI Shares purchased and the purchase price(s) of the LBI Shares.

9. APPROVAL REQUIRED

The Proposed Share Buy-Back Authority is subject to the approval of the shareholders of LBI at the forthcoming AGM to be convened on 18 June 2026.

10. IMPLICATIONS OF THE PROPOSED SHARE BUY-BACK AUTHORITY IN RELATION TO THE MALAYSIAN CODE ON TAKE-OVERS AND MERGERS, 1998 ("CODE")

In the event that the Proposed Share Buy-Back Authority is carried out in full, the collective shareholdings of Ng C.H. Holdings Sdn. Bhd. and the persons acting in concert namely Dato' Ng Chin Heng, Datin Low Wee Chin, Raymond Ng Yew Foong, Ng Pooi Yee, Ng Pooi Mun and Ng Pooi Cheng ("PAIC") will increase from 56.02%-56.34% to 62.04%-62.39%, assuming that the shares purchased pursuant to the Proposed Share Buy-Back Authority are cancelled.

The Board does not anticipate any implication relating to the Code on LBI and its shareholders in the event the Share Buy-Back Mandate of up to ten percent (10%) of the issued and paid-up capital of the Company is carried out in full (subject to the compliance of public shareholding spread requirement).

11. PUBLIC SHAREHOLDING SPREAD

The Proposed Share Buy-Back Authority shall be in compliance with Section 127 of the Companies Act, 2016 and any prevailing laws, orders, requirements, guidelines, rules and regulations issued by the relevant authorities at the time of purchase including compliance with the twenty five percent (25%) public shareholding as required by Bursa Malaysia Securities Berhad. The public shareholding spread of LBI as at 10 April 2026 is 43.11%. The Board of Directors will ensure that prior to any share buy-back exercise, the Required Public Shareholding Spread of at least twenty five (25%) is maintained at all times.

SHARE BUY-BACK STATEMENT (CONT'D)

12. SHARE PRICES

The monthly highest and lowest prices of the shares traded on the Bursa Securities for the last twelve (12) months from April 2025 to March 2026 are as follows:

Year/ Month	2025 April	2025 May	2025 June	2025 July	2025 Aug	2025 Sept	2025 Oct	2025 Nov	2025 Dec	2026 Jan	2026 Feb	2026 Mar
(RM) High	0.50	0.48	0.48	0.48	0.45	0.48	0.46	0.44	0.41	0.42	0.39	0.48
(RM) Low	0.41	0.42	0.38	0.41	0.41	0.39	0.42	0.41	0.34	0.34	0.34	0.36

The last transacted price of LBI shares on 10 April 2026, being last practicable date prior to the printing of this statement was RM0.45.

13. PURCHASES AND RESALE OF LBI SHARES MADE IN THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

During the financial year ended 31 December 2025, LBI did not buy-back any LBI Shares.

As at 31 December 2025, LBI held a total of 388,033 treasury shares.

None of the Directors and substantial shareholders of LBI and persons connected to them has any interest, direct or indirect, in the Proposed Share Buy-Back Authority.

14. DIRECTORS' STATEMENT

This Statement has been seen and approved by the Board of Directors and they individually and collectively accept full responsibility for the accuracy of the information given in this Statement and confirm that, after making all reasonable enquiries, to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

Having considered all aspects of the Proposed Share Buy-Back, the Board of Directors is of the opinion that the Proposed Renewal of Authority for Share Buy-Back is fair, reasonable and in the best interest of the Company.

15. DIRECTORS' RECOMMENDATION

The Board of Directors recommends that you vote in favour of the Ordinary Resolution on the Proposed Share Buy-Back Authority to be tabled at the 48th AGM to be held on 18 June 2026.

16. OTHER INFORMATION

Copies of the following documents will be available for inspection at the registered office of LBI at Lot 1282, Jalan Bukit Kemuning, Seksyen 32, 40460 Shah Alam, Selangor Darul Ehsan during normal office hours on any working day from 30 April 2026 up to and including the date of the AGM:-

- (a) Constitution of LBI; and
- (b) Audited financial statements for financial years ended 31 December 2024 and 31 December 2025.

There is no other information concerning the Proposed Share Buy-Back Authority as shareholders and their professional advisers would reasonably require and expect to find in this Statement for the purpose of making informed assessment as to the merits of approving the Proposed Share Buy-Back Authority and the extent of the risks involved in doing so.

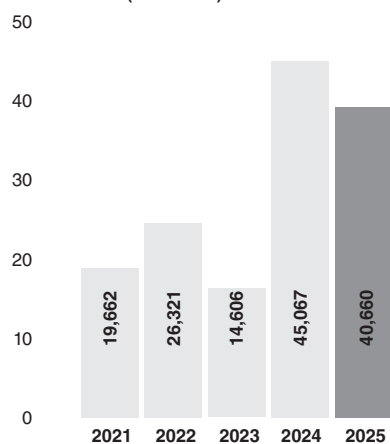
CORPORATE INFORMATION

<p>BOARD OF DIRECTORS</p> <p>Khor Joe Ann <i>Independent Non- Executive Chairperson</i></p> <p>Dato' Ng Chin Heng <i>Non-Independent Executive Director</i> <i> Managing Director</i></p> <p>Datin Low Wee Chin <i>Non-Independent Executive Director</i></p> <p>Kong Sau Kian <i>Non-Independent Executive Director</i></p> <p>Raymond Ng Yew Foong <i>Non-independent Executive Director</i></p> <p>Lee Kien Fatt <i>Independent Non-Executive Director</i></p> <p>Azlan Bin Arshad <i>Independent Non-Executive Director</i></p>	
<p>AUDIT COMMITTEE</p> <p>Lee Kien Fatt <i>Chairman</i></p> <p>Khor Joe Ann</p> <p>Azlan Bin Arshad</p>	<p>NOMINATION COMMITTEE</p> <p>Khor Joe Ann <i>Chairperson</i></p> <p>Azlan Bin Arshad</p> <p>Lee Kien Fatt</p>
<p>REMUNERATION COMMITTEE</p> <p>Khor Joe Ann <i>Chairperson</i></p> <p>Dato' Ng Chin Heng</p> <p>Lee Kien Fatt</p>	<p>RISK MANAGEMENT COMMITTEE</p> <p>Khor Joe Ann <i>Chairperson</i></p> <p>Dato' Ng Chin Heng</p> <p>Kong Sau Kian</p> <p>Lee Kien Fatt</p> <p>Azlan Bin Arshad</p>
<p>JOINT SECRETARIES</p> <p>Ng Say Or (LS 0000515) SSM PC No. 201908003672</p> <p>Yew Ing Chuo (MAICSA 7003806) SSM PC No. 201908003659</p> <p>PRINCIPAL BANKERS</p> <p>Public Bank Berhad Public Investment Bank Berhad AmBank (M) Bhd</p> <p>STOCK EXCHANGE LISTING</p> <p>Bursa Malaysia Securities Berhad Main Market</p>	<p>SHARE REGISTRAR</p> <p>Bina Management (M) Sdn Bhd. Lot 10, The Highway Centre Jalan 51/205, 46050 Petaling Jaya Selangor Darul Ehsan</p> <p>Tel : 603-77843922 Fax : 603-77841988</p> <p>EXTERNAL AUDITORS</p> <p>UHY Malaysia PLT Suite 11.05, Level 11, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur Tel : (03) 2279 3088 Fax: (03) 2279 3099</p>
<p>HEAD OFFICE</p> <p>Lot 1282, Jalan Bukit Kemuning, Seksyen 32, 40460 Shah Alam, Selangor Darul Ehsan Tel : 603-51225128 Fax : 603-51225118</p>	<p>REGISTERED OFFICE</p> <p>Lot 1282, Jalan Bukit Kemuning Seksyen 32, 40460 Shah Alam, Selangor Darul Ehsan Tel : 603-51225128 Fax : 603-51225118</p>
<p>WEBSITE</p> <p>https://lbi-capital.com.my/</p>	

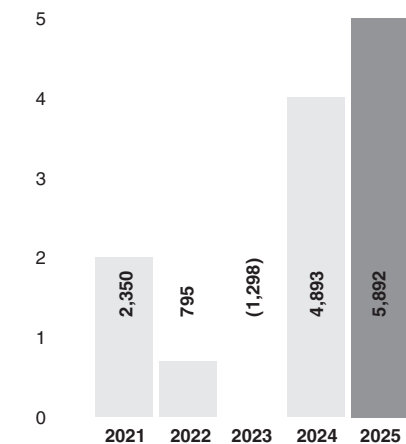
SUMMARY OF FINANCIAL HIGHLIGHTS

	2021 (RM'000)	2022 (RM'000)	2023 (RM'000)	2024 (RM'000)	2025 (RM'000)
Revenue	19,662	26,321	14,606	45,067	40,660
Profit/(Loss) Before Taxation	2,350	795	(1,298)	4,893	5,892
Profit/(Loss) Attributable to Equity Holders	1,913	493	(1,430)	4,293	3,982
Earning/(Loss) Per Share (Sen)	1.84	0.46	(1.28)	3.82	3.48
Dividend Per Share (Sen) (*Include Dividend- in-specie)	6.5*	2.0	2.0	2.5	–
Return on Equity (%)	1.3	0.3	(1.0)	3.1	2.8
Net Gearing Ratio (%)	0	0	0	0	11.7
Shareholder's Equity	143,154	141,417	137,911	140,695	144,697
Net Asset Per Share (RM)	1.28	1.26	1.23	1.22	1.26

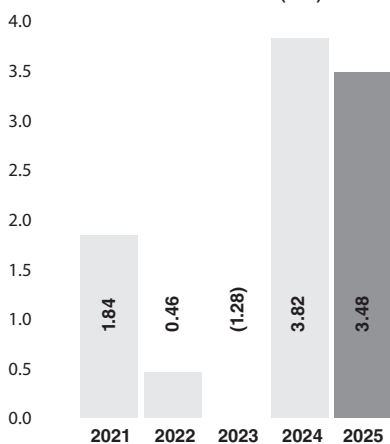
REVENUE (RM Million)



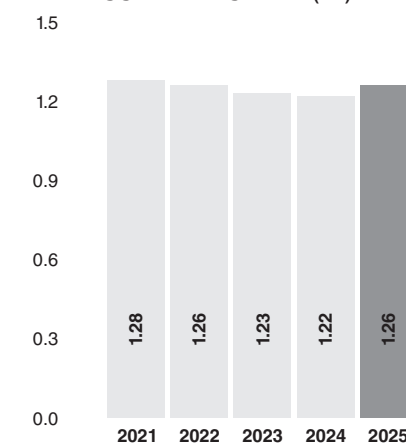
PROFIT BEFORE TAXATION (RM Million)



EARNING PER SHARE (Sen)



NET ASSET PER SHARE (RM)



CHAIRMAN'S STATEMENT & MANAGEMENT DISCUSSION AND ANALYSIS

On behalf of the Board of Directors, I am pleased to present the Annual Report, the Financial Statements of LBI Capital Bhd ("the Company") and its subsidiaries ("the Group") and the management discussion and analysis for the financial year ended 31 December 2025.

Financial Performance

The Group recorded a profit before tax of RM5.9 million as compared to the previous year profit before tax of RM4.9 million despite a lower revenue of RM40.7 million as compared to the previous year revenue of RM45.0 million. The higher profit before tax in the current financial year was due higher revenue derived from its turnkey management contract which was completed during the year.

The Group's financial position continues to be strong with shareholders' funds of RM144.7 million and a gearing level of RM16.9 million as compared to RM7.8 million in the preceding year as the Group is working on its development in Sg. Buloh. Its net tangible asset per share was RM1.26 (2025: RM1.22) per share.

Management Discussion and Analysis

The aim of the management discussion and analysis is to provide shareholders with an overview of the business operations of the Group, its challenges, risk management and the management's outlook of the business moving forward.

Property Market Outlook & Challenges

Overall, the Malaysia property market is expected to remain stable with some headwinds currently. Transaction value nationally is forecast to rise, signaling continuing activity rather than a slump. Residential prices are generally projected to see modest increases with stronger growth in well connected or high demand locations. Price increases are mainly due to construction cost pressure which is attributed to logistic issues and the recent war in the middle east.

However, government policy which promotes house ownership with housing incentives, stamp duty relief for first-time buyers will mitigate some headwinds.

High property prices relative to average income and stricter loan approvals are dampening buyer demand, especially in the mid-range housing segment which the Group is operating. This coupled with persistent overhang of completed but unsold residential units continues to build in several markets, reflecting mismatches between supply and effective demand.

Broader challenges such as regulatory complexity, maintenance cost pressures in strata development also contributed to the challenges in this industry. The middle east war has a direct effect on pressure on construction and material costs and these can compress profit margins or create difficulty in securing sales.

Strategic Focus

Our strategic focus remains unchanged where the Group would focus on the mid-market segment for landed properties and higher margin commercial properties in strategic locations.

Risk Management Objective and Policies

The Group's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's operations whilst managing its financial risks, including foreign currency exchange risk, interest rate risk, credit risk, liquidity risk and cash flow risk. The Group operates within clearly defined guidelines that are approved by the Board and the Group policy is not to engage in speculative transactions.

The following sections provide details regarding the Group's exposure to the abovementioned financial and other major risks and the objectives, policies and processes for the management of these risks:

i) Liquidity risk

Liquidity risk refers to the risk that the Group will encounter difficulty in meeting its financial obligations as and when they are due. The Group's exposure to liquidity risk arises primarily from the mismatches of the maturities of financial assets and liabilities.

CHAIRMAN'S STATEMENT (CONT'D)

The Group's funding requirement and liquidity risks are managed with the objectives of meeting business obligations on a timely basis. The Group finances its liquidity through internally generated cash flows and minimizes liquidity risk by keeping committed credit lines available and launching project in phases.

ii) Property Market risk

The Property Market risk is closely linked to the liquidity risk. If the market is bad, there would only be outflow of cash with very minimal inflow from sale. This risk is very dependent on the sales and marketing effectiveness, end-financing availability, market segment targeting, income level of the purchaser, purchaser interest in the property and general economy conditions.

iii) Construction Material & Labour Supplies Risk

Supplies constraints and inflation have caused a major spike in construction material costs and supply availability. Currently the construction cost is expected to increase substantially.

Lack of construction labour resources and spike in labour cost may hinder the progress of construction projects and subsequently delay the award of new contracts. This risk is a bigger challenge than the rise in construction materials cost.

The increase in construction material and construction labour costs would cause the rise in selling price which in turn will affect the affordability and marketability of the property.

iv) Project Implementation risk

Project Implementation risk is mainly the construction risk which depends on the implementation of the project after securing all the relevant government approvals. It encompassed the selection of reliable contractor to build and the supervision by management and consultants involved in the project. Adverse weather condition such as heavy rain and flooding may exacerbate this risk as well.

Operation risk also include delays in project implementation that can cause delay in hand over of projects which can be very costly.

v) Changes in Government Policies risk

The feasibility of the development project hinges on government regulation and policies. Most of these policies may change from time to time. Government policies on planning requirement such as affordable house requirement, bumiputra quota, infrastructure specification and requirement, density allowed would have a direct impact on the feasibility of the project. Some of these changes may negatively impact feasibility of projects.

Current Development Projects

The Group's Puncak Awani Phase 1 construction work is progressing well in advance. The whole structure for 17 units of double storey shop, 140 units of double terrace house and 156 units of Rumah Selangor-Ku has been completed. We are currently working on the infrastructure on this project. We have been actively marketing these properties to the market. The expected GDV for the first phase is RM135 million.

The joint development project with Maming Development (Ayer Keroh) Sdn Bhd for the proposed development on its leasehold land in Melaka comprising 350 units of condominium project in Melaka was launched and marketed. This project has a Gross Development Value (GDV) of RM130 million. The piling works and ground foundation has been completed and now working on the main structure. The developer is actively marketing this project going forward.

The Group has completed its turnkey management contract with Golden Eagle Dynasty Sdn Bhd comprising 31 units of double storey shops located in Taman Cheras Jaya, Cheras. Currently we are working on the certificate of compliance and completion which is expected in next month.

Our associate company, Brinchang Development Sdn Bhd in currently working on the retainer wall and earthwork of 42 units of three storey semi-detached shop in Brinchang, Cameron Highland known as Centrum Pinewood @ Cameron Highland. Sale response to this project is very encouraging.

CHAIRMAN'S STATEMENT (CONT'D)

Prospects

In essence, Klang valley remains the leading growth engine for property development business underpinned by urban demand, infrastructure investment and evolving buyer preference. The Group main project is located in Klang Valley with a large job market supporting this property development business.

Acknowledgement

I would like to express my sincere gratitude to my fellow Board members, senior management and staff for their dedication and hard work.

I would also like to extend my gratitude to all our customer, associates and the relevant government authorities for the supports.

Khor Joe Ann
Chairperson
30th April, 2026

BOARD OF DIRECTORS

KHOR JOE ANN

Aged 50, a Malaysian, was appointed as an Independent Non-Executive Director and Chairperson of the Company on 2nd January 2026.

She is a businesswoman with vast experiences in marketing, accounting, corporate finance and auditing. She graduated from University of Melbourne, Australia with a Master degree in International Business and a degree in Accounting and Financial Management from University of Sheffield, UK. She worked in area of audit, debt capital market, corporate banking and advisory across banking industry and venture capital firm.

She currently the chief operating officer in Green Growers Ventures Group which involved in marketing of fast moving consumer goods.

She did not attend any Board meetings held during the financial year ended 31 December 2025. She has no family relationship with any Directors of the Company, no conflict of interest with the Company and has never been charged for any offence within the past 10 years.

DATO' NG CHIN HENG

Aged 68, Malaysian, Managing Director of the Company. He was first appointed to the Board on 21 November 1979. He is a specialist in rubber technology having studied in Japan and Germany. He also attended the management programme of Tsinghua University, Beijing, China.

He is actively involved in various Business Chambers of Commerce and Chinese Associations which promotes various environment, social and governance objectives. He is the Vice President of The Federation of Hokkien Association Malaysia, Director in Persatuan Keluarga Ng Teng Chin Malaysia, Central Representative in the Federation of Chinese Association Malaysia, Deputy Treasurer in the Kuala Lumpur & Selangor Chinese Assembly Hall and Director of Persatuan Hokkien Klang

He attended four out of four Board meetings held during the financial year ended 31 December 2025. He is the spouse of Datin Low Wee Chin and father of Raymond Ng Yew Foong and has no conflict of interest with the Company and has never been charged for any offence within the past 10 years.

DATIN LOW WEE CHIN

Aged 67, Malaysian, Executive Director of the Company. She was appointed to the Board on 5 September 2008. She has extensive experience in administration, corporate restructuring and finance works.

She attended four out of four Board meetings held during the financial year ended 31 December 2025. She is the spouse of Dato' Ng Chin Heng and mother of Raymond Ng Yew Foong and has no conflict of interest with the Company and has never been charged for any offence within the past 10 years.

RAYMOND NG YEW FOONG

Aged 43, Malaysian, Executive Director. He started his career with the Company after graduating with a Diploma in Business Management and subsequently went on to earn a Master in Business Administration (MBA). Currently he is in charge of the Sales and Marketing Division of the Group.

He attended four out of four Board meetings held during the financial year ended 31 December 2025. He is the son of Dato' Ng Chin Heng and Datin Low Wee Chin. He does not have any conflict of interest with the Company and has never been charged for any offence within the past 10 years.

BOARD OF DIRECTORS (CONT'D)

KONG SAU KIAN

Aged 62, Malaysian, Executive Director. He is a member of the Malaysian Institute of Accountants. He graduated with a Bachelor of Accounting (Honours) degree from University of Malaya in 1988. Subsequently, he joined KPMG Peat Marwick, an international accounting firm until 1992 where his exposure include audit of wide range of industries, corporate restructuring, acquisition audit and other special assignments.

He also sits on the Board of Asia Brands Corporation Bhd, ES Ceramics Technology Bhd and SSF Home Group Bhd.

He attended four out of four Board meetings held during the financial year ended 31 December 2025. He has no family relationship with any Director of the Company, no conflict of interest with the Company and has never been charged for any offence within the past 10 years.

LEE KIEN FATT

Aged 59, Malaysian, Independent Non-Executive Director. He is a member of MICPA and MIA who started his career with KPMG in 1987 before joining Group Associated (C&L) Sdn Bhd and Ng Tiong Seng Corporation Sdn Bhd, both as finance manager.

He currently sits on the Board of XOX Networks Bhd, Key Alliance Group Bhd and Niche Capital Emas Holdings Bhd.

He attended four out of four Board meetings held during the financial year ended 31 December 2025. He has no family relationship with any Director of the Company, no conflict of interest with the Company and has never been charged for any offence within the past 10 years.

AZLAN BIN ARSHAD

Aged 62, Independent Non-Executive Director. He was first appointed as a director on 5 January 2015. He graduated with a Diploma of Accounting (Honours) from Institute Technology Mara 1986. He went on to join Plessey Electronics, UK followed by KPMG and Tongkah Holding Berhad before operating his own businesses.

He attended four out of four Board meetings held during the financial year ended 31 December 2025. He has no family relationship with any Director of the Company, no conflict of interest with the Company and has never been charged for any offence within the past 10 years.

CORPORATE GOVERNANCE STATEMENT

The Board of Directors recognize the importance of the enhancement of corporate governance and fully support the high standards of corporate behavior and accountability. The Board has been managing the business and affairs of the Group in the manner which is consistent with the Principles (“the Principles”) and Best Practices (“the Best Practices”) of the Malaysian Code on Corporate Governance (“the Code”).

Board Charter

The Board Charter sets out the composition and balance, roles and responsibilities and processes of the Board and is to ensure that all Board members acting on behalf of the Company are aware of their duties and responsibilities as Board Members.

The Board Charter shall be reviewed by the Board as and when required and its relevance in assisting the Board to discharge its duties with the changes in the corporate law and regulation that may arise from time to time and to remain consistent with the Board’s objective and responsibilities. The Board Charter is published on the Company’s website.

Ethical Standards through Code of Business Ethics

The Board acknowledges the importance of establishing a healthy corporate culture and has formalized in writing a Code of Conduct and Ethic for the Board and employee, which sets out the standards of good behavior by underscoring the core ethical values that are vital for their business decisions.

Whistle-Blowing Policy

The Group adopted a whistle-blowing policy which encourages employees and stakeholders to report and disclose any wrongdoing or improper conduct relating to unlawful conduct, inappropriate behavior, malpractices, any violation of established written policies and procedures within the Group or any action that is or could be harmful to the reputation of the Group and/or compromise the interest of the shareholders, clients and the public, to the companies.

Employees and stakeholders are encouraged to submit their report and concerns to the Company’s Audit Committee.

A. BOARD OF DIRECTORS

(i) The Board

The Board consists of persons of various professional backgrounds, business and commercial experiences relevant for the effective management of the Group. The wealth of experience possessed by members of the Board had been helpful in meeting the company’s corporate objective through strategic business initiatives. The daily operation of the Group is under the supervision of the executive directors, and is fully supported by the management team.

The Board has seven (7) members comprising four (4) executive directors and three (3) independent non-executive directors. The independent Non-Executive Directors are independent of management, and free from any business which could interfere with their independent judgment and their ability to act in the Group’s best interest. Their backgrounds are briefly described under the directors’ profile in this Annual Report 2025.

(ii) Board Responsibilities

The Board retains full and effective control of the Group, the primarily responsibilities of the Board are as follow:-

- Reviewing and adopting a strategic plan for the Group;
- Overseeing the conduct of the Group’s business to evaluate whether the business is being properly managed;
- Identifying principal risks and ensure the implementation of appropriate systems to manage these risks;
- Succession planning, including appointing, training, fixing the compensation and where appropriate, replacing senior management;

CORPORATE GOVERNANCE STATEMENT (CONT'D)

A. BOARD OF DIRECTORS (CONT'D)

(ii) Board Responsibilities (Cont'd)

- Developing and implementing an investor relations program or shareholder communications policy for the company; and
- Reviewing the adequacy and the integrity of the company's internal control systems and management information systems for compliance with applicable laws, regulations, rules, directives and guidelines.

The Board of Directors has delegated certain responsibilities to other Board committees which function within their approved terms of reference. The other Board committees include the Audit Committee, the Nomination Committee, the Remuneration Committee and the Risk Management Committee.

(iii) Appointment of the Board and Re-election

The Board has formed a Nomination Committee comprising of all Non-Executive Directors. The members of the Nomination Committee consists of:-

	No. of Meeting Attended
1. Dato' Khor Ah Hua @ Khor Choo Fong (Former Chairman)	2/2
2. Azlan Bin Arshad	2/2
3. Lee Kien Fatt	2/2

In assessing the independence of the Independent Directors, the Nomination Committee notes that the respective Independent Directors have met the definition of Independent Director as set out in the Main Market Listing Requirement of Bursa Malaysia Securities Berhad

The Independent Director shall serve on the Board up to a maximum tenure of 12 years in line with the Bursa Listing Requirement.

The function of the Nomination Committee amongst others, is to recommend to the Board suitable candidates for all directorships or Board Committee of the Group. In addition, the Committee reviews the profile of the required skills and experience of each individual director and assist in implementing the assessment programme to assess the effectiveness of the Board as a whole. An orientation and education programme for newly appointed Directors is part of the function of Nomination Committee. This is to ensure that the Board has an appropriate balance of experience and abilities.

In accordance with the Company's Constitution, one third of the Board members are required to retire at every Annual General Meeting ("AGM") and be subjected to re-election by the shareholders. Newly appointed Directors shall hold office until the following AGM and shall then be eligible for re-election by the shareholders. All Directors, including the Managing Director shall retire from office at least once in three years and shall be eligible for re-election.

(iv) Board Meeting and Supply of Information

The Board has at least four regular scheduled meetings each year to review and monitor the development of the Group. The agenda for each Meeting is circulated to all the Directors for their perusal well in advance of the Board meeting date. They are given sufficient time to enable the Directors to obtain further explanations, where necessary, in order to be briefed before the meeting. The quarterly financial results and business review, including the financial performance to-date against the previous year has been tabled at each scheduled meeting for discussion.

CORPORATE GOVERNANCE STATEMENT (CONT'D)

A. BOARD OF DIRECTORS (CONT'D)

(iv) Board Meeting and Supply of Information (Cont'd)

Four (4) Board meetings were held during the financial year ended 31 December 2025. The attendance record of each Director since the last financial year is as follows:

	No. of Meetings Attended
Dato' Khor Ah Hua @ Khor Choo Fong (Former Chairman)	4 of 4
Dato' Ng Chin Heng	4 of 4
Datin Low Wee Chin	4 of 4
Kong Sau Kian	4 of 4
Raymond Ng Yew Foong	4 of 4
Lee Kien Fatt	2 of 4
Azlan Bin Arshad	4 of 4

All Directors have full and complete access to all information within the Company. The Board also has direct access to the advice and services of the Company Secretary in discharging their duties competently.

Directors are empowered to seek independent professional advice as they may require, at the expenses of the Group, to enable them to form a decision.

(v) Directors' Training

The few of the Directors of the Company have attended and successfully completed the Mandatory Accreditation Programme Part II conducted by the Institute of Corporate Directors Malaysia. Amongst the training programme attended by directors are post budget seminar, financial reporting standards and bursa listing requirement update.

B. DIRECTORS' REMUNERATION

The majority members of the Remuneration Committee are made up of independent non-executive directors. The members of the Remuneration Committee consist of the following and their meeting attendance are as follows:-

	No. of Meeting Attendance
1. Dato' Khor Ah Hua @ Khor Choo Fong (Former Chairman)	1/1
2. Dato' Ng Chin Heng	1/1
3. Lee Kien Fatt	1/1

The Remuneration Committee reviews the salaries, incentive and service arrangement of all Executive Directors on an annual basis. The Committee also established a formal and transparent procedure on executive remuneration and recommends to the Board the remuneration package of the Executive and Non-Executive Directors. The Directors concerned would abstain from participating in decisions regarding their own remuneration package.

The remuneration of the Executive Directors are linked to their corporate and individual performance. The remuneration of the Non-Executive Directors are related to their experience and level of responsibilities. The review and recommendation of the Committee would be subjected to the approval of the Board.

CORPORATE GOVERNANCE STATEMENT (CONT'D)

B. DIRECTORS' REMUNERATION (CONT'D)

For the financial year ended 31 December 2025, the details of Directors' remuneration and Directors' fee of the Group are as follow

RM'000 Name	Fee	Salaries	Bonus	EPF, EIS & Sosco	Benefits- in-kind	Total
Dato Ng Chin Heng		864	72	178	28	1,142
Datin Low Wee Chin		408	34	85	24	551
Kong Sau Kian		408	34	85	11	538
Raymond Ng Yew Foong		264	22	55	28	369
Dato' Khor Ah Hua @ Khor Choo Fong	24					24
Azlan Bin Arshad	18					18
Lee Kien Fatt	18					18
Total	60	1,944	162	403	91	2,660

C. ACCOUNTABILITY AND AUDIT

(i) Risk Management and Internal Controls

The Risk Management and Internal Controls Statement in respect of the state of internal controls of the Company pursuant to paragraph 15.27 (b) of the Listing Requirements.

The Risk Management Committee which comprises the following members and their attendance of the meeting are as follow:-

	No. of Meeting Attendance
a) Dato' Khor Ah Hua @ Khor Choo Fong (Former Chairman)	1/1
b) Dato' Ng Chin Heng	1/1
c) Kong Sau Kian	1/1
d) Azlan Bin Arshad	1/1
d) Lee Kien Fatt	1/1

The Board acknowledges that risk management and internal controls are an integral part of the overall management process which is an ongoing process to identify, evaluate, monitor, manage and mitigate the risks that may affect its corporate objectives. The components of the Group's risk management and internal financial controls include:-

- **Business system**
The information systems operated within the Group have been developed with controls to safeguard the integrity of financial data.
- **Financial and operational reporting**
Financial and operations reports are reported monthly to the Executive Directors and to the Board on a quarterly basis
- **Authorisation limits**
The Group's well-defined organisation structure has a clear line of accountability, segregation of duties and strict authorisation, approval and control procedures within which senior management operate.
- **Risk Management**
The Risk Management Committee have conducted its annual risk evaluation exercise and reviewed the adequacy and effectiveness of the internal controls which was also reviewed by the Audit Committee. There is an ongoing process for identifying, evaluating and managing the significant risks faced by the Group, which has been in place for the year under review and up to date approval of the Annual Report.

CORPORATE GOVERNANCE STATEMENT (CONT'D)

C. ACCOUNTABILITY AND AUDIT (CONT'D)

(i) Risk Management and Internal Controls (Cont'd)

The Company had engaged an internal audit firm to undertake internal audit function for the financial year ended 31 December 2025.

(ii) Financial Reporting

Directors' Responsibility statement in respect of Audited Financial Statements pursuant to Paragraph 15.27 (a) of the Listing Requirements.

The Board of Directors is responsible for the financial statements for each financial year which gives a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and the results and cash flows of the Group and of the Company for the year then ended. The Board of Directors is also responsible in ensuring that the financial statements of the Group and the Company are drawn up in accordance with applicable approved accounting standards in Malaysia, consistently applied and with reasonable and prudent judgments and estimates.

In presenting the annual financial statements and quarterly announcements of its results, the Board has ensured that the financial statements present a fair assessment of the Group's position and prospects.

(iii) Relationship with Internal and External Auditors

The Company maintains a transparent relationship with internal and external auditors in seeking their professional advice and towards ensuring compliance with accounting standards in Malaysia.

D. RELATIONSHIP WITH SHAREHOLDERS

The annual reports and the quarterly announcements are the primary modes of communication to report on the Group's business activities and financial performance.

The Annual General Meeting is the principal forum for dialogue with shareholders. Notice of the Annual General Meeting together with a copy of the Company's Annual Reports to be downloaded/requested are sent out to the shareholders at least 28 days before the meeting. At each Annual General Meeting, shareholders are given ample time and opportunity to raise more questions pertaining to the business activities of the Group, without limiting of the type of queries asked and they do not seek prior approval from the major shareholders. During the meeting, the Managing Director and the Executive Directors are prepared to provide responses to queries and to receive feedback from the shareholders during the meeting. The external auditors are also present to provide their professional and independent clarification on issue of concern raised by the shareholders. Until the date of this report, we have not received any complaint from any shareholder.

E. OTHER INFORMATION

The following information is provided in compliance with the listing requirement of Bursa Malaysia Securities Berhad.

a) Corporate fund raising exercise undertaken by the Company.

There is no fund raised by the Company during the financial year ended 31 December 2025.

b) Share Buy Back

During the financial year ended 31 December 2025, the Company did not repurchase any of its issued shares from the open market.

CORPORATE GOVERNANCE STATEMENT (CONT'D)

E. OTHER INFORMATION (CONT'D)

- c) Option, warrants or convertible securities.

As at 31 December 2025, there are no convertible securities in the Company.

During the financial year ended 31 December 2025, there were no:-

- (a) American Depository Receipts or Global Depository Receipts programme sponsored by the Company;
- (b) Sanctions and / or penalties imposed on the Company or its subsidiary companies;
- (c) Non-audit fee paid to the external auditors of the Company;
- (d) Variance of results which differs by 10% or more from any profit estimate / forecast / projection / unaudited results announced;
- (e) Profit guarantee given by the Company;
- (f) Material contracts of the Company and its subsidiary companies involving directors and substantial shareholders;
- (g) Recurrent related party transactions of revenue nature during the year involving revenue of more than RM1 million and hence shareholders' mandate is not required;
- (h) Contract relating to loan by the Company; and
- (i) Revaluation policy on landed property during the financial year.
- (j) Disclosure of financial data for Shariah screening as follows:

Group Total Income and Total Asset

Total Income	Remark	2025 (RM'000)	2024 (RM'000)
Revenue		40,660	45,067
Other Income		2,480	1,200
Interest/Finance Income		201	433
Total		43,341	46,700
Total Asset		198,729	181,910

Component of financial Position

Conventional Account/ Instruments	Remark	2025 (RM'000)	2024 (RM'000)
Cash and Bank Balances		1,647	24,555

Debt Component

Conventional Borrowings	Remark	2025 (RM'000)	2024 (RM'000)
Non-Islamic		16,909	7,847

AUDIT COMMITTEE REPORT

TERMS OF REFERENCE

The main objective of the Audit Committee is to assist the Board of Directors in fulfilling its responsibilities relating to accounting and reporting practices of the Company and its subsidiary companies. In particular, the Audit Committee shall:-

- oversee and appraise the quality of the audits conducted by the Company's external auditors;
- maintain open line of communication between the Board of Directors and the external and internal auditors for the exchange of views and information, as well as to confirm their respective authority and responsibilities; and
- Determine the adequacy of the Group's administrative, operating and accounting controls.

COMPOSITION

- a) The Committee members shall be appointed by the Board of Director from amongst the Directors of the Company.
- b) The Committee shall comprise not less than three audit committee members, a majority of whom shall be Independent and all shall be Non-Executive Directors. All the members are independent and non-executive directors.
- c) At least one of the Committee members:-
 - i) must be a member of the Malaysian Institute of Accountants; or
 - ii) if he is not a member of the Malaysian Institute of Accountants, he must have at least three years working experience and:-
 1. he must have passed the examinations specified in part I of the 1st Schedule of the Accountants Act 1967; or
 2. he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967.
- d) No Alternate Director shall be appointed as a member of the Committee.
- e) The members of the Committee shall elect a Chairman from among their members who shall be an independent Non-Executive Director.
- f) If a member of the Committee resigns, dies or for any other reason ceases to be member which resulted that the number of members is reduced to below three, the Board of Directors shall, within three months of that event, appoint such number of new members as may be required to make up the minimum number.

SECRETARY

The Company Secretary or his assistant shall be the Secretary of the Committee.

FUNCTIONS

The functions of the Audit Committee are as follow:-

- Review the audit plan with the external auditors;
- Review the system of internal accounting controls with external auditors;
- Review the audit report with external auditors;
- Review the assistance given by the Company's officers to the external auditors;
- Review the Balance Sheets and Profit and Loss Accounts of the Company and the Group;
- Review any related party transactions that may arise within the Company or the Group;
- Recommend to the Board the appointment of external auditor;
- Identify and direct any special project or investigations deemed necessary; and
- Carry out any other related activities and duties in relation to the function of the Audit Committee.

AUDIT COMMITTEE REPORT (CONT'D)

AUTHORITY

The Committee shall, whenever necessary and reasonable for the performance of its duties at the Company's cost:-

- a) have authority to investigate any activity within its term of reference;
- b) have the resources which are required to perform its duties;
- c) have unrestricted authority to access to any information pertaining to the Group;
- d) have direct communication with the external auditors;
- e) have authority to obtain external legal or other independent professional advice; and
- f) have the power to convene meetings with external auditors, excluding the attendance of the executive members of the Committee, whenever deemed necessary.

MEETING

- a) The quorum for any meeting of the Committee shall be two and the majority of members present shall be independent Directors.
- b) Apart from the members of the Committee who will be present at the meetings, the Committee may invite any member of the Chief Executive, the head of finance, the head of project and representatives of the external auditors to present at meetings of the Committee.
- c) The Committee shall meet at least four times a year and such additional meetings as the Chairman shall decide in order to fulfill its duties.
- d) Upon request by the external auditors, the Chairman may call for a meetings of the Committee to consider any matter the external auditors believe should be brought to the attention of the directors or shareholders of the Company. The committee met the external auditors twice in the year without the presence of the executive directors.
- e) If at any meeting the Chairman is not present at the time appointed for holding meeting, or is unwilling to act, the members present may choose one of their members other than an Executive Director to chair the meeting.

MINUTES

Minutes of each Committee meeting are to be prepared and sent to Committee members and the Company's directors who are non-members of the Committee. If the Company Secretary had not taken the minutes, a copy of the minutes should be sent to him or her for permanent filing.

The members of the Audit Committee comprises the following:-

Members of the Committee	Designation in The Company
Lee Kien Fatt	Chairman /Independent Non-Executive Director
Dato' Khor Ah Hua @ Khor Choo Fong	Independent Non-Executive Director
Azlan Bin Arshad	Independent Non-Executive Director

The summary of attendance at Audit Committee meetings for the financial year ended 31 December 2025.

Members of the Committee	No. of Meetings Attended
Lee Kien Fatt	4 of 4
Dato' Khor Ah Hua @ Khor Choo Fong	4 of 4
Azlan Bin Arshad	4 of 4

AUDIT COMMITTEE REPORT (CONT'D)

ACTIVITIES OF THE AUDIT COMMITTEE

The activities carried out by the Audit Committee during the financial year ended 31 December 2025 were as follow:-

- a) Reviewed the Group's quarterly financial results and annual audited accounts before submission for the Board's approval and announcements to Bursa Malaysia;
- b) Reviewed with the external auditors their audit plan and significant audit issues;
- c) Reviewed the adequacy and effectiveness of the internal audit process and assessed the performance, effectiveness and efficiency of its function;
- d) Reviewed the adequacy of provision for doubtful debts and bad debts written off;
- d) Reviewed the related party transactions within the Company and the Group;
- e) Reviewed the audit reports and assessed the recommendations on the audit issues prepared by the external auditors; and
- f) Reviewed the internal audit report with the internal auditors, evaluating the adequacy of the approach and work performed via the internal audit programmes and results thereon.

There is an ongoing process for identifying, evaluating and managing the significant risks faced by the Group, which has been in place for the year under review and up to date approval of the Annual Report.

However the Company had engaged an internal audit firm, Bizsery Corporate Management Sdn Bhd to undertake internal audit function for the financial year ending 31 December 2025. The total cost incurred in outsourcing of the internal audit function to an independent professional firm during the financial year amounted to approximately RM16,000.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors is committed and is taking appropriate steps to strengthen the system of internal control and risk management within the Group. The system of internal control and risk management is designed to manage the inherent business risks and risk of failure to achieve the business objectives. As such, it can only provide reasonable and not absolute assurance against material misstatement or loss.

RISK MANAGEMENT FRAMEWORK

The Group has in place a risk management process to identify, evaluate and manage significant risks impacting the Group. The process is supported by procedures, methodologies and evaluation criteria to ensure clarity and consistency of application across the Group.

The Board has delegated its authority to the Management to review and determine the level of risk tolerance. The process requires management to comprehensively identify and assess all types of risks in terms of likelihood, velocity and magnitude of impact as well as to identify and evaluate the adequacy and application of mechanisms in place to manage, mitigate, avoid or eliminate these risks. The process encompasses assessments and evaluations at business unit process level before being examined on a Group perspective.

A briefing is presented to the Audit Committee on the significant risks impacting the Group and the measures taken by the management to address and manage such risks. It also highlights residual exposures along with an appropriate management action plan to manage or mitigate such exposures. Any internal or external change that may significantly impact the risks and controls spectrum is also highlighted. The Board annually reviews and discussed with management at Board meetings, the risk tolerance and additional internal controls to be implemented (if any).

INTERNAL CONTROL SYSTEM

The key processes that the directors have established in reviewing the adequacy and integrity of the system of internal controls are as follows:

- The Audit Committee, on behalf of the Board, regularly reviews and holds discussion with management on the action taken on internal control issues identified by the management and issues highlighted by the external auditors and internal auditors in the course of their work as statutory auditors and internal auditors. The Audit Committee meets regularly and as and when needed.
- The Board receives and reviews regularly reports from the Management on the key operating statistics, legal and regulatory matters. The Board approves appropriate responses to regulatory authorities' queries.
- There are internal audit visits and if the need arises, other specific assignments to monitor compliance with policies and procedures, to assess effectiveness of the internal control system and to highlight any significant findings in respect of non-compliance.

The Group had outsourced its internal audit function to an independent party who assists the Audit Committee as well as the Board of Directors to discharge their responsibility by providing an independent, objective assurance and advisory services that add value and improve the Group operation. The internal audit function has focused on high priority activities determined by risk assessment and in accordance with the audit planning memorandum approved by the Audit Committee.

The Board also acknowledged that internal controls and self-control assessment are integral self-regulatory mechanisms in enhancing corporate governance and the organization's performance. For the year under review the on going review process was facilitated with internal control procedures with clear line of authority, responsibilities, policies and procedures. A close involvement of the Executive Directors in the daily activities has reduced the operational risk of the Group.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

MONITORING AND REVIEW

The Board is committed in its responsibilities and accountability for the Group's system of internal controls and risk management. The controls not only cover the areas of financial, operating and administration but also compliance with statutory requirements and organization's policies and procedures.

The Board recognizes the importance of risk management, as such the control processes are reviewed by the Board on an ongoing basis for identification and mitigation of the major risks within the Group. Besides this, the participation of the Executive Directors in the daily activities has also reduced the business and operational risks of the Group. The Executives Directors and senior management regularly organized informal meetings for purpose of identifying and managing the business risk of the Group.

The Directors are of the opinion that the existing system of internal control was satisfactory and has not resulted in significant losses, contingencies or uncertainties that would require disclosure in the Group's annual report.

REVIEW OF THIS STATEMENT

The External Auditors have reviewed this Statement on Risk Management and Internal Control. Their review was performed in accordance with Recommended Practice Guide ("RPG") 5 issued by Malaysian Institute of Accountants. Based on their review, the External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the process the Board has adopted in the review of the adequacy and integrity of internal control and risk management of the Group. RPG 5 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

CONCLUSION.

For the financial year under review and up to the date of issuance of the Financial Statements, the Board has received assurance from the CEO and Chief Financial Officer and are satisfied with the adequacy, integrity and effectiveness of the Group's systems of internal controls and risk management. No material losses, contingencies or uncertainties have arisen from any inadequacy or failure of the Group's system of internal controls and risk management that would require separate disclosure in the Annual Report.

SUSTAINABILITY STATEMENT

The Board of Directors is fully aware and committed to integrate our social responsibilities into our business strategies for the sustainable growth of the Group. As the Group works to increase stakeholders' value through our core business, the Group will not neglect its responsibilities and will strive for the betterment of the community and our employees.

EMPLOYEE WELFARE

Recognising that employees are an important asset to the Group, the Group shall continue to care for the welfare of all its employees and shall constantly upgrade employee skills to meet changing requirements. Constant education and guidance are given to all employees to ensure high level of job satisfaction at all levels. Medical and hospitalization insurance are subscribed annually to cover our employees' medical needs. Staff funds and advances were provided in instances of unexpected hardship. During the financial year, the Group is able to maintain all the employees' remuneration and benefits (even during the pandemic years in the past) and strive for a safe working environment.

We set out below the Bursa Malaysia's sustainability recommendation performance data table:

Indicator	Measurement Unit	2025	Assurance
DIVERSITY			
PERCENTAGE OF DIRECTORS BY GENDER AND AGE GROUP			
Male	Percentage	86	External (Limited)
Female	Percentage	14	External (Limited)
Between 30-50	Percentage	14	External (Limited)
Above 50	Percentage	86	External (Limited)
PERCENTAGE OF STAFF BY GENDER GROUP			
MANAGEMENT (MALE)	Percentage	75	External (Limited)
EXECUTIVE (MALE)	Percentage	66	External (Limited)
EXECUTIVE (FEMALE)	Percentage	34	External (Limited)
NON-EXECUTIVE/TECHINCAL STAFF (MALE)	Percentage	37	External (Limited)
NON-EXECUTIVE/TECHINCAL STAFF (FEMALE)	Percentage	62	External (Limited)
DIVERSITY			
PERCENTAGE OF STAFF BY AGE GROUP			
MANAGEMENT BETWEEN 30-50	Percentage	25	External (Limited)
MANAGEMENT ABOVE 50	Percentage	75	External (Limited)
NON-EXECUTIVE/TECHNICAL STAFF BETWEEN 30-50	Percentage	87	External (Limited)
NON-EXECUTIVE/TECHNICAL STAFF ABOVE 50	-Percentage	12	External (Limited)
SUPPLY CHAIN MANAGEMENT			
PROPORTION OF SPENDING ON LOCAL SUPPLIERS	Percentage	100	External (Limited)
COMMUNITY/SOCIETY TOTAL INVESTED IN THE COMMUNITY WHERE THE TARGET BENEFICIARIES ARE EXTERNAL TO THE LISTED ISSUER	MYR	0	External (Limited)
COMMUNITY/SOCIETY TOTAL NUMBER OF BENEFICIARIES OF THE INVESTMENT IN COMMUNITIES	Number	0	External (Limited)
ENERGY MANAGEMENT TOTAL ENERGY CONSUMPTION	Megawatt	0	External (Limited)

SUSTAINABILITY STATEMENT (CONT'D)

Indicator	Measurement Unit	2025	Assurance
ENERGY MANAGEMENT TOTAL ENERGY CONSUMPTION	Megawatt	0	External (Limited)
HEALTH AND SAFETY NUMBER OF WORK-RELATED FATALITIES	Number	0	External (Limited)
HEALTH AND SAFETY LOST TIME INCIDENT RATE ("LTIR")	Rate	0	External (Limited)
HEALTH AND SAFETY NUMBER OF EMPLOYEE TRAINED ON HEALTH AND SAFETY STANDARD	Number	0	External (Limited)
ANTI-CORRUPTION PERCENTAGE OF EMPLOYEE WHO HAVE RECEIVED TRAINING ON ANTI-CORRUPTION BY EMPLOYEE CATEGORY -MANAGEMENT	Percentage	0	External (Limited)
ANTI-CORRUPTION PERCENTAGE OF EMPLOYEE WHO HAVE RECEIVED TRAINING ON ANTI-CORRUPTION BY EMPLOYEE CATEGORY -EXECUTIVE	Percentage	0	External (Limited)
ANTI-CORRUPTION PERCENTAGE OF EMPLOYEE WHO HAVE RECEIVED TRAINING ON ANTI-CORRUPTION BY EMPLOYEE CATEGORY-NON-EXECUTIVE/TECHNICAL STAF	Percentage	0	External (Limited)
ANTI-CORRUPTION PERCENTAGE OF EMPLOYEE WHO HAVE RECEIVED TRAINING ON ANTI-CORRUPTION BY EMPLOYEE CATEGORY -GENERAL WORKERS	Percentage	0	External (Limited)
ANTI-CORRUPTION PERCENTAGE OF OPERATIONS ASSESSED FOR CORRUPTION-RELATED RISKS	Percentage	0	External (Limited)
ANTI-CORRUPTION CONFIRMED INCIDENTS OFCORRUPTION AND ACTION TAKEN	Number	0	External (Limited)
DATA PRIVACY AND SECURITY NUMBER OF SUBSTANTIATED COMPLAINTS CONCERNING BREACHES OF CUSTOMER PRIVACY AND LOSSES OF CUSTOMER DATA	Number	0	External (Limited)
WATER TOTAL VOLUME OF WATER USED	MEGALITRES	0	External (Limited)
WASTE MANAGEMENT TOTAL WASTE GENERATED	METRIC TONNES	0	External (Limited)

SUSTAINABILITY STATEMENT (CONT'D)

Indicator	Measurement Unit	2025	Assurance
WASTE MANAGEMENT			
TOTAL WASTE DIVERTED FROM DISPOSAL	METRIC TONNES	0	External (Limited)
EMISSION MANAGEMENT			
SCOPE 1 EMISSION IN TONNES OF CO ₂ e	METRIC TONNES	0	External (Limited)
EMISSION MANAGEMENT			
SCOPE 2 EMISSION IN TONNES OF CO ₂ e	METRIC TONNES	0	External (Limited)
EMISSION MANAGEMENT SCOPE			
3 EMISSION IN TONNES OF CO ₂ e (AT LEAST FOR THE CATEGORIES OF BUSINESS TRAVEL AND EMPLOYEE COMMUTING)	METRIC TONNES	0	External (Limited)

COMMUNITY WELFARE

The Group encourages and supports employee participation in community activities. Support is given in the form of mainly cash donations by the Group to deserving welfare and charity organizations, religious organizations, schools and the support for culture and arts performances during the financial year. Certain directors in their personal capacity are actively involved in schools and charity organizations such as Alzheimer's Disease Foundation Malaysia and Khe Beng School, Bkt Kemuning, Shah Alam. They have been putting a lot of effort by holding positions and contributing donations to these welfare and charity organizations as part of the effort of giving back to the society where the Group operates.

BUSINESS PRACTICES

Our business practices in engaging sub-contractors, consultants and workers to carry out our business activities. This practice would help in the wealth distribution and employment creation in the community and the industry where it operates.

The Group's approach in meeting customer need and satisfaction is driven by serving and responding to the customer needs by creating properties that is of value and efficient. The Group strived to work towards a more environment friendly site and reduce wastages that is harmful to the environment.

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DIRECTORS' REPORT

The Directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services to its subsidiary companies. The principal activities of its subsidiary companies are mainly on property development, investment holding and provision of management services.

There have been no significant changes in the nature of these activities during the financial year.

FINANCIAL RESULTS

	Group RM	Company RM
Profit for the financial year	3,321,002	8,765,997
Profit attributable to:		
Owners of the Parent	3,982,003	8,765,997
Non-controlling interests	(661,001)	–
	3,321,002	8,765,997

RESERVES AND PROVISIONS

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

DIVIDENDS

There were no dividends proposed, declared or paid by the Company since the end of previous financial period. The Directors do not recommend the payment of any dividend in respect of the current financial year.

ISSUE OF SHARES AND DEBENTURES

There was no issuance of shares or debentures during the financial year.

TREASURY SHARES

The shareholders of the Company, by a resolution passed in the last Annual General Meeting held on 28 May 2025, renewed their approval for the Company's plan to repurchase its own shares. The Directors of the Company are committed to enhance the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interest of the Company and its shareholders.

As at 31 December 2025, the total number of treasury shares held by the Company was 388,033 out of the total 114,908,571 issued ordinary shares.

Further relevant details are disclosed in Note 19 to the financial statements.

DIRECTORS' REPORT (CONT'D)

LONG TERM INCENTIVE PLAN (LTIP)

On 5 March 2019, the Company established a Long-Term Incentive Plan ("LTIP") for eligible Directors and employees of the Group (excluding dormant subsidiaries), allowing for the grant of options of up to 15% of the issued share capital of the Company at any point in time, as approved by the shareholders.

The LTIP became effective on 30 September 2019 and was initially implemented for a period of five (5) years until 29 September 2024. On 30 August 2024, the Company obtained the necessary approvals to extend the LTIP for a further five (5) years, and accordingly, the LTIP will remain in force until 29 September 2029.

The main features of the LTIP are disclosed in Note 18(b) to the financial statements.

As at 31 December 2025, there were no outstanding options under the LTIP following the expiry of previous grants. Accordingly, no share-based payment expense was recognised during the financial year.

Options Granted Over Unissued Shares

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

DIRECTORS

The Directors in office during the financial year until the date of this report are:

Dato' Ng Chin Heng *

Datin Low Wee Chin*

Kong Sau Kian*

Raymond Ng Yew Foong*

Azlan Bin Arshad

Lee Kien Fatt

Khor Joe Ann

Dato' Khor Ah Hua @ Khor Choo Fong

(Appointed on 02.01.2026)

(Resigned on 31.12.2025)

**Director of the Company and its subsidiary companies*

The Directors who held office in the subsidiary companies (excluding the Directors who are also Directors of the Company) since the beginning of the current financial year to the date of this report are:

Chong Wan Tat

Hing Chi Chiang @ Hing Yee Chang

Tan Co Lin

The information required to be disclosed pursuant to Section 253 of the Companies Act 2016 is deemed incorporated herein by such reference to the financial statements of the respective subsidiary companies and made a part hereof.

DIRECTORS' REPORT (CONT'D)

DIRECTORS' INTERESTS

The interests and deemed interests in the shares and Warrants of the Company and of its related corporations (other than wholly-owned subsidiary companies) of those who were Directors at financial year end (including their spouses or children) according to the Register of Directors' Shareholdings are as follows:

	At 1.1.2025	Number of ordinary shares		At 31.12.2025
		Acquired	Disposed	
LBI Capital Berhad				
Direct interests				
Dato' Ng Chin Heng	828,000	–	–	828,000
Datin Low Wee Chin	1,656,000	4,035,000	–	5,691,000
Raymond Ng Yew Foong	414,000	–	–	414,000
Kong Sau Kian	629,694	–	–	629,694
Azlan Bin Arshad ²	7,147	–	–	7,147
Indirect interests				
Dato' Ng Chin Heng ¹	65,433,629	–	(1,740,000)	63,693,629
Datin Low Wee Chin ¹	64,605,629	–	(5,775,000)	58,830,629
Raymond Ng Yew Foong ¹	65,485,729	–	(1,740,000)	63,745,729
Azlan Bin Arshad ²	1,348,856	–	–	1,341,709

Note:

¹ Deemed interest through Section 8(4) of the Companies Act 2016 in Ng C.H. Holdings Sdn. Bhd.

² Deemed interest through Section 8(4) of the Companies Act 2016 in Zalaraz Sdn. Bhd. and persons connected.

By virtue of their interests in the shares of the Company, Dato' Ng Chin Heng, Datin Low Wee Chin and Raymond Ng Yew Foong are also deemed interested in the shares of all the subsidiary companies during the financial year to the extent that the Company has an interest under Section 8 of the Companies Act 2016.

None of the other Directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

DIRECTORS' REPORT (CONT'D)

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Directors of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors as disclosed in the "Directors' Remuneration" of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the Director is a member, or with a Company in which he has a substantial financial interest.

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

DIRECTORS' REMUNERATION

The details of Directors' remuneration of the Group and of the Company for the financial year ended 31 December 2025 are set out below:

	Group	Company
	RM	RM
Executive Directors		
Salaries and other emoluments	2,106,000	936,000
Defined contribution plans	400,140	177,840
Social security contributions	3,928	893
	2,510,068	1,114,733
Non-Executive Directors		
Fees	60,000	60,000
Total Directors' Remuneration	2,570,068	1,174,733

The Directors' remuneration does not include the estimated monetary value of benefit-in-kind of the Group and of the Company amounting to RM90,750 and RM27,550.

INDEMNITY AND INSURANCE COSTS

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

DIRECTORS' REPORT (CONT'D)

OTHER STATUTORY INFORMATION

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
- (i) to ascertain that 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 there were no bad debts to be written off and no allowance for doubtful debts was required; and
 - (ii) 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 have been written down to an amount which the current assets might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances:
- (i) which would render it necessary to write off any bad debts or to make any allowance for doubtful debts in the financial statements of the Group and of the Company; or
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
 - (iii) 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; or
 - (iv) 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.
- (c) At the date of this report, there does not exist:
- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (d) In the opinion of the Directors:
- (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Company to meet its obligations as and when they fall due;
 - (ii) the results of the operations of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
 - (iii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Company for the financial year in which this report is made.

HOLDING COMPANY

The Directors regard Ng C.H. Holdings Sdn. Bhd., a company incorporated and domiciled in Malaysia, as the holding company.

SUBSIDIARY COMPANIES

The details of the subsidiary companies are disclosed in Note 5 to the financial statements.

DIRECTORS' REPORT (CONT'D)

AUDITORS' REMUNERATION

The auditors' remuneration of the Group and of the Company for the financial year ended 31 December 2025 are as follows:

	Group RM	Company RM
Statutory audit	100,000	36,000
Non-audit services	5,000	5,000
	105,000	41,000

AUDITORS

The Auditors, Messrs. UHY Malaysia PLT, have expressed their willingness to continue in office.

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

DATIN LOW WEE CHIN

KONG SAU KIAN

KUALA LUMPUR
27 April 2026

STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act, 2016

We, Datin Low Wee Chin and Kong Sau Kian, being two of the Directors of LBI Capital Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of their financial performance and the cash flows for the financial year then ended.

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

DATIN LOW WEE CHIN

KONG SAU KIAN

KUALA LUMPUR
27 April 2026

STATUTORY DECLARATION

Pursuant to Section 251(1)(b) of the Companies Act, 2016

I, Kong Sau Kian (MIA Membership No: 6814), being the Director primarily responsible for the financial management of LBI Capital Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements are 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.

Subscribed and solemnly declared by)
the abovenamed at Kuala Lumpur in)
the Federal Territory on 27 April 2026)

KONG SAU KIAN

Before me,

COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LBI CAPITAL BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of LBI Capital Berhad, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of material accounting policies, as set out on pages 17 to 112.

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

Basis of 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 financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters

1. Land held for property development and property development costs and revenue recognition

Revenue from property development is recognised over time by reference to the progress towards complete satisfaction of the performance obligations, typically measured based on the stage of completion.

This involves significant management judgement and estimation, particularly in determining total development costs, costs to complete, selling prices and sales progress on a project-by-project basis. These estimates directly affect the recognition of revenue, costs and gross profit.

There is a risk that actual outcomes may differ from these estimates, which could result in material misstatement of revenue, land held for property development, property development costs and gross profit.

How we addressed the key audit matter

We assessed the revenue recognised, on a sample basis, by agreeing the contracted selling prices of property development units to the respective sales and purchase agreements and recomputing the revenue based on the corresponding stage of completion.

We assessed the reasonableness of the estimated total property development costs of projects, including the allocation of costs and subsequent revisions to those estimates, by agreeing to supporting documentation such as approved budgets, letters of award, contracts, quotations, correspondences and variation orders with subcontractors.

We performed site visits for selected significant projects to obtain an overall assessment of the physical progress of the developments and to evaluate the reasonableness of information provided by management.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LBI CAPITAL BERHAD (CONT'D)

Key Audit Matters (Cont'd)

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

Key Audit Matters

How we addressed the key audit matters

1. Fair value of investment properties

In addition, there is a risk that development costs, including land and infrastructure costs, may be inappropriately recognised or allocated across development phases, leading to inaccuracies in cost recognition and profit measurement.

We corroborated the certified stage of completion against the level of completion determined based on actual costs incurred to date relative to the estimated total property development costs.

We verified, on a sample basis, costs incurred to supporting documentation such as subcontractor claim certificates, invoices and other relevant vendor documents.

2. Fair value of investment properties

As at 31 December 2025, the Group's and the Company's investment properties amounted to RM34,500,000 and RM32,000,000 respectively, representing approximately 51% and 33% of the Group's and the Company's total non-current assets.

We assessed the competence, capabilities and objectivity of the independent external valuer and evaluated the scope of work performed to determine whether it was appropriate for the purposes of the audit.

The Group and the Company engaged an independent external valuer to determine the fair value of the investment properties as at the reporting date. The valuation was performed using the comparison method, whereby the key input is recent transacted prices per square foot of comparable properties located within the same vicinity, adjusted for differences in tenure, size, condition, stage of development and other relevant factors. The valuation involves significant judgement and estimation, particularly in the selection of comparables and determination of appropriate adjustments, which may have a material impact on the reported fair values.

We reviewed the valuation reports and assessed the appropriateness of the valuation methodology applied, as well as the relevance and reliability of the underlying data used by the valuer.

We assessed and challenged the reasonableness of significant assumptions and key inputs used in the valuation, including the selection of comparable transactions and the appropriateness of adjustments made, by reference to available market evidence.

We evaluated whether the valuation outcomes were within a reasonable range by performing independent sensitivity considerations on key inputs.

We reviewed and assessed the adequacy and appropriateness of the disclosures in the financial statements in accordance with the applicable financial reporting standards.

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 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

TO THE MEMBERS OF LBI CAPITAL BERHAD (CONT'D)

Responsibilities of Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, 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 material 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LBI CAPITAL BERHAD (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 material audit findings, including any material deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' financial 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.

Other Matter

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

UHY Malaysia PLT
202406000040 (LLP0041391-LCA) &AF1411
Chartered Accountants

LIM BEE PENG
Approved Number: 03307/06/2027 J
Chartered Accountant

KUALA LUMPUR
27 April 2026

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
ASSETS					
Non-Current Assets					
Property, plant and equipment	4	585,273	820,728	370,763	536,728
Investment in subsidiary companies	5	–	–	9,205,004	9,205,004
Investment in an associate company	6	1	1	1	1
Investment properties	7	34,500,000	34,300,000	32,000,000	32,000,000
Inventories	8	23,981,374	23,920,119	–	–
Amount due from an associate company	9	2,865,349	3,145,349	2,865,349	3,145,349
Other investments	10	6,312,000	6,312,000	51,191,750	51,191,750
		68,243,997	68,498,197	95,632,867	96,078,832
Current Assets					
Inventories	8	80,658,081	64,165,991	–	–
Other investments	10	6,513,152	5,004,533	–	–
Contract assets	11	22,623,575	8,842,293	–	–
Trade receivables	12	14,741,778	6,147,858	–	–
Other receivables	13	3,732,476	3,663,166	6,000	6,000
Amount due from subsidiary companies	14	–	–	76,362,902	61,760,097
Tax recoverable		531,303	1,032,463	–	176,176
Cash held under Housing Development Account	15	37,475	–	–	–
Deposits, cash and bank balances	16	1,647,403	24,555,958	44,542	3,314,688
		130,485,243	113,412,262	76,413,444	65,256,961
Total Assets		198,729,240	181,910,459	172,046,311	161,335,793

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025 (CONT'D)

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
EQUITY					
Share capital	17	111,670,281	111,670,281	111,670,281	111,670,281
Reserves	18	33,449,098	29,467,095	34,031,350	25,265,353
Treasury shares	19	(442,488)	(442,488)	(442,488)	(442,488)
Equity attributable to owners of the Parent		144,676,891	140,694,888	145,259,143	136,493,146
Non-controlling interests		(1,700,305)	(1,039,304)	-	-
Total Equity		142,976,586	139,655,584	145,259,143	136,493,146
LIABILITIES					
Non-Current Liabilities					
Loans and borrowings	20	1,910,300	2,472,046	1,910,300	2,472,046
Deferred tax liabilities	21	2,257,566	2,275,085	2,257,566	2,258,944
Redeemable non-convertible preference share	22	2,350,000	2,350,000	-	-
		6,517,866	7,097,131	4,167,866	4,730,990
Current Liabilities					
Contract liabilities	11	460,775	4,728,278	-	-
Trade payables	23	26,420,120	19,827,879	-	-
Other payables	24	6,177,365	4,916,575	656,891	563,948
Amount due to subsidiary companies	14	-	-	19,074,914	19,019,755
Loans and borrowings	20	14,999,493	5,374,969	2,561,746	527,954
Tax payable		1,177,035	310,043	325,751	-
		49,234,788	35,157,744	22,619,302	20,111,657
Total Liabilities		55,752,654	42,254,875	26,787,168	24,842,647
Total Equity and Liabilities		198,729,240	181,910,459	172,046,311	161,335,793

The accompanying notes form an integral part of the financial statements.

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

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue	25	40,660,748	45,067,108	8,457,844	1,488,830
Cost of sales	26	(30,453,450)	(33,530,726)	–	–
Gross profit		10,207,298	11,536,382	8,457,844	1,488,830
Other operating income		2,480,383	1,200,494	4,440,366	2,117,453
Net gain/(loss) on impairment of financial instruments		1,000,000	(1,000,000)	–	–
Other operating expenses		(7,064,391)	(6,627,926)	(2,463,521)	(2,686,416)
Finance costs	27	(731,143)	(216,321)	(703,623)	–
Profit before tax	28	5,892,147	4,892,629	9,731,066	919,867
Taxation	29	(2,571,145)	(1,316,098)	(965,069)	(339,008)
Net profit for the financial year, representing total comprehensive income for the financial year		3,321,002	3,576,531	8,765,997	580,859
Net profit for the financial year, representing total comprehensive income for the financial year attributable to:					
Owners of the Parent		3,982,003	4,293,415	8,765,997	580,859
Non-controlling interests		(661,001)	(716,884)	–	–
		3,321,002	3,576,531	8,765,997	580,859
Earnings per share (sen)					
Basic earnings per share	30(a)	3.48	3.82		
Diluted earnings per share	30(b)	3.48	3.82		

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Attributable to Owners of the Parent						
	<-----Non-Distributable----->			-----> Distributable			
	Share Capital	Treasury Shares	Long-Term Incentive Plan Reserve	Retained Earnings	Total	Non- Controlling Interests	Total Equity
RM	RM	RM	RM	RM	RM	RM	
Group							
At 1 January 2025	111,670,281	(442,488)	-	29,467,095	140,694,888	(1,039,304)	139,655,584
Net profit for the financial year, representing total comprehensive income for the financial year	-	-	-	3,982,003	3,982,003	(661,001)	3,321,002
At 31 December 2025	111,670,281	(442,488)	-	33,449,098	144,676,891	(1,700,305)	142,976,586

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

	Attributable to Owners of the Parent									
	<-----Non-Distributable----->					-----> Distributable				
	Share Capital	Treasury Shares	Long-Term Incentive Plan Reserve		Retained Earnings	Total	Non-Controlling Interests	Total Equity	RM	RM
Note	RM	RM	RM	RM	RM	RM	RM	RM	RM	
Group										
At 1 January 2024	110,317,351	(442,488)	117,493	27,919,189	137,911,545	(322,420)	137,589,125			
Net profit for the financial year, representing total comprehensive income for the financial year	-	-	-	4,293,415	4,293,415	(716,884)	3,576,531			
Transactions with owners:										
Conversion of warrants	1,352,930	-	-	-	1,352,930	-	1,352,930			
Expiration of LTIP	-	-	(117,493)	117,493	-	-	-			
Dividends paid	-	-	-	(2,863,002)	(2,863,002)	-	(2,863,002)			
	1,352,930	-	(117,493)	(2,745,509)	(1,510,072)	-	(1,510,072)			
At 31 December 2024	111,670,281	(442,488)	-	29,467,095	140,694,888	(1,039,304)	139,655,584			

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

	←-----Non-Distributable-----→		Distributable		Total Equity RM
	Share Capital RM	Treasury Shares RM	Long-Term Incentive Plan Reserve RM	Retained Earnings RM	
Company					
At 1 January 2025	111,670,281	(442,488)	-	25,265,353	136,493,146
Net profit for the financial year, representing total comprehensive income for the financial year	-	-	-	8,765,997	8,765,997
At 31 December 2025	111,670,281	(442,488)	-	34,031,350	145,259,143

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Company	<-----Non-Distributable----->		-----> Distributable		Total Equity RM
	Share Capital RM	Treasury Shares RM	Long-Term Incentive Plan Reserve RM	Retained Earnings RM	
At 1 January 2024	110,317,351	(442,488)	117,493	27,430,003	137,422,359
Net profit for the financial year, representing total comprehensive income for the financial year	-	-	-	580,859	580,859
Transactions with owners:					
Conversion of warrants	1,352,930	-	-	-	1,352,930
Expiration of LTIP	-	-	(117,493)	117,493	-
Dividends paid	-	-	-	(2,863,002)	(2,863,002)
	1,352,930	-	(117,493)	(2,745,509)	(1,510,072)
At 31 December 2024	111,670,281	(442,488)	-	25,265,353	136,493,146

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Cash Flows From Operating Activities				
Profit before tax	5,892,147	4,892,629	9,731,066	919,867
Adjustments for:				
Depreciation of property, plant and equipment	247,404	375,621	172,264	202,434
Fair value loss on financial assets recognised in profit or loss	236,096	50,947	-	-
Finance costs	731,143	216,321	703,623	-
Impairment loss on trade receivables	-	1,000,000	-	-
Unrealised loss on foreign exchange	75,149	12,428	-	-
Dividend income	(238,157)	(248,398)	(6,850,000)	-
Fair value gain on investment properties	(200,000)	-	-	-
Finance income	(201,700)	(433,182)	(4,367,106)	(2,117,453)
Gain on disposal of other investments	(1,099,643)	(69,170)	-	-
Reversal of impairment loss on:				
- inventories	(636,048)	-	-	-
- trade receivables	(1,000,000)	-	-	-
Operating profit/(loss) before working capital changes	3,806,391	5,797,196	(610,153)	(995,152)
Changes in working capital:				
Inventories	(15,917,297)	(17,705,239)	-	-
Trade receivables	(7,593,920)	(2,538,896)	-	8,439
Other receivables	(69,310)	306,450	92,943	-
Trade payables	6,592,241	19,525,782	-	-
Other payables	1,260,790	(3,185,546)	-	83,975
Contract assets	(18,048,785)	(4,114,015)	-	-
	(33,776,281)	(7,711,464)	92,943	92,414
Cash used in from operations	(29,969,890)	(1,914,268)	(517,210)	(902,738)
Interest received	201,700	433,182	13,932	79,566
Interest paid	(711,916)	(216,321)	(248,434)	-
Tax paid	(1,607,787)	(1,205,485)	(851,795)	(658,827)
Tax refund	387,275	-	387,275	-
	(1,730,728)	(988,624)	(699,022)	(579,261)
Net cash used in operating activities	(31,700,618)	(2,902,892)	(1,216,232)	(1,481,999)

STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Cash flows from investing activities				
Acquisition of other investments	(3,431,538)	(1,518,858)	–	–
Acquisition of property, plant and equipment	(11,949)	(168,148)	(6,299)	–
Advance to subsidiary companies	–	–	(10,249,631)	(13,707,624)
Dividend received	238,157	248,398	6,850,000	–
Proceeds from disposal of other investments	2,786,466	804,208	–	–
Repayment from an associate company	280,000	–	280,000	–
Withdrawal/(Placement) of fixed deposits	18,959,731	(2,442,250)	–	–
Net cash from/(used in) investing activities	18,820,867	(3,076,650)	(3,125,930)	(13,707,624)
Cash flows from financing activities				
(Repayment)/Advances from subsidiary companies	–	–	(400,030)	13,088,679
Dividends paid	–	(2,863,002)	–	(2,863,002)
Net movement of revolving credits	7,525,155	4,378,401	2,000,000	–
Proceed from loan borrowing	–	3,000,000	–	3,000,000
Proceed from issuance of shares arising from conversion of warrants	–	1,352,930	–	1,352,930
Repayment of term loans	(527,954)	–	(527,954)	–
Net cash from financing activities	6,997,201	5,868,329	1,072,016	14,578,607

STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Net decrease in cash and cash equivalents		(5,882,550)	(111,213)	(3,270,146)	(611,016)
Cash and cash equivalents at the beginning of the financial year		4,854,132	5,012,799	3,314,688	3,925,704
Effect of exchange translation differences on cash and cash equivalents		(59,364)	(47,454)	–	–
Cash and cash equivalents at the end of the financial year		(1,087,782)	4,854,132	44,542	3,314,688
Cash and cash equivalents at the end of the financial year comprises:					
Cash held under Housing					
Development Account	15	37,475	–	–	–
Deposits, cash and bank balances	16	1,647,403	24,555,958	44,542	3,314,688
Bank Overdraft	20	(2,030,565)	–	–	–
		(345,687)	24,555,958	44,542	3,314,688
Less: Fixed deposits pledged to licensed banks		(742,095)	(19,701,826)	–	–
		(1,087,782)	4,854,132	44,542	3,314,688

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

1. CORPORATE 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 registered office and principal place of business is located at Lot 1282, Jalan Bukit Kemuning, Seksyen 32, 40460 Shah Alam, Selangor Darul Ehsan.

The principal activities of the Company consist of investment holding and provision of management services to its subsidiary companies. The principal activities of its subsidiary companies are disclosed in Note 5 to the financial statements. There have been no material changes in the nature of these activities of the Company and its subsidiary companies during the financial year.

The holding company is Ng C.H. Holdings Sdn. Bhd., a company incorporated and domiciled in Malaysia.

2. BASIS OF PREPARATION

(a) Statement of compliance

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.

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the material accounting policies.

Adoption of amended standard

During the financial year, the Group and the Company have adopted the amendments to MFRS 121 Lack of Exchangeability issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial year.

The adoption of the amendments to standards did not have any significant impact on the financial statements of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

2. BASIS OF PREPARATION (CONT'D)

(a) Statement of compliance (Cont'd)

Standards issued but not yet effective

The Group and the Company have not applied the following new standards, amendments to standards and Annual Improvements to MFRS that have been issued by the MASB but are not yet effective for the Group and for the Company:

		Effective dates for financial periods beginning on or after
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurements of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature- dependent Electricity	1 January 2026
Annual Improvements to MFRS Accounting Standards - Volume 11: • Amendments to MFRS 1 • Amendments to MFRS 7 • Amendments to MFRS 9 • Amendments to MFRS 10 • Amendments to MFRS 107		1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121	Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group and the Company intend to adopt the above new MFRSs and amendments to MFRSs when they become effective.

The initial application of the above-mentioned new standards, amendments to standards and Annual Improvements to MFRS are not expected to have any material impact on the financial statements of the Group and of the Company except as disclosed below:

MFRS 18 Presentation and Disclosure in Financial Statement

MFRS 18 will replace MFRS 101 *Presentation of Financial Statements*. It preserves the majority requirements of MFRS 101 while introducing additional requirements. In addition, narrow-scope amendments have been made to MFRS 107 *Statement of Cash Flows* and some requirements of MFRS 101 have been moved to MFRS 108 *Basis of Preparation of Financial Statements*.

MFRS 18 additional requirements are as follows:

Statement of Profit or Loss and Other Comprehensive Income

- (i) MFRS 18 introduces newly defined “operating profit or loss” and “profit or loss before financing and income tax” subtotal which are to be presented in the statement of profit or loss, while the net profit or loss remains unchanged. Statement of profit or loss to be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

2. BASIS OF PREPARATION (CONT'D)

(a) Statement of compliance (Cont'd)

MFRS 18 Presentation and Disclosure in Financial Statement Cont'd)

Standards issued but not yet effective (Cont'd)

MFRS 18 additional requirements are as follows: (Cont'd)

(ii) Statement of Cash Flows

(The standard modifies the starting point for calculating cash flows from operations using the indirect method, shifting from "profit or loss" to "operating profit or loss". It also provides guidance on classification of interest and dividend in statement of cash flows.

(iii) New disclosures of expenses by nature

Entities are required to present expenses in the operating category by nature, function or a mix of both. MFRS 18 includes guidance for entities to assess and determine which approach is most appropriate based on the facts and circumstances.

(iv) Management-defined Performance Measures (MPMs)

The standard requires disclosure of explanations of the entity's company-specific measures that are related to the statement of profit or loss, referred to MPMs. MPMs are required to be reconciled to the most similar specified subtotal in MFRS Accounting Standards.

(v) Enhanced Guidance on Aggregation and Disaggregation

MFRS 18 provides enhanced guidance on grouping items based on shared characteristics and requires disaggregation when items have dissimilar characteristics or when such disaggregation is material.

The potential impact of the new standard on the financial statements of the Group and of the Company have yet to be assessed.

(b) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Group & the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest RM except when otherwise stated.

(c) Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

The following are the judgements made by management in the process of applying the Group's accounting policies that have the most material effect on the amounts recognised in the financial statements:

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

2. BASIS OF PREPARATION (CONT'D)

(c) Significant Material accounting judgements, estimates and assumptions (Cont'd)

Judgements (Cont'd)

Satisfaction of performance obligations in relation to contracts with customers

The Group and the Company are required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method for recognising revenue. This assessment were made based on the terms and conditions of the contracts, and the provisions of relevant laws and regulations.

The Group and the Company recognise revenue over time in the following circumstances:

- (a) the customer simultaneously receives and consumes the benefits provided by the Group's and the Company's performance as the Group and the Company perform;
- (b) the Group and the Company does not create an asset with an alternative use to the Group and the Company and have an enforceable right to payment for performance completed to date; and
- (c) the Group's and the Company's performance create or enhance an asset that the customer controls as the asset is created or enhanced.

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point of time, the Group and the Company assess each contract with customers to determine when the performance obligation of the Group and of the Company under the contract are satisfied.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a material risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are set out below:

Fair value of investment properties

The Group and the Company carry its investment properties at fair value, with changes in fair value being recognised in profit or loss. The Group and the Company engaged an independent valuation specialist to assess fair value for investment properties. Valuation was based on the comparison approach where the comparison approach entails critical analysis of recent evidence of value of comparable properties in the neighbourhood and making adjustments for differences. The key assumptions used to determine the fair value of investment properties are disclosed in Note 7.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

2. BASIS OF PREPARATION (CONT'D)

(c) Material accounting judgements, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Revenue from property development contracts

Revenue is recognised when the control of the asset is transferred to the customers and, depending on the terms of the contract and the applicable laws governing the contract, control of the asset may transfer over time or at a point in time.

If control of the asset transfers over time, the Group recognises property development revenue and costs over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation at the reporting date. This is measure based on the proportion of property development costs incurred for work performed up to the end of the reporting period as a percentage of the estimated total property development costs of the contract.

Material judgement are used to estimate these total property development costs to complete the contracts. In making these estimates, management relies on past experience, the work of specialists and a continuous monitoring mechanism.

The carrying amount of assets and liabilities of the Group arising from property development activities are disclosed in Note 8.

Inventories valuation

Inventories are measured at the lower of cost and net realisable value. The Group estimates the net realisable value of inventories based on an assessment of expected sales prices. Demand levels and pricing competition could change from time to time. If such factors result in an adverse effect on the Group's products, the Group might be required to reduce the value of its inventories. Details of inventories are disclosed in Note 8.

Provision for expected credit loss of financial assets at amortised cost

The Group review the recoverability of its receivables, include trade and other receivables, amount due from subsidiary companies and related companies at each reporting date to assess whether an impairment loss should be recognised. The impairment provisions for receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions at the end of each reporting period.

The carrying amounts at the reporting date for receivables are disclosed in Notes 9, 11, 12,13 and 14 respectively.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

2. BASIS OF PREPARATION (CONT'D)

(c) Material accounting judgements, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unutilised capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the unused tax losses, unutilised capital allowances and other deductible 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. The carrying amount of deferred tax assets are disclosed in Note 21.

Income taxes

Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises tax liabilities based on estimates of whether additional taxes will be payable. Where the final tax outcome differs from the amounts initially recognised, the resulting differences will be reflected in the income tax and/or deferred tax provisions in the period in which the determination is made.

As at 31 December 2025, the Group recorded tax recoverable of RM531,303 and tax payable of RM1,177,035 (2024: RM1,032,463 and RM310,043) respectively. As at the same date, the Company recorded no tax recoverable and tax payable of RM325,751 (2024: tax recoverable of RM176,176 and no tax payable).

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

3. MATERIAL ACCOUNTING POLICIES

The Group and the Company apply the material accounting policies set out below, consistently throughout all periods presented in the financial statements unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiary companies

Subsidiary companies are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiary companies are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary company is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interests in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed in profit or loss as incurred.

If the business combination is achieved in stages, the acquirer's previously held equity interest in the acquiree is re-measured at its acquisition date fair value and the resulting gain or loss is recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (which cannot exceed one year from the acquisition date), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date, if known, would have affected the amounts recognised at that date.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of *MFRS 9 Financial Instrument* is measured at fair value with the changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated. Unrealised losses are eliminated only if there is no indication of impairment. Where necessary, accounting policies of subsidiary companies have been changed to ensure consistency with the policies adopted by the Group.

In the Company's separate financial statements, investment in subsidiary companies are stated at cost less accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts are recognised in profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(a) Basis of consolidation (Cont'd)

(ii) Changes in ownership interests in subsidiary companies without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary company is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(iii) Disposal of subsidiary companies

If the Group loses control of a subsidiary company, the assets and liabilities of the subsidiary company, including any goodwill, and non-controlling interests are derecognised at their carrying value on the date that control is lost. Any remaining investment in the entity is recognised at fair value. The difference between the fair value of consideration received and the amounts derecognised and the remaining fair value of the investment is recognised as a gain or loss on disposal in profit or loss. Any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

(b) Investments in associates

An associate is an entity over which the Group has material influence. Material 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.

Investments in associates are accounted for in the consolidated and the Company's financial statements using the equity method less any impairment losses, unless it is classified as held for sale or distribution. The cost of the investment includes transaction costs. The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the associates, after adjustments if any, to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

(c) Foreign currency transactions and balances

Transactions in foreign currency are recorded in the functional currency of the respective Group entities using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve ("FCTR") 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. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the FCTR related to that foreign operations is reclassified to profit or loss as part of the gain or loss on disposal.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the reporting period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. Exchange differences arising from such non-monetary items are also recognised in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(d) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Recognition and measurement

- (i) Cost comprises expenditures directly attributable to the acquisition of an asset and the costs incurred to bring the asset to the location and condition necessary for its intended use. It also includes the cost of replacing significant components and the present value of expected decommissioning costs. For self-constructed assets, cost includes materials, direct labour and other directly attributable costs. Borrowing costs for qualifying assets are capitalised in accordance with the Group's accounting policy. All other repair and maintenance costs are recognised in profit or loss as incurred.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate components. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition is recognised in profit or loss and is determined as the difference between the net disposal proceeds and the carrying amount of the asset.

Subsequent expenditure is capitalised only when it is probable that future economic benefits will flow to the Group and the cost can be measured reliably. Day-to-day servicing costs are recognised in profit or loss as incurred.

(ii) Depreciation

Depreciation is recognised in the profit or loss on a straight-line basis to write off the cost of each asset to its residual value over its estimated useful life.

Property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:

Furniture and fittings	5 - 10 years
Renovation	10 years
Office equipment	10 years
Motor vehicles	5 years
Computer equipment	5 years
Signboard	10 years

The residual values, useful lives and depreciation methods are reviewed at the end of each reporting period and adjusted prospectively, if appropriate, to ensure that they reflect the expected pattern of consumption of the future economic benefits embodied in the assets.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(e) Leases

As lessee

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. Leases in which the Group or the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases.

If the lease arrangement contains lease and non-lease components, the Group and the Company apply MFRS 15 Revenue from Contracts with Customers to allocate the consideration in the contract based on the stand-alone selling price.

The Group and the Company recognise lease payments under operating leases as income on a straight-line basis over the lease term unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. The lease payment recognised is included as part of "Other income". Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(f) Investment properties

Investment properties are properties held under freehold or leasehold interests to earn rental income, for capital appreciation, or for both, and are not held for sale in the ordinary course of business, nor used in the production or supply of goods or services or for administrative purposes.

Investment properties are initially measured at cost, including transaction costs. Subsequently, they are measured at fair value, reflecting market conditions at the reporting date. Gains or losses arising from changes in fair value are recognised in profit or loss in the period in which they arise. Where the fair value of an investment property under construction cannot be determined reliably, it is measured at cost until its fair value becomes reliably determinable or construction is completed, whichever occurs earlier.

Investment properties are valued by independent, professionally qualified valuers with appropriate recognised qualifications and recent experience in the relevant locations and property segments. Management reviews and discusses the valuations, including the valuation methodologies and processes applied by the independent valuers, for financial reporting purposes.

Investment properties are derecognised upon disposal or when they are permanently withdrawn from use and no future economic benefits are expected from their disposal. Any resulting gain or loss is recognised in profit or loss in the period in which the property is retired or disposed of.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(g) Inventories

(i) Land held for property development

Land held for property development consists of purchase price of land, professional fees, stamp duties, commissions, conversion fees, other relevant levies and direct development cost incurred in preparing the land for development.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated cost necessary to make the sale. If net realisable value cannot be determined reliably, these inventories will be stated at the lower of cost or fair value less costs to sell. Fair value is the amount the inventory can be sold in an arm's length transaction.

Land held for property development for which no material development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle, is classified as non-current asset.

Land held for property development is transferred to property development costs under current assets when development activities have commenced and are expected to be completed within the normal operating cycle.

(ii) Property under development and completed property

Property under development consists of the cost of land and all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities, including common costs such as the cost of constructing mandatory infrastructure, amenities and affordable houses (net of estimated approved selling prices) and other related costs. The asset is subsequently recognised as an expense in profit or loss when and as the control of the asset is transferred to the customer.

Properties development costs attributable to unsold properties, upon completion, are transferred to completed properties held for sale.

The cost of completed properties includes costs of land and related development cost or its purchase costs and incidental cost of acquisition. Cost is determined on a specific identification basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable selling expenses.

(h) Financial assets

Recognition and initial measurement

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instruments.

At initial recognition, the Group and the Company measure a financial asset at its fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance of the financial instruments. Transaction costs of financial assets carried at fair value through profit or loss ("FVTPL") are expensed in profit or loss.

Financial asset categories and subsequent measurement

The Group and the Company determine the classification of financial assets at initial recognition and are not reclassified subsequent to their initial recognition unless the Group and the Company change its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Group's and the Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(h) Financial assets (Cont'd)

Financial asset categories and subsequent measurement (Cont'd)

The Group and the Company classify their financial assets as follows:

(i) Financial assets at amortised cost

The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- (1) The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- (2) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial assets at amortised cost comprise trade and other receivables, amounts due from subsidiary companies, deposits, cash and bank balances, and investments in redeemable non-convertible preference shares ("RNCPS").

Investments in RNCPS typically carry fixed or determinable returns and are redeemable at the option of the issuer. The Group and the Company assess that the contractual cash flows of such instruments represent solely payments of principal and interest on the principal amount outstanding.

For the purpose of this assessment, any contractual returns described as "dividends" in the legal form of the instrument are considered to represent compensation for the time value of money and credit risk associated with the principal amount outstanding.

Accordingly, where the business model is to hold these instruments to collect contractual cash flows, the RNCPS are measured at amortised cost using the effective interest method.

(ii) Financial assets at fair value through other comprehensive income ("FVTOCI")

The Group and the Company have not designated any financial assets as FVTOCI.

(iii) Financial assets at fair value through profit or loss ("FVTPL")

Financial assets that are not classified as amortised cost or FVTOCI are measured at FVTPL. This includes derivative financial assets, except for derivatives that are financial guarantee contracts or designated and effective hedging instruments.

On initial recognition, the Group and the Company may irrevocably designate a financial asset that would otherwise be measured at amortised cost or FVTOCI as FVTPL, if doing so eliminates or significantly reduces an accounting mismatch.

Financial assets classified as FVTPL are subsequently measured at fair value, with net gains or losses, including any interest or dividend income, recognised in profit or loss. These assets comprise other investments.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(h) Financial assets (Cont'd)

Financial asset categories and subsequent measurement (Cont'd)

(iii) Financial assets at fair value through profit or loss ("FVTPL") (Cont'd)

Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to receive cash flows from the financial asset expire or transferred, or control of the financial asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount of the financial assets and the sum of consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

(i) Financial liabilities

Financial liabilities are recognised when, and only when, the Group and the Company become parties to the contractual provisions of the financial instruments. All financial liabilities are initially measured at fair value, plus, in the case of financial liabilities not measured at fair value through profit or loss, directly attributable transaction costs.

Subsequent to initial recognition, financial liabilities not carried at fair value through profit or loss are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, as well as through the amortisation process.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such exchange or modification is accounted for as a derecognition of the original liability and the recognition of a new liability. Any difference between the respective carrying amounts is recognised in profit or loss.

The Group's and the Company's financial liabilities include borrowings, payables and 5% Redeemable Non-Convertible Preference Shares ("RNCPS"), which are classified as financial liabilities as they give rise to a contractual obligation to deliver cash upon redemption and/or to pay fixed dividends..

(j) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss incurred when the guaranteed debtor fails to make payment when due.

Financial guarantee contracts are initially recognised as liabilities at fair value, net of transaction costs. Subsequent to initial recognition, they are recognised as income in profit or loss over the term of the guarantee.

If the debtor fails to make payment when due and the Group, as issuer, is required to reimburse the holder for the related loss, the liability is measured at the higher of:

- (i) the best estimate of the expenditure required to settle the present obligation at the reporting date; and
- (ii) the amounts initially recognised less cumulative amortisation.

Liabilities arising from financial guarantees are presented together with other provisions.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(k) Contract assets and contract liabilities

Contract asset is the right to consideration for goods or services transferred to the customers. The Group's contract asset is the excess of revenue recognised over the billings to-date and deposits or advances received from customers.

Where there is objective evidence of impairment, the amount of impairment losses is determined by comparing the contract asset's carrying amount and the present value of estimated future cash flows to be generated by the contract asset.

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 has billed the customers. The Group's contract liability is the excess of the billings to-date over the revenue recognised. Contract liabilities are recognised as revenue when the Group performs its obligation under the contracts.

(l) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, bank overdrafts and highly liquid investments that are readily convertible to known amount of cash and which are subject to an immaterial risk of changes in value. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of pledged deposits.

(m) Impairment of assets

(i) Non-financial assets

The carrying amounts of non-financial assets (except for inventories and investment property measured at fair value) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units.

The recoverable amount of an asset or cash-generating units is the greater of its value-in-use and its fair value less costs of disposal. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount. Impairment loss is recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (group of cash-generating units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for asset in prior years. Such reversal is recognised in the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(m) Impairment of assets (Con'td)

(ii) Financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a material increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months ("a 12-month ECL"). For those credit exposures for which there has been a material increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default ("a lifetime ECL").

For trade receivables, other receivables, contract assets and inter-company balances, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(n) Share capital

(i) Ordinary shares

An equity instrument is any contract that evidences a residual interest in the assets of the Group and of the Company after deducting all of its liabilities. Ordinary shares are equity instruments. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction cost. Ordinary shares are classified as equity.

Dividend distribution to the Company's shareholders is recognised as a liability in the period they are approved by the Board of Directors except for the final dividend which is subject to approval by the Company's shareholders.

(ii) Treasury shares

When issued share of the Company are repurchased, the amount of the consideration paid, including directly attributable costs, net of any tax effects, is recognised as a deduction from equity as treasury shares until the shares are cancelled, reissued or disposed off. No gain or loss is recognised in profit or loss on the sale, re-issuance or cancellation of the treasury shares.

When treasury shares are distributed as share dividends, the cost of the treasury shares is deducted against the retained earnings of the Company.

When treasury shares are sold or reissued subsequently, the difference between the sales consideration net of directly attributable costs and the carrying amount of the treasury shares is recognised in equity.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(o) Employee benefits

(i) Short-term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the reporting period in which the associated services are rendered by employees of the Group. Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensation absences. Short-term non-accumulating compensated absences such as sick and medical leave are recognised when the absences occur.

The expected cost of accumulating compensated absences is measured as additional amount expected to be paid as a result of the unused entitlement that has accumulated at the end of reporting period.

(ii) Defined contribution plans

As required by law, companies in Malaysia make contributions to the state pension scheme, the Employee Provident Fund ("EPF"). Such contributions are recognised as an expense in the profit or loss as incurred. Once the contributions have been paid, the Group has no further payment obligations.

(iii) Share-based Payment Transactions

Equity-settled Share-based Payment Transactions

The Group operates an equity-settled, share-based compensation plan for the employees of the Group. Employee services received in exchange for the grant of the share options is recognised as an expense in the profit or loss over the vesting periods of the grant with a corresponding increase in equity.

For options granted to the employees of the subsidiary companies, the fair value of the options granted is recognised as cost of investment in the subsidiary companies over the vesting period with a corresponding adjustment to equity in the Company's financial statements.

The total amount to be expensed over the vesting period is determined by reference to the fair value of the share options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to be vested. At the end of each reporting date, the Group revises its estimates of the number of share options that are expected to be vested. It recognises the impact of the revision of original estimates, if any, in the profit or loss, with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital when the options are exercised. When options are not exercised and lapsed, the share option reserve is transferred to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(p) Revenue recognition

(i) Revenue from contracts with customers

Revenue is recognised when the Group satisfied a performance obligation (“PO”) by transferring a promised good or services to the customer, which is when the customer obtains control of the good or service. A PO may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied PO.

The Group recognises revenue from the following major sources:

(a) Revenue from property development

The Group recognises revenue from property development over time when control over the property has been transferred to the customers. The properties have no alternative use to the Group due to contractual restriction and the Group has an enforceable right to payment for performance completed to date. Revenue from property development is measured at the fixed transaction price agreed under the sales and purchase agreement.

Revenue is recognised over the period of the contract using input method to measure the progress towards complete satisfaction of the performance obligations under the sale and purchase agreement, i.e. based on the proportion of property development costs incurred for work performed up to the end of the reporting period as a percentage of the estimated total costs of development of the contract.

The Group becomes entitled to invoice customers for construction of promised properties based on achieving a series of performance-related milestones (i.e. progress billing). The Group will previously have recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. If the progress billing exceeds the revenue recognised to date, the Group recognises a contract liability for the difference. There is not considered to be a material financing component in contracts with customers as the period between the recognition of revenue and the progress billing is always less than one year.

Revenue from sales of completed properties is recognised at a point in time, being when the control of the properties has been passed to the purchasers. And, it is probable that the Group will collect the considerations to which it will be entitled to in exchange for the properties sold.

(ii) Rental income

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(iii) Dividend income

Dividend income is recognised when the Group’s right to receive payment is established.

(iv) Interest income

Interest income is recognised on accruals basis using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(q) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

(r) Contingencies

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(s) Income taxes

Tax expense in profit or loss comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the financial year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the liability method for all temporary differences between the carrying amounts of assets and liabilities in the statements of financial position and their tax bases. Deferred tax is not recognised for the temporary differences arising from the initial recognition of goodwill, the initial recognition of assets and liabilities in a transaction which is not a business combination and that affects neither accounting nor taxable profit nor loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, at the end of the reporting period, except for investment properties carried at fair value model.

Where investment properties measured using fair value model, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying amounts at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(t) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segment makes strategic decisions based on operating segments' results. The Group's operating segments are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

(u) Fair value measurement

Fair value of an asset or a liability is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer of the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group and the Company use observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group and the Company can access at the measurement date.

Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 : unobservable inputs for the asset or liability.

The Group and the Company recognise transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025 (CONT'D)

4. PROPERTY, PLANT AND EQUIPMENT

	Furniture and fittings RM	Renovation RM	Office equipment RM	Motor vehicles RM	Computer equipment RM	Signboard RM	Total RM
Group Cost							
At 1 January 2025	326,514	1,583,556	388,856	2,511,933	8,286	6,050	4,825,195
Additions	-	-	11,949	-	-	-	11,949
At 31 December 2025	326,514	1,583,556	400,805	2,511,933	8,286	6,050	4,837,144
Accumulated depreciation							
At 1 January 2025	281,903	1,289,964	187,024	2,235,116	5,493	4,967	4,004,467
Charge for the financial year	8,858	28,885	31,999	177,021	-	641	247,404
At 31 December 2025	290,761	1,318,849	219,023	2,412,137	5,493	5,608	4,251,871
Net carrying amount							
At 31 December 2025	35,753	264,707	181,782	99,796	2,793	442	585,273

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

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

	Furniture and fittings RM	Renovation RM	Office equipment RM	Motor vehicles RM	Computer equipment RM	Signboard RM	Total RM
Group 2024							
Cost							
At 1 January 2024	326,514	1,583,556	366,738	2,365,903	8,286	6,050	4,657,047
Additions	–	–	22,118	146,030	–	–	168,148
At 31 December 2024	326,514	1,583,556	388,856	2,511,933	8,286	6,050	4,825,195
Accumulated depreciation							
At 1 January 2024	272,590	1,261,081	158,262	1,927,094	5,493	4,326	3,628,846
Charge for the financial year	9,313	28,883	28,762	308,022	–	641	375,621
At 31 December 2024	281,903	1,289,964	187,024	2,235,116	5,493	4,967	4,004,467
Net carrying amount							
At 31 December 2024	44,611	293,592	201,832	276,817	2,793	1,083	820,728

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025 (CONT'D)

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

	Furniture and fittings RM	Renovation RM	Office equipment RM	Motor vehicles RM	Signboard RM	Total RM
Company 2025						
Cost						
At 1 January 2025	247,541	1,580,715	95,273	1,225,516	6,050	3,155,095
Additions	—	—	6,299	—	—	6,299
At 1 January 2025/ 31 December 2025	247,541	1,580,715	101,572	1,225,516	6,050	3,161,394
Accumulated depreciation						
At 1 January 2025	206,426	1,289,798	26,209	1,090,967	4,967	2,618,367
Charge for the financial year	5,721	28,885	2,472	134,545	641	172,264
At 31 December 2025	212,147	1,318,683	28,681	1,225,512	5,608	2,790,631
Net carrying amount						
At 31 December 2025	35,394	262,032	72,891	4	442	370,763

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025 (CONT'D)**

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

	Furniture and fittings RM	Renovation RM	Office equipment RM	Motor Vehicles RM	Signboard RM	Total RM
Company 2024						
Cost						
At 1 January 2024	247,541	1,580,715	95,273	1,225,516	6,050	3,155,095
Accumulated depreciation						
At 1 January 2024	200,473	1,260,915	24,829	925,390	4,326	2,415,933
Charge for the financial year	5,953	28,883	1,380	165,577	641	202,434
At 31 December 2024	206,426	1,289,798	26,209	1,090,967	4,967	2,618,367
Net carrying amount						
At 31 December 2024	41,115	290,917	69,064	134,549	1,083	536,728

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

5. INVESTMENT IN SUBSIDIARY COMPANIES

	Company	
	2025 RM	2024 RM
In Malaysia		
Unquoted ordinary shares, at cost	11,305,002	11,305,002
Less : Accumulated impairment loss	(2,099,998)	(2,099,998)
	9,205,004	9,205,004

Movements in the allowance for impairment losses for investment in subsidiary companies are as follows:

	Company	
	2025 RM	2024 RM
At 1 January/31 December	2,099,998	2,099,998

(a) The details of the subsidiary companies are as follows:

Name of company	Place of business/ country of incorporation	Effective interest		Principal activities
		2025 %	2024 %	
LBR Industries Sdn. Bhd.	Malaysia	100	100	Investment holding
Goldmount Resources Sdn. Bhd.	Malaysia	100	100	Property development and investment holding

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

(a) The details of the subsidiary companies are as follows: (Cont'd)

Name of company	Place of business/ country of incorporation	Effective interest		Principal activities
		2025 %	2024 %	
Indamont Development Sdn. Bhd.	Malaysia	100	100	Property development
Triple Equity Sdn. Bhd.	Malaysia	100	100	Property development
Milestones Development Sdn. Bhd.	Malaysia	100	100	Dormant
Priority Galaxy Sdn. Bhd.	Malaysia	100	100	Property development and project management
LBI Management Sdn. Bhd.	Malaysia	100	100	Investment and project management
Haba Equity Sdn. Bhd.	Malaysia	51	51	Property development
Wittee Land Sdn. Bhd.	Malaysia	100	100	Property development
Rising Alliance Sdn. Bhd. (RASB)	Malaysia	60	60	Property development

(b) Material partly-owned subsidiary companies

Set out below are the Group's subsidiary companies that have material non-controlling interests:

Name of Company	Proportion of ownership interests and voting rights held by non - controlling interests		Profit allocated to non-controlling interest		Accumulated non-controlling interest	
	2025	2024	2025	2024	2025	2024
	%	%	RM	RM	RM	RM
Rising Alliance Sdn Bhd ("RASB")	40	40	(655,481)	141,612	(1,847,445) 147,140	(1,191,964) 152,660
Individually immaterial subsidiaries with non-controlling interests					(147,140)	(152,660)
Total non-controlling interest	(1,700,305)	(1,039,301)				

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

5. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

(b) Material partly-owned subsidiary companies (Cont'd)

There are no significant restrictions on subsidiaries transferring funds to the Group via dividends or repayment of loans and advances. However, for non-wholly-owned subsidiaries, non-controlling shareholders may have protective rights that limit the Company's use of subsidiary assets or settlement of Group liabilities without their approval.

Summarised financial information for RASB that has non-controlling interests that are material to the Group is set out below. The summarised financial information below represents amounts before inter-company eliminations.

(i) Summarised statements of financial position

	RASB	
	2025	2024
	RM	RM
Current assets	90,563,377	74,373,642
Current liabilities	(90,468,877)	(72,640,439)
Net assets	94,500	1,733,203

(ii) Summarised statements of profit or loss and other comprehensive income

	RASB	
	2025	2024
	RM	RM
(Loss)/Profit for the financial year, representing total comprehensive (loss)/income for the financial year	(1,638,703)	354,031

(iii) Summarised statements of cash flows

	RASB	
	2024	2025
	RM	RM
Net cash used in operating activities	(35,107,379)	(20,348,771)
Net cash from investing activities	19,133,762	–
Net cash from financing activities	15,962,876	20,508,520
Net (decrease)/increase in cash and cash equivalents	(10,741)	159,749

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

6. INVESTMENT IN AN ASSOCIATE COMPANY

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
In Malaysia				
Unquoted ordinary shares, at cost	50,000	50,000	50,000	50,000
Share of post-acquisition reserve	(49,999)	(49,999)	–	–
Less: Accumulated Impairment losses	–	–	(49,999)	(49,999)
	1	1	1	1

Movements in the allowance for impairment losses for investment in an associate company are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At January/31 December	–	–	49,999	49,999

The details of the associate company are as follows:

Name of Company	Place of business/ country of incorporation	Effective interest		Principal activities
		2025 %	2024 %	
Direct holding:				
^Nine Avenue Development Sdn. Bhd. ("NADSB")	Malaysia	40	40	Property development

[^] Associate company not audited by UHY Malaysia PLT. The consolidation is based on audited financial statements for the financial year ended 30 June 2025 as the Company's financial year end is 30 June.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

6. INVESTMENT IN AN ASSOCIATE COMPANY (CONT'D)

The summarised financial information of the associates, not adjusted for the proportion of ownership interest held by the Group, is as follows:

	NADSB	
	2025	2024
	RM	RM
Assets and liabilities		
Non-current assets	21,327,112	23,482,627
Current assets	7,036,372	3,288,061
Current liabilities	(15,213,527)	(12,320,914)
Net Assets	13,149,957	14,449,774
Financial results		
Revenue	2,280,721	11,000
Net loss for the financial year, represent total comprehensive income for the financial year	(1,270,349)	(755,356)

There are no material restrictions on the ability of the associated company to transfer funds to the Group in the form of cash dividends.

There are no material restrictions on the ability of the associate company to transfer funds to the Group in the form of cash dividends.

The unrecognised share of losses of the associate company is as follow:

	NADSB Group	
	2025	2024
	RM	RM
At 1 January	(2,234,074)	(1,931,932)
Additions	(508,140)	(302,142)
At 31 December	(2,742,214)	(2,234,074)

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

7. INVESTMENT PROPERTIES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At 1 January	34,300,000	34,300,000	32,000,000	32,000,000
Changes in fair value recognised in profit or loss	200,000	–	–	–
At 31 December	34,500,000	34,300,000	32,000,000	32,000,000
At 1 January/31 December			32,000,000	32,000,000
Included in the above are:				
At fair value				
Freehold land and building	32,000,000	32,000,000	32,000,000	32,000,000
Parking lots and accessory parcels	2,500,000	2,300,000	–	–
	34,500,000	34,300,000	32,000,000	32,000,000

(a) Investment properties under leases

Investment properties comprise of freehold land, building and parking lot and accessory parcels. The freehold building is leased to third parties. Most of the leases contains cancellable periods ranging from one to three years. Subsequent renewals are negotiated with the lessee on renewal periods range from one to three years. No contingent rents are charged.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

7. INVESTMENT PROPERTIES (CONT'D)

(b) Fair value basis of investment properties

The investment properties of the Group and of the Company are valued annually at fair value based on market values determined by independent qualified valuer amounting to RM34,500,000 and RM32,000,000 (2024: RM34,300,000 and RM32,000,000) respectively.

The independent professionally qualified valuers hold recognised relevant professional qualifications and have recent experience in the locations and segments of the investment properties valued. The fair value measurements of the investment properties are based on the highest and best use, which does not differ from their actual use. The fair values are within level 2 of the fair value hierarchy. The fair value have been derived using the sales comparison approach. Sales prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property size. The most material input into this valuation approach is price per square foot of comparable properties.

There were no transfers between levels during current and previous financial year.

The increase in the fair values of RM200,000 (2024: RM Nil) has been recognised in the profit or loss during the financial year.

(c) Income and expenses recognised in profit or loss

The following are recognised in profit or loss in respect of investment properties:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Lease income	1,744,044	1,507,730	1,607,844	1,488,830
Direct operating expenses	215,959	365,337	182,871	356,711

(d) The parking lots and accessory parcels of the Group with carrying amount of RM2,500,000 (2024: RM2,300,000) has remaining leasehold period of 76 years (2024: 77 years).

(e) Investment properties pledged as securities to licensed banks

The investment properties of the Group and of the Company with carrying amount of RM32,000,000 and RM32,000,000 (2024: RM32,000,000 and RM32,000,000) respectively are pledged to licensed bank as securities for credit facilities granted to the Group and to the Company as disclosed in Note 20.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

8. INVENTORIES

	Note	Group	
		2025 RM	2024 RM
Non-current			
Land held for property development (Note a)	(a)	23,981,374	23,920,119
Current			
Property development costs (Note b)	(b)	78,559,681	62,703,639
Completed units (Note c)	(c)	2,098,400	1,462,352
		80,658,081	64,165,991
		104,639,455	88,086,110

(a) Land held for development

	Group	
	2025 RM	2024 RM
Non-current		
Freehold land, at cost		
At beginning of financial year	18,915,395	18,915,223
Additions	26,837	172
Transfer from current portion	34,418	–
At end of financial year	18,976,650	18,915,395
Leasehold land, at cost		
At beginning of financial year	5,004,724	5,005,724
Transfer to current portion	–	(1,000)
At end of financial year	5,004,724	5,004,724
Total land held for property development	23,981,374	23,920,119

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

8. INVENTORIES (CONT'D)

(b) Property development costs

	Group	
	2025	2024
	RM	RM
Current		
Freehold land, at cost		
At beginning of financial year	13,197,015	13,197,015
Additions	443,817	–
At end of financial year	13,640,832	13,197,015
Leasehold land, at cost		
At beginning of financial year	1,031,523	23,168,931
Additions	–	9,609,370
Reversal of completed project	–	(12,375,092)
Disposal	–	(19,372,686)
Transfer from non-current portion	–	1,000
At end of financial year	1,031,523	1,031,523
Property development costs		
At beginning of financial year	77,147,773	93,816,457
Additions	45,900,093	48,656,874
Reversal of completed project	–	(65,325,558)
Transfer to non-current portion	(34,418)	–
At end of financial year	123,013,448	77,147,773
Less: Cumulative cost recognised in profit or loss		
At beginning of financial year	28,672,672	93,153,455
Recognised during the financial year	30,453,450	13,219,867
At end of financial year	59,126,122	106,373,322
Reversal of completed project	–	(77,700,650)
At end of financial year	59,126,122	28,672,672
Total property development costs	78,559,681	62,703,639
Total land and property development costs	102,541,055	86,623,758

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

8. INVENTORIES (CONT'D)

(b) Property development costs (Cont'd)

(i) Certain subsidiary companies have entered into several agreements with third parties (the landowners) to jointly develop their leasehold land. The subsidiary companies will solely be responsible for the development at the leasehold land and development cost incurred thereon. Based on the joint development agreements between the subsidiary companies and the respective landowners, the landowners are entitled to the following:

(a) an agreed contract sum as specified in the agreement with the respective landowners; or

(b) ownership to certain completed intermediate units of shops and houses erected on the leasehold land thereon, free from all encumbrances as the case may be.

(ii) A subsidiary company (landowner) entered into Joint Venture agreements with a third party (developer) to develop a land, solely at the costs of developer and based on the agreement, the landowner is entitled to certain percentage of the respective development gross sales value payable mainly in certain units of completed properties erected thereon free from all encumbrance.

(iii) During the financial year, the following costs are capitalised to property development costs:

	Group	
	2025	2024
	RM	RM
Sales commission	176,551	56,722

The Group capitalised sales commission in relation to the property development contracts entered into as incremental costs of obtaining contracts with customers in property development costs. These costs are expected to be recoverable and are amortised to profit or loss as cost of sales when the related revenue are recognised.

(c) Completed properties

	Group	
	2025	2024
	RM	RM
At cost	2,098,400	952,351
At net realisable value	–	510,001
	2,098,400	1,462,352
Recognised in profit or loss		
Inventories recognised as cost of sales	–	938,173
Reversal of impairment on inventories	636,048	–

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

9. AMOUNT DUE FROM AN ASSOCIATE COMPANY

Amount due from associated company represents unsecured, non-interest bearing advances and is not expected to be repayable within the next twelve (12) months.

10. OTHER INVESTMENTS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Non-Current				
Financial assets at amortised cost				
- Redeemable Non-Convertible Preference Shares (“RNCPS”)				
- in subsidiary companies	–	–	44,879,750	44,879,750
- in associate company	6,312,000	6,312,000	6,312,000	6,312,000
	6,312,000	6,312,000	51,191,750	51,191,750
Current				
Financial assets at fair value through profit or loss				
- Quoted shares listed outside Malaysia	6,513,152	5,004,533	–	–
	12,825,152	11,316,533	51,191,750	51,191,750
Market value of quoted investments	6,513,152	5,004,533	–	–

(a) Redeemable Non-Convertible Preference Shares (“RNCPS”)

The Group and the Company hold redeemable non-convertible preference shares (“RNCPS”) representing 5% equity interest in its subsidiary and associate. The RNCPS are classified as financial assets in accordance with *MFRS 9 Financial Instruments*.

The salient features of the RNCPS are as follows:

(i) Dividend

The RNCPS carry a fixed non-cumulative preferential dividend of 5% per annum, calculated based on the issue price. The dividend is payable annually, commencing from the first anniversary of the issuance date. The preferential dividend ranks in priority over any dividend declared on ordinary shares.

(ii) Redemption

The RNCPS are redeemable at the option of the issuer at any time, subject to one month's notice. The redemption price is equal to the issue price together with any accrued but unpaid preferential dividends. Partial redemption is permitted.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

10. OTHER INVESTMENTS (CONT'D)

(a) Redeemable Non-Convertible Preference Shares ("RNCPS") (Cont'd)

(iii) Conversion

The holder of the redeemable non-convertible preference shares shall not have the right to convert the redeemable preference shares to new ordinary shares.

The RNCPS are measured at amortised cost, as the contractual cash flows represent solely payments of principal and interest and the Group's business model is to hold the instruments to collect contractual cash flows.

The Group assesses the RNCPS for expected credit losses in accordance with MFRS 9. As at the reporting date, no significant increase in credit risk has been identified and the expected credit loss is assessed to be immaterial.

The RNCPS are issued by entities within which the Group also holds equity interests. These instruments do not confer control or significant influence and are accounted for separately from investment in subsidiary companies and associate company.

(b) Quoted investments

The fair value of the listed equity securities was determined by reference to the quoted prices in an active market.

The investment is pledged to a licensed bank as security for credit facilities as disclosed in Note 20(c).

11. CONTRACT ASSETS AND CONTRACT LIABILITIES

	Group	
	2025	2024
	RM	RM
Property development activities		
<u>Contract assets</u>		
Property development activities	22,623,575	8,842,293
<u>Contract liabilities</u>		
Property development activities	(460,775)	(4,728,278)
At beginning of financial year	4,114,015	(259,036)
Property development revenue recognised during the financial year	38,814,747	12,841,380
Less: Billing during the financial year	(20,765,962)	(8,468,329)
At end of financial year	22,162,800	4,114,015

Contract Asset and liabilities from property development activities

Contract assets in relation to property development activities is the excess of revenue recognised in profit or loss over billings to purchasers as at the reporting date. This unbilled amount for work completed will be transferred to trade receivables when the right to bill becomes unconditional.

Contract liabilities consist of billings in excess of revenue recognised, this amount is expected to be recognised as revenue over a period of 180 days.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

11. CONTRACT ASSETS AND CONTRACT LIABILITIES (CONT'D)

Contract value yet to be recognised as revenue

The Company applies the practical expedient in MFRS 15 on not disclosing the aggregate amount of the revenue expected to be recognised in the future as the performance obligation is part of a contract that has an original expected duration of less than one year.

12. TRADE RECEIVABLES

	Group	
	2025	2024
	RM	RM
Current		
Trade receivables	14,797,035	7,203,115
Less: Accumulated impairment losses	(55,257)	(1,055,257)
	14,741,778	6,147,858

The Group's normal trade credit terms range from 14 to 120 days (2024: 14 to 120 days). Other credit terms are assessed and approved on a case to case basis.

Trade receivables are recognised at their original invoices which represent their fair value on initial recognition.

Movements in the allowance for impairment losses of trade receivables are as follows:

	Lifetime allowance RM	Credit impaired RM	Loss allowance RM
Group			
2025			
At 1 January	55,257	1,000,000	1,055,257
Reversal of impairment losses	–	(1,000,000)	(1,000,000)
At 31 December	55,257	–	55,257
2024			
At 1 January	55,257	–	55,257
Impairment losses recognised	–	1,000,000	1,000,000
At 31 December	55,257	1,000,000	1,055,257

The loss allowance account in respect of trade receivables is used to record loss allowance. Unless the Group and the Company are satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

12. TRADE RECEIVABLES (CONT'D)

The aged analysis of trade receivables as at the end of the reporting period:

	Lifetime allowance RM	Credit impaired RM	Loss allowance RM
Group			
2025			
At 1 January	55,257	1,000,000	1,055,257
Reversal of impairment loss	–	(1,000,000)	(1,000,000)
At 31 December	55,257	–	55,257
2024			
At 1 January	55,257	–	55,257
Impairment losses recognised	–	1,000,000	1,000,000
At 31 December	55,257	1,000,000	1,055,257

The loss allowance account in respect of trade receivables is used to record loss allowance. Unless the Group are satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

The ageing analysis of trade receivables at the end of the reporting period are as follows:

	Gross Amount RM	Loss Allowance RM	Net Amount RM
Group			
2025			
Past due for more than 90 days not impaired	14,797,035	(55,257)	14,741,778
2024			
Neither past due nor impaired	1,689,443	–	1,689,443
Past due for more than 90 days not impaired	4,513,672	(55,257)	4,458,415
Credit impaired			
Individually impaired	1,000,000	(1,000,000)	–
	7,203,115	(1,055,257)	6,147,858

Trade receivables that are neither past due nor impaired are creditworthy receivables with good payment records with the Group.

As at 31 December 2025, trade receivables of the Group amounting to RM14,797,035 (2024: RM4,513,672) were past due but not individually impaired. These relate to a number of independent customers for whom there is no recent history of default but slower repayment records.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

12. TRADE RECEIVABLES (CONT'D)

The trade receivables of the Group that are individually assessed to be impaired amounting to RMNil (2024: RM1,000,000) related to customers that are in financial difficulties. These balances are expected to be recovered through the debts recovery process.

13. OTHER RECEIVABLES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Other receivables	2,827,000	2,813,500	–	–
Deposits	6,517,377	6,458,967	2,831,116	2,831,116
Prepayment	13,215	15,815	–	–
	9,357,592	9,288,282	2,831,116	2,831,116
Less: Accumulated impairment losses	(5,625,116)	(5,625,116)	(2,825,116)	(2,825,116)
	3,732,476	3,663,166	6,000	6,000

Movements in the allowance for impairment losses of other receivables and deposits are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At 1 January/At 31 December	5,625,116	5,625,116	2,825,116	2,825,116

Included in deposits is the amount of RM500,000 (2024: RM500,000) paid to third parties for joint venture projects.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

14. AMOUNT DUE FROM/(TO) SUBSIDIARY COMPANIES

	Company	
	2025 RM	2024 RM
Amount due from subsidiary companies		
<u>Current Asset</u>		
Interest bearing	75,811,637	61,201,339
Non-interest bearing	551,265	558,758
	76,362,902	61,760,097
Amount due to subsidiary companies		
<u>Current Liabilities</u>		
Interest bearing	(6,455,385)	–
Non-interest bearing	(12,619,529)	(19,019,755)
	(19,074,914)	(19,019,755)

Amount due from/(to) subsidiary companies are unsecured, interest free advances and repayable on demand.

The interest rates of amount due from/(to) subsidiary companies at the reporting date range from 4.45 – 7.75% (2024: 4.45 – 7.75%) per annum.

15. CASH HELD UNDER HOUSING DEVELOPMENT ACCOUNT

Cash held under Housing Development Account represents monies received from purchasers of residential properties less payments or withdrawals in accordance with the Housing Development (Control and Licensing) Act 1966, which are restricted for certain usage as prescribed by the relevant authorities.

The interest rates of cash held under Housing Development Account at the reporting date are 0.75%(2024: NIL %) per annum.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

16. DEPOSIT, CASH AND BANK BALANCES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Fixed deposits with licensed banks	816,372	19,774,581	–	–
Deposits with financial institutions	–	47,804	–	–
Cash and bank balances	831,031	4,733,573	44,542	3,314,688
	1,647,403	24,555,958	44,542	3,314,688

Included in fixed deposits with licensed banks of the Group amounting to RM742,095 (2024: RM19,701,826) are pledged as securities for bank guarantee facility granted to subsidiary companies.

Deposits with financial institutions are held in short-term money market.

The weighted average effective interest rates of fixed deposits with licensed banks during the financial year are ranging from 2.00% (2024: 2.00%) and the maturities of deposits are overnight to 60 days (2024: overnight to 60 days).

17. SHARE CAPITAL

	Group/Company			
	Number of Shares		Amount	
	2025 Unit	2024 Unit	2025 RM	2024 RM
Issued and fully paid				
At 1 January	114,908,571	112,202,710	111,670,281	110,317,351
Issuance of shares				
- Conversion of warrants	–	2,705,861	–	1,352,930
At 31 December	114,908,571	114,908,571	111,670,281	111,670,281

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. All ordinary shares rank equally with regards to the Company's residual assets.

There was an issuance of 2,705,861 ordinary shares arising from conversion of warrant during the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

18. RESERVES

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Non-distributable:					
Warrants	(a)	–	–	–	–
Long term incentive plan reserves	(b)	–	–	–	–
Retained earnings		33,449,098	29,467,095	34,031,350	25,265,353
		33,449,098	29,467,095	34,031,350	25,265,353

(a) Warrants B

	Group/Company			
	Number of warrant		Amount	
	2025 Unit	2024 Unit	2025 RM	2024 RM
At 1 January	–	38,721,931	–	–
Exercise of warrants B	–	(2,705,861)	–	–
Expired	–	(36,016,070)	–	–
At 31 December	–	–	–	–

In the previous financial year, a total of 2,705,861 Warrants B were exercised at an exercise price of RM0.50 per warrant. The remaining 36,016,070 Warrants B, which were not exercised, expired on 31 May 2024 and accordingly lapsed with no further rights to conversion.

(b) Long Term Incentive Plan (LTIP)

	Group/Company			
	Number of Options		Amount	
	2025 Unit	2024 Unit	2025 RM	2024 RM
At 1 January	–	2,930,000	–	117,493
Transfer to retained earnings (expired options)	–	(2,930,000)	–	(117,493)
	–	–	–	–

The Company has established a Long-Term Incentive Plan (“LTIP”) of up to 15% of the issued share capital of the Company (excluding treasury shares, if any) at any point in time throughout the duration of the scheme for eligible Directors and employees of the Group (excluding dormant subsidiaries), as approved by shareholders.

The LTIP became effective on 30 September 2019 and was initially in force for a period of five (5) years until 29 September 2024. On 30 August 2024, the Company obtained the necessary approvals to extend the LTIP for a further period of five (5) years to 29 September 2029 in accordance with the By-Laws of the LTIP.

The LTIP comprises a Share Grant Plan (“SGP”) and a Share Option Plan (“SOP”).

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

18. RESERVES (CONT'D)

(b) Long Term Incentive Plan (LTIP) (Cont'd)

The salient features of the LTIP are as follows:

- (a) The LTIP is open to eligible Directors and confirmed full-time employees of the Group (excluding dormant subsidiaries), subject to criteria determined by the LTIP Committee;
- (b) The total number of shares available under the LTIP shall not exceed 15% of the Company's issued shares (excluding treasury shares) at any time during the tenure of the LTIP;
- (c) Shares issued under the LTIP shall rank pari passu with existing ordinary shares, except that they will not be entitled to dividends or other distributions declared prior to the date of allotment;
- (d) The LTIP is valid for five (5) years from the effective date and may be extended for a further five (5) years, up to a maximum of ten (10) years;
- (e) Awards are granted at the discretion of the LTIP Committee and may be subject to service and/or performance conditions;
- (f) The exercise price of options is based on the 5-day weighted average market price prior to the offer date, with a discount of up to 10% (or as permitted by Bursa Malaysia Securities Berhad);
- (g) Awards may be satisfied by issuing new shares, transferring treasury shares, or a combination of both;
- (h) Options may be exercised in full or in part, in multiples of 100 shares (or such other number as determined);
- (i) Options are exercisable subject to vesting conditions and any limits specified in the offer;
- (j) Unexercised options and unvested awards will lapse upon expiry or termination of the LTIP; and
- (k) Awards are personal to the grantee and are not transferable.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

18. RESERVES (CONT'D)

(b) Long Term Incentive Plan (LTIP) (Cont'd)

Details of share options outstanding at the end of the reporting period are as follows:

Grant date	Number of Options		Expiry Date	Exercise price RM	Fair Value per option at grant date
	2025	2024			RM
At 31 December 2019	–	–	29 September 2024	0.53	0.0401

Fair value of share options

The fair value of services received in return for share options granted is based on the fair value of share options granted estimated by management using the Black-Scholes valuation model.

The weighted average fair value of share options measured at grant date and the assumptions are as follows:

Grant date	31 December 2019
Weighted average fair value at grant date (RM)	0.0401
Weighted average share price at grant date (RM)	0.57
Weighted average exercise price (RM)	0.53
Expected volatility (%)	10.00
Expected option life (years)	4.75
Risk-free interest rate (%)	3.33
Expected dividend yield (%)	10.98

The expected life of the share options is based on the contractual life of the options and management's expectations of early exercise, where applicable. The expected volatility is based on historical volatility of the Company's share price, adjusted for any unusual or extraordinary factors.

No new options were granted during the financial year (2024: Nil).

Movement in the number of share options and weighted average exercise prices ("WAEP") are as follows:

	Group/Company			
	Number of Options		Amount	
	2025	2024	2025	2024
	Unit	Unit	Unit	Unit
At 1 January	–	2,930,000	–	0.53
Expired during the financial year	–	(2,930,000)	–	(0.53)
At 31 December	–	–	–	–

During the financial year ended 31 December 2024, a total of RM117,493 relating to expired share options was transferred from the share option reserve to retained earnings upon lapse of the options.

There were no movements in the share option reserve during the financial year ended 31 December 2025.

No share options were granted to or outstanding for key management personnel as at 31 December 2025

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

19. TREASURY SHARES

	Group/Company			
	Number of Shares		Amount	
	2025 Unit	2024 Unit	2025 Unit	2024 Unit

Non-distributable:

At 1 January/31 December	388,033	388,033	442,488	442,488
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Treasury shares represent the Company's own ordinary shares that have been repurchased and are held by the Company. The amount recognised reflects the acquisition cost of the treasury shares, net of any proceeds received from their subsequent resale or reissuance.

At the Annual General Meeting held on 28 May 2025, shareholders renewed their approval for the Company to repurchase its own shares. The Directors believe that the share repurchase mandate may be exercised in the best interests of the Company and its shareholders to enhance shareholder value.

The share repurchases were financed by internally generated funds. The repurchased shares are held as treasury shares in accordance with Section 127 of the Companies Act 2016. Treasury shares do not carry voting rights, entitlement to dividends, or participation in other distributions. As at the reporting date, none of the treasury shares have been cancelled.

20. LOANS AND BORROWINGS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Secured Floating rates				
Term loans	2,472,046	3,000,000	2,472,046	3,000,000
Revolving credits	12,407,182	4,847,015	2,000,000	–
Bank overdraft	2,030,565	–	–	–
	16,909,793	7,847,015	4,472,046	3,000,000
Non-current				
Term loans	1,910,300	2,472,046	1,910,300	2,472,046
Current				
Term Loans	561,746	527,954	561,746	527,954
Revolving Credit	12,407,182	4,847,015	2,000,000	–
Bank overdraft	2,030,565	–	–	–
	14,999,493	5,374,969	2,561,746	527,954
	16,909,793	7,847,015	4,472,046	3,000,000

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

20. LOANS AND BORROWINGS (CONT'D)

The revolving credits amounting RM1,407,182 (2024: RM547,015) are foreign currency loan which consists of CHF (2024: EUR and CHF).

The above credit facilities of the Group and of the Company obtained from the licensed banks are secured by the followings:

- (a) legal charge over the Company's investment properties as disclosed in Note 7(e).
- (b) corporate guarantee by the Company; and
- (c) revolving credits are secured over quoted investment as disclosed in Note 10(b).

Maturities of bank borrowings are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Within one year	14,999,493	5,374,969	2,561,746	527,954
Between one to two years	597,700	561,746	597,700	561,746
Between two to five years	1,312,600	1,910,300	1,312,600	1,910,300
	16,909,793	7,847,015	4,472,046	3,000,000

The range of weighted average effective interest rates per annum are as follows:

	2025	2024	2025	2024
	%	%	%	%
Bank overdraft	6.97 - 7.22	—	—	—
Revolving Credit	4.22 - 5.14	5.13 - 5.14	5.99	—
Term loans	1.30 - 6.22	1.90 - 6.60	5.97 - 6.22	6.72

21. DEFERRED TAX LIABILITIES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At 1 January	2,275,085	2,279,273	2,258,944	2,263,132
Recognised in profit or loss	(19,364)	(7,707)	(3,188)	(4,440)
Underprovision in prior financial year	1,845	3,519	1,810	252
At 31 December	2,257,566	2,275,085	2,257,566	2,258,944

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

21. DEFERRED TAX LIABILITIES

The net deferred tax assets and liabilities shown on the statements of financial position after appropriate offsetting are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Deferred tax assets	(17,463)	(1,752)	(265,812)	(264,434)
Deferred tax liabilities	2,275,029	2,276,837	2,523,378	2,523,378
	2,257,566	2,275,085	2,257,566	2,258,944

The components and movements of deferred tax assets and liabilities are as follows:

	Fair value on investment property RM	Accelerated capital allowance RM	Total RM
Group			
Deferred tax liabilities			
At 1 January 2025	2,523,378	(246,541)	2,276,837
Recognised in profit or loss	–	(15,016)	(15,016)
Under provision in prior financial year	–	13,208	13,208
At 31 December 2025	2,523,378	(248,349)	2,275,029
At 1 January 2024	2,523,378	(244,105)	2,279,273
Recognised in profit or loss	–	(10,670)	(10,670)
Underprovision in prior year	–	8,234	8,234
At 31 December 2024	2,523,378	(246,541)	2,276,837
Company			
Deferred tax liabilities			
At 1 January/31 December 2025	2,523,378	–	2,523,378
At 1 January/31 December 2024	2,523,378	–	2,523,378

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

21. DEFERRED TAX LIABILITIES (CONT'D)

Deferred tax assets have not been recognised in respect of the following items: (Cont'd)

	Unabsorbed capital allowances RM	Unutilised tax losses RM	Total RM
Group			
Deferred tax assets			
At 1 January 2025	(1,752)	–	(1,752)
Recognised in profit or loss	3,185	(7,533)	(4,348)
Underprovision in prior year	(11,363)	–	(11,363)
At 31 December 2025	(9,930)	(7,533)	(17,463)
<hr/>			
At 1 January 2024	–	–	–
Recognised in profit or loss	2,963	–	2,963
Underprovision in prior year	(4,715)	–	(4,715)
At 31 December 2024	(1,752)	–	(1,752)
<hr/>			
Company			
Deferred tax assets			
At 1 January 2025	(264,434)	–	(264,434)
Recognised in profit or loss	(3,188)	–	(3,188)
Underprovision in prior year	1,810	–	1,810
At 31 December 2025	(265,812)	–	(265,812)
<hr/>			
At 1 January 2024	(260,246)	–	(260,246)
Recognised in profit or loss	(4,440)	–	(4,440)
Underprovision in prior year	252	–	252
At 31 December 2024	(264,434)	–	(264,434)

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2025 RM	2024 RM
Unutilised tax losses	12,759,609	11,869,345
Unutilised capital allowances	65,890	23,414
	12,825,499	11,892,759

Deferred tax assets have not been recognised in respect of these items as they may not have sufficient taxable profits to be used to offset or they have arisen in subsidiaries that have a recent history of losses.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

22. REDEEMABLE NON-CONVERTIBLE PREFERENCE SHARE ("RNCPS")

	Group	
	2025	2024
	RM	RM
Issued and fully paid		
5% Redeemable non-convertible preference shares		
At 1 January/31 December	2,350,000	2,350,000

The salient features of the RNCPS are as follows:

(i) Dividend

The RNCPS carry a fixed non-cumulative preferential dividend of 5% per annum, calculated based on the issue price. The dividend is payable annually, commencing from the first anniversary of the issuance date. The preferential dividend ranks in priority to any dividend declared on ordinary shares.

(ii) Redemption

The RNCPS are redeemable at the option of the Company at any time, subject to one month's notice. The redemption price is equal to the issue price together with any accrued but unpaid preferential dividends. Partial redemption is permitted.

(iii) Conversion

The holder of the redeemable non-convertible preference shares shall not have the right to convert the redeemable preference shares to new ordinary shares.

The RNCPS are measured at amortised cost using the effective interest method. The preferential dividend is recognised as finance cost in profit or loss over the tenure of the instrument.

The RNCPS are classified as non-current liabilities as the Group does not have an unconditional right to defer settlement for at least twelve months only if redemption is expected within the next twelve months; otherwise, they are presented as non-current liabilities.

23. TRADE PAYABLES

The normal trade credit terms granted to the Group range from 30 to 90 days (2024: 30 to 90 days). Other credit terms are assessed and approved on a case to case basis.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

24. OTHER PAYABLES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Other payables	3,390,215	752,202	73,260	–
Accruals	845,790	245,694	114,281	122,578
Amount due to Director	900,000	900,000	–	–
Deposits received	1,041,360	3,018,679	469,350	441,370
	6,177,365	4,916,575	656,891	563,948

(a) The amount due to Director represent unsecured, non-interest bearing and repayable on demand.

25. REVENUE

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Revenue from contracts with customers:				
Property development	38,814,747	13,849,934	–	–
Completed properties	–	960,000	–	–
Disposal of development land	–	27,749,946	–	–
	38,814,747	42,559,880	–	–
Revenue from other sources:				
Lease income	1,607,844	1,488,830	1,607,844	1,488,830
Disposal of building	–	770,000	–	–
Dividend income from subsidiary companies	–	–	6,850,000	–
Dividend income from Quoted shares	238,157	248,398	–	–
	1,846,001	2,507,228	8,457,844	1,488,830
	40,660,748	45,067,108	8,457,844	1,488,830
Timing of revenue recognition:				
At a point in time	–	28,709,946	–	–
Over time	38,814,747	13,849,934	–	–
Total revenue from contracts with customers	38,814,747	42,559,880	–	–

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

25. REVENUE (CONT'D)

Disaggregation of the Group's revenue from contracts with customers:

	Investment Holding and Management RM	Property Development RM	Total RM
2025			
Revenue from contracts with customers			
Property development	22,138,445	16,676,302	38,814,747
Timing of revenue recognition:			
Overtime	22,138,445	16,676,302	38,814,747
Geographical market			
Malaysia	22,138,445	16,676,302	38,814,747
2024			
Revenue from contracts with customers			
Property development	3,999,087	9,850,847	13,849,934
Completed properties	–	960,000	960,000
Disposal of development land	–	27,749,946	27,749,946
	3,999,087	38,560,793	42,559,880
Timing of revenue recognition:			
At a point in time	–	28,709,946	28,709,946
Over time	3,999,087	9,850,847	13,849,934
Total revenue from contracts with customers	3,999,087	38,560,793	42,559,880
Geographical market			
Malaysia	3,999,087	38,560,793	42,559,880

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

26. COST OF SALES

	Group	
	2024	2022
	RM	RM
Property Development	30,453,450	13,219,867
Completed properties	–	938,173
Disposal of development land	–	19,372,686
	30,453,450	33,530,726

27. FINANCE COSTS

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Interest expenses on:				
Term loans	171,717	23,021	171,717	–
Revolving credits	471,170	182,389	76,717	–
Bank overdraft	88,256	10,911	–	–
Amount due to subsidiary companies	–	–	455,189	–
	731,143	216,321	703,623	–

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

28. PROFIT BEFORE TAX

Profit before tax is determined after (crediting)/charging amongst other, the following items:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Auditors' remuneration				
- Statutory audit	100,000	92,000	36,000	36,000
- Overprovision in prior year	(2,000)	-	-	-
- Non-statutory audit	5,000	5,000	5,000	5,000
Depreciation of property, plant and equipment	247,404	375,621	172,264	202,434
Non- Executive Directors' fee	60,000	60,000	60,000	60,000
Unrealised loss on foreign exchange	75,149	12,428	-	-
Fair value loss on financial assets recognised in profit or loss	236,096	50,947	-	-
Impairment losses on trade receivables	-	1,000,000	-	-
Fair value gain on investment properties	(200,000)	-	-	-
Interest income from money market	(13,932)	(79,566)	(13,932)	(79,566)
Interest income	(187,768)	(353,616)	(4,353,174)	(2,037,887)
Gain on disposal of other investments	(1,099,643)	(69,170)	-	-
Lease income	(201,120)	(203,260)	-	-
Reversal of impairment on:				
- inventories	(636,048)	-	-	-
- trade receivable	(1,000,000)	-	-	-

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

29. TAXATION

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Tax expenses recognised in profit or loss				
Current tax	983,180	1,232,438	860,968	251,226
Underprovision in prior year	1,605,484	87,848	105,479	91,970
	2,588,664	1,320,286	966,447	343,196
Deferred tax (Note 21):				
Relating to reversal of temporary differences	(19,364)	(7,707)	(3,188)	(4,440)
Underprovision in prior year	1,845	3,519	1,810	252
	(17,519)	(4,188)	(1,378)	(4,188)
	2,571,145	1,316,098	965,069	339,008

Malaysian income tax is calculated at the statutory tax rate of 24% (2024: 24%) of the estimated assessable profits for the financial year.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

29. TAXATION (CONT'D)

A reconciliation of income tax expenses applicable to profit before tax at the statutory income tax rate to income tax expenses at the effective income tax rate of the Group and of the Company are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before tax	5,892,147	4,892,629	9,731,066	919,867
At Malaysian statutory tax rate of 24% (2024: 24%)	1,414,115	1,174,231	2,335,456	220,768
Expenses not deductible for tax purposes	1,766,895	604,615	169,668	35,634
Income not subject to tax	(2,441,052)	(78,712)	(1,647,344)	(19,096)
Deferred tax assets not recognised	480,756	(114,730)	–	9,480
Utilisation of previously unabsorbed tax losses	(256,898)	(344,271)	–	–
Utilisation of previously unabsorbed capital allowances	–	(16,402)	–	–
Underprovision of income tax in prior year	1,605,484	87,848	105,479	91,970
Underprovision of deferred tax in prior year	1,845	3,519	1,810	252
Tax expense for the financial year	2,571,145	1,316,098	965,069	339,008

The Group has estimated unutilised tax losses and unabsorbed capital allowances available for offset against future taxable profits as follows:

	Group	
	2025 RM	2024 RM
Unutilised tax losses	12,790,997	11,869,345
Unabsorbed capital allowances	107,267	78,060
	12,898,264	11,947,405

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

29. TAXATION (CONT'D)

Deferred tax assets have not been recognised in respect of these items as they may not have sufficient taxable profits to be used to offset or they have arisen in subsidiary companies that have a recent history of losses.

With effect from year of assessment 2019, unutilised tax losses are allowed to be carried forward up to a maximum of ten (10) years of assessments under the current tax legislation in Malaysia. The other temporary difference does not expire under tax legislation.

Pursuant to Section 44(5F) of the Income Tax Act 1967 in Malaysia, the unutilised tax losses can only be carried forward until the following years of assessment

	Group	
	2025 RM	2024 RM
YA2028	9,240,298	10,310,706
YA2034	1,304,525	254,114
YA2035	2,214,786	1,304,525
	12,759,609	11,869,345

30. EARNINGS PER SHARE

(a) Basic earnings per share

The basic earnings/(loss) per share are calculated based on the consolidated profit/(loss) for the financial year attributable to the owners of the parent and the weighted average number of ordinary shares in issue during the financial year as follows:

	Group	
	2025	2024
Net profit for the financial year attributable to the owners of the parent (RM)	3,982,003	4,293,415
Weighted average number of ordinary shares shared in issue (units):		
Issued ordinary shares at at 1 January	114,908,571	112,202,710
Effect of ordinary shares issued during the financial year	–	716,435
Effect of treasury shares held	(388,033)	(388,033)
Weighted average number of ordinary shares as at 31 December	114,520,538	112,531,112
Basic earnings per share (sen)	3.48	3.82

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

30. EARNINGS PER SHARE (CONT'D)

(b) Diluted earnings per share

Diluted earnings per share are calculated based on the adjusted consolidated profit for the financial year attributable to the owners of the parent by the adjusted weighted average number of ordinary shares issued and issuable during the financial year as follows:

	Group	
	2025	2024
Net profit for the financial year attributable to the owners of the parent (RM)	4,002,423	4,293,415
Weighted average number of ordinary shares used in the calculation of basic earnings per share	114,520,538	112,531,112
Weighted average number of ordinary shares as at 31 December (diluted)	114,520,538	112,531,112
Diluted earning per share (sen)	3.49	3.82

31. DIVIDENDS

	Group/Company	
	2025	2024
	RM	RM
Dividend recognised an distribution to ordinary shareholders of the Company:		
A Interim single tier dividend of 2 sen per ordinary share paid on 22 December 2024	–	2,863,002

The Board of Directors does not recommend the payment of any dividend for the current financial year.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

32. STAFF COSTS

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Salaries and other emoluments	2,946,673	2,909,950	936,000	936,000
Defined contribution plans	503,173	497,564	177,840	177,840
Social security contributions	15,339	14,187	893	780
	3,465,185	3,421,701	1,114,733	1,114,620

The staff costs of the Group and of the Company does not include the estimated monetary value of benefit-in-kind amounting to RM374,035 and RM27,550 (2024: RM286,989 and RM27,550).

Included in staff costs is aggregate amount of remuneration received and receivable by the Executive Directors of the Group during the financial year as below:

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
<i>Executive Directors</i>				
Company's Directors				
Salaries and other emoluments	2,106,000	2,106,000	936,000	936,000
Defined contribution plans	400,140	400,140	177,840	177,840
Social security contributions	3,928	3,870	893	780
	2,510,068	2,510,010	1,114,733	1,114,620

The Directors' remuneration does not include the estimated monetary value of benefit-in-kind of the Group and of the Company amounting to RM90,750 and RM27,550 (2024: RM90,750 and RM27,550).

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

33. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below show the details changes in the liabilities of the Group and of the Company arising from financing activities, including both cash and non-cash charges:

	At 1 January RM	Financing cash flows (i) RM	Other changes (ii) RM	At 31 December RM
Group				
2025				
Term loans	3,000,000	(527,954)	–	2,472,046
Revolving credits	4,847,015	7,525,155	35,012	12,407,182
	7,847,015	6,997,201	35,012	14,879,228
2024				
Term loans	–	3,000,000	–	3,000,000
Revolving credits	468,614	4,378,401	–	4,847,015
	468,614	7,378,401	–	7,847,015
Company				
2025				
Term loans	3,000,000	(527,954)	–	2,472,046
Revolving credits	–	2,000,000	–	2,000,000
Amount due to subsidiaries	19,019,755	(400,030)	455,189	19,074,914
	22,019,755	1,072,016	455,189	23,546,960
2024				
Term loans	–	3,000,000	–	3,000,000
Amount due to subsidiaries	5,931,076	13,088,679	–	19,019,755
	5,931,076	16,088,679	–	22,019,755

(i) The financing cash flows include net amount of proceeds from/repayment of term loans and revolving credits and net amount of advances from/repayment to subsidiaries in the statements of cash flows.

(ii) Other changes include unrealised foreign exchange and accrued finance cost

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

34. RELATED PARTY DISCLOSURES

(a) Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group and/or the Company has the ability, directly or indirectly, to control or joint control the party or exercise material influence over the party in making financial and operating decisions, or vice versa, or where the Group and/or the Company and the party are subject to common control or common material influence. 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. The key management personnel comprise the Directors and management personnel of the Group, having authority and responsibility for planning, directing and controlling the activities of the Group entities directly or indirectly.

(b) Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. In addition to the related party balances disclosed elsewhere in the financial statements, the significant related party transactions of the Group and of the Company are as follows:

	2025	2024
	RM	RM
Company		
Transaction with subsidiary companies		
- Dividend income received	6,850,000	–
- Management fee received	1,680,000	1,080,000
- Interest income	4,353,174	2,037,887
- Interest expense	(455,189)	
	12,883,174	3,117,887

(c) Compensation of key management personnel

The remuneration of key management personnel is same as the Directors' remuneration as disclosed in Notes 28 and 32.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

35. SEGMENT INFORMATION

The Group has two reporting 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 approaches and marketing strategies. For each of the strategic business units, the Group's Chief Executive Officer reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

Investment holdings and management	Investment holding and provision of management services
Property development	Development of residential and commercial properties

The accounting policies of the segments are consistent with the accounting policies of the Group.

Performance is measured based on segment profit before tax, interest, depreciation and amortisation, as included in the internal management reports that are reviewed by the Group Chief Executive Officer, who is the Group's chief operating decision maker. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment assets

The total of segment asset is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the Group's Chief Executive Officer. Segment total asset is used to measure the return of assets of each segment.

Segment liabilities

The total of segment liabilities is measured based on all liabilities of a segment, as included in the internal management reports that are reviewed by the Group's Chief Executive Officer.

Geographical information

No geographical segment reporting was made as the Group's activities were carried out within Malaysia.

Information about major customers

There is no material concentration of revenue from any major customers as the Group sells its development properties to individual purchasers.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

35. SEGMENT INFORMATION (CONT'D)

	Investment holding and management RM	Property development RM	Adjustments and eliminations RM	Consolidated RM
Group				
2025				
Revenue				
External customers	23,984,446	16,676,302	–	40,660,748
Results				
Segment results	8,135,524	2,188,803	(3,902,736)	6,421,591
Interest income	4,378,413	631,650	(4,808,363)	201,700
Finance costs	(722,850)	(4,816,656)	4,808,362	(731,144)
Profit/(Loss) before tax	11,791,087	(1,996,203)	(3,902,737)	5,892,147
Taxation	(965,381)	(1,605,764)	–	(2,571,145)
Net profit/(loss) for the financial year	10,825,706	(3,601,967)	(3,902,737)	3,321,002
Assets:				
Segment assets Included in the measurement of segment assets are:	190,505,298	155,260,036	(153,891,347)	191,873,987
Investment in an associate company	6,312,001	–	–	6,312,001
Unallocated assets	134,966	396,337	–	531,303
Capital expenditure*	6,299	5,650	–	11,949
Total assets	196,958,564	155,662,023	(153,891,347)	198,729,240
Liabilities :				
Segment liabilities	44,204,197	148,401,673	(140,287,817)	52,318,053
Unallocated liabilities	2,583,317	851,284	–	3,434,601
Total liabilities	46,787,514	149,252,957	(140,287,817)	55,752,654

* Capital expenditure consists of addition of property, plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

35. SEGMENT INFORMATION (CONT'D)

	Investment holding and management RM	Property development RM	Adjustments and eliminations RM	Consolidated RM
Group				
2024				
Revenue				
External customers	5,736,315	39,330,793	–	45,067,108
Results				
Segment results	(775,311)	5,451,079	–	4,675,768
Interest income	2,117,453	353,616	(2,037,887)	433,182
Finance costs	(23,021)	(629,611)	436,311	(216,321)
Profit before tax	1,319,121	5,175,084	(1,601,576)	4,892,629
Taxation	(339,418)	(976,680)	–	(1,316,098)
Net profit for the financial year	979,703	4,198,404	(1,601,576)	3,576,531
Assets:				
Segment assets	171,759,376	146,070,566	(143,432,095)	174,397,847
Included in the measurement of segment assets are:				
Investment in an associate company	6,312,001	–	–	6,312,001
Unallocated assets	285,495	746,968	–	1,032,463
Capital expenditure*	–	168,148	–	168,148
Total assets	178,356,872	146,985,682	(143,432,095)	181,910,459
Liabilities :				
Segment liabilities	36,752,584	129,798,465	(126,881,302)	39,669,747
Unallocated liabilities	2,258,944	326,184	–	2,585,128
Total liabilities	39,011,528	130,124,649	(126,881,302)	42,254,875

* Capital expenditure consists of addition of property, plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

35. SEGMENT INFORMATION (CONT'D)

	Investment Holding and Management RM	Property development RM	Adjustments and eliminations RM	Consolidated RM
Group				
2025				
Non-cash expense/(income)				
Depreciation of property, plant and equipment	172,264	75,140	–	247,404
Unrealised loss on foreign exchange	75,149	–	–	75,149
Fair value loss on financial assets recognised in profit or loss	236,096	–	–	236,096
Fair value gain on investment properties	–	(200,000)	–	(200,000)
Gain on disposal of other investments	(1,099,643)	–	–	(1,099,643)
Reversal of impairment loss on:				
- inventories	–	(636,048)	–	(636,048)
- trade receivables	–	(1,000,000)	–	(1,000,000)
	(616,134)	(1,760,908)	–	(2,377,042)
Non-cash expense/(income)				
Depreciation of property, plant and equipment	202,434	173,187	–	375,621
Unrealised loss on foreign exchange	12,428	–	–	12,428
Fair value loss on financial assets recognised in profit or loss	50,947	–	–	50,947
Impairment loss on trade receivables	1,000,000	–	–	1,000,000
Gain on disposal of other investments	(69,170)	–	–	(69,170)
	1,196,639	173,187	–	1,369,826

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

36. FINANCIAL GUARANTEE

	Company	
	2025 RM	2024 RM
Corporate guarantee for banking facilities granted to subsidiary companies	28,250,000	24,400,000
Amount utilised		
Corporate guarantee for banking facilities granted to subsidiary companies	11,030,564	4,847,015

The company provides financial guarantee to banks for banking facilities granted to certain subsidiaries and monitors on an on going basis of their financial performances.

Financial guarantees have not been recognised since the fair value on initial recognition was deemed not material.

37. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 3 describe how the classes of financial instruments are measured, and how income and expense, including fair value gains and losses, are recognised.

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

Group	At amortised		Total RM
	Cost RM	At FVTPL RM	
2025			
Financial Assets			
Other investments	6,312,000	6,513,152	12,825,152
Trade and other receivables	18,461,039	–	18,461,039
Amount due from an associate company	2,865,349	–	2,865,349
Cash held under Housing Development Account	37,475	–	37,475
Deposits, cash and bank balances	1,647,403	–	1,647,403
Total financial assets	29,323,266	6,513,152	35,836,418
Financial Liabilities			
Trade and other payables	32,597,485	–	32,597,485
Loans and borrowings	16,909,793	–	16,909,793
Total financial liabilities	49,507,278	–	49,507,278

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

37. FINANCIAL INSTRUMENTS (CONT'D)

(a) Classification of financial instruments (Cont'd)

2024	At	At FVTPL	Total
	Amortised		
	cost		
	RM	RM	RM
Financial Assets			
Other investments	6,312,000	5,004,533	11,316,533
Trade and other receivables	9,795,209	–	9,795,209
Amount due from an associate company	3,145,349	–	3,145,349
Deposits, cash and bank balances	24,555,958	–	24,555,958
Total financial assets	43,808,516	5,004,533	48,813,049
Financial Liabilities			
Trade and other payables	24,744,454	–	24,744,454
Loans and borrowings	7,847,015	–	7,847,015
Total financial liabilities	32,591,469	–	32,591,469

	Company	
	2025	2024
	RM	RM
<u>At Amortised Cost</u>		
Financial Assets		
Other investments	51,191,750	51,191,750
Other receivables	6,000	6,000
Amount due from subsidiary companies	76,362,902	61,760,097
Amount due from an associate company	2,865,349	3,145,349
Deposits, cash and bank balances	44,542	3,314,688
Total financial assets	130,470,543	119,417,884
Financial Liabilities		
Other payables	656,891	563,948
Amount due to subsidiary companies	19,074,914	19,019,755
Loans and borrowings	4,472,046	3,000,000
Total financial liabilities	24,203,851	22,583,703

(b) Financial risk management objectives and policies

The Group's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's operations whilst managing its credit, liquidity, foreign currency, interest rate and market price risks. The Group operates within clearly defined guidelines that are approved by the Board and the Group's policy is not to engage in speculative transactions.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

37. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

The following sections provide details regarding the Group's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks:

(i) Credit risk

Credit risk represents the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises primarily from trade receivables and deposits placed with banks and financial institutions.

The Company's exposure to credit risk arises principally from loans and advances to subsidiary companies and associate company and financial guarantees given to banks for credit facilities granted to subsidiary companies. There are no significant changes as compared to prior periods.

The Group has a credit policy in place to manage credit risk, which includes dealing only with creditworthy counterparties and placing deposits with reputable banks and financial institutions with appropriate credit ratings. Credit exposures are monitored on an ongoing basis, and appropriate actions are taken to mitigate risks associated with long outstanding balances.

The Company provides unsecured loans and advances to subsidiary companies and extends unsecured financial guarantees to banks for facilities granted to certain subsidiary companies. The Company monitors the financial performance of these subsidiary companies and their repayment behaviour on a continuous basis. At each reporting date, the Group and the Company assess whether any receivables or contract assets are credit impaired.

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

The carrying amounts of financial assets recognised in the statements of financial position represent the Group's and the Company's maximum exposure to credit risk, except for financial guarantees provided to banks for credit facilities granted to subsidiary companies. The Company's maximum exposure in respect of these guarantees amounts to RM11,030,564 (2024: RM4,847,015), representing the outstanding banking facilities of the subsidiary companies as at the end of the reporting period. As at the reporting date, there are no indications that the subsidiary companies will default on their repayment obligations.

The Group does not have any significant concentration of credit risk, as its exposure is diversified across a broad base of customers. The Company does not have significant concentration of credit risk, except for loans and advances to subsidiary companies, for which the risk of default is assessed to be low.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

37. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches in the maturities of financial assets and financial liabilities.

The Group and the Company manage their funding requirements and liquidity risk with the objective of ensuring that sufficient funds are available to meet obligations as they fall due. The Group finances its operations primarily through internally generated cash flows and maintains adequate committed credit facilities to mitigate liquidity risk.

The following table presents the contractual maturity analysis of the Group's and the Company's financial liabilities. The amounts disclosed are based on the undiscounted cash flows of the financial liabilities and are determined based on the earliest date on which the Group and the Company can be required to settle the obligations.

	On demand			Total	
	or within	1 to 2	2 to 5	contractual	Carrying
	1 year	years	years	cashflows	amount
	RM	RM	RM	RM	RM
Group					
2025					
Trade and other payables	32,597,485	–	–	32,597,485	32,597,485
Loans and borrowings	15,137,419	699,672	1,399,329	17,236,420	16,909,793
	<u>47,734,904</u>	<u>699,672</u>	<u>1,399,329</u>	<u>49,833,905</u>	<u>49,507,278</u>
2024					
Trade and other payables	24,744,454	–	–	24,744,454	24,744,454
Loans and borrowings	5,546,687	1,399,344	1,399,329	8,345,360	7,847,015
	<u>30,291,141</u>	<u>1,399,344</u>	<u>1,399,329</u>	<u>33,089,814</u>	<u>32,591,469</u>

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

37. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

	On demand			Total	
	or within	1 to 2	2 to 5	contractual	Carrying
	1 year	years	years	cashflows	amount
	RM	RM	RM	RM	RM
Company					
2025					
Other payables	656,891	-	-	656,891	656,891
Amount due to subsidiary companies	19,074,914	-	-	19,074,914	19,074,914
Loans and borrowings	2,699,672	699,672	1,399,329	4,798,673	4,472,046
	22,431,477	699,672	1,399,329	24,530,478	24,203,851
2024					
Other payables	563,948	-	-	563,948	563,948
Amount due to subsidiary companies	19,019,755	-	-	19,019,755	19,019,755
Loans and borrowings	699,672	1,399,344	1,399,329	3,498,345	3,000,000
	20,283,375	1,399,344	1,399,329	23,082,048	22,583,703

The Company provides unsecured financial guarantees to banks in respect of credit facilities granted to certain subsidiary companies. The Company monitors the financial performance of these subsidiary companies on an ongoing basis to assess their ability to meet repayment obligations.

At the end of the reporting period, there are no indications that the subsidiary companies will default on their repayment obligations. Accordingly, no financial guarantee liability has been recognised, as the fair value of the guarantees on initial recognition was assessed to be not material and the probability of default is considered remote.

The maximum exposure to credit risk in respect of the financial guarantees is limited to the amount of banking facilities utilised by the subsidiary companies, which amounted to RM34,256,333 as at 31 December 2025 (2024: RM3,000,000).

The financial guarantees may be called upon by the financial institutions within the next 12 months. As at the reporting date, no events have arisen that would result in the guarantees being called upon, and accordingly, the expected credit loss is assessed to be nil.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

37. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risks

Foreign currency risk

The carrying amounts of the Group's foreign currency denominated financial assets are as follows:

	SGD RM	AUD RM	EUR RM	USD RM	HKD RM	GBP RM	CHF RM	Total RM
Group								
2025								
Other investments	1,435,637	853,855	–	1,647,810	1,712,852	862,998	–	6,513,152
Bank balances	11,041	5,005	–	184,365	164,724	8,246	–	373,381
Revolving credits	–	–	–	–	–	–	(1,407,182)	(1,407,182)
	1,446,678	858,860	–	1,832,175	1,877,576	871,244	(1,407,182)	5,479,351
2024								
Other investments	998,336	779,157	220,543	1,201,465	1,350,353	454,679	–	5,004,533
Bank balances	6,070	14	–	111	–	–	–	6,195
Revolving credits	–	–	(180,094)	–	–	–	(366,921)	(547,015)
	1,004,406	779,171	40,449	1,201,576	1,350,353	454,679	(366,921)	4,463,713

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

37. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risks (Cont'd)

Foreign currency risk

The Group and the Company are exposed to foreign currency risk arising from transactions that are denominated in currencies other than the respective functional currencies of the Group entities. The principal foreign currencies giving rise to this risk include Singapore Dollar (SGD), Australian Dollar (AUD), Euro (EUR), United States Dollar (USD), Hong Kong Dollar (HKD), Great Britain Pound (GBP) and Swiss Franc (CHF).

The Group does not enter into derivative financial instruments for hedging or trading purposes. Where practicable, the Group adopts a natural hedging approach by matching receipts and payments in the same currency. Foreign currency exposures are monitored on an ongoing basis by management.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

37. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risks (Cont'd)

Sensitivity analysis for foreign currency risk

The Group's exposure to foreign currency risk is not material, as the majority of its transactions are denominated in the respective functional currencies of the Group entities.

The following table demonstrates the sensitivity of the Group's profit before tax to reasonably possible changes in foreign exchange rates, with all other variables held constant.

Group	Change in currency rate RM	2025 Effect on profit before tax RM	Change in currency rate RM	2024 Effect on profit before tax RM
SGD	Strengthened 10%	144,668	Strengthened 10%	100,441
	Weakened 10%	(144,668)	Weakened 10%	(100,441)
AUD	Strengthened 10%	85,886	Strengthened 10%	77,917
	Weakened 10%	(85,886)	Weakened 10%	(77,917)
EUR	Strengthened 10%	–	Strengthened 10%	4,045
	Weakened 10%	–	Weakened 10%	(4,045)
USD	Strengthened 10%	183,218	Strengthened 10%	120,158
	Weakened 10%	(183,218)	Weakened 10%	(120,158)
HKD	Strengthened 10%	187,758	Strengthened 10%	135,035
	Weakened 10%	(187,758)	Weakened 10%	(135,035)
GBP	Strengthened 10%	87,124	Strengthened 10%	45,468
	Weakened 10%	(87,124)	Weakened 10%	(45,468)
CHF	Strengthened 10%	(140,718)	Strengthened 10%	(36,692)
	Weakened 10%	140,718	Weakened 10%	36,692

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

37. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risks (Cont'd)

Interest rate risk

The Group and the Company are exposed to interest rate risk arising from their interest-bearing financial instruments. Fixed rate deposits placed with licensed banks and fixed rate borrowings expose the Group and the Company to fair value interest rate risk, while variable rate borrowings expose them to cash flow interest rate risk.

The Group manages its exposure to interest rate risk on deposits by placing funds with licensed financial institutions at competitive interest rates and maintaining an appropriate mix of short-term and long-term deposits to optimise returns.

The Group manages its exposure to interest rate risk arising from borrowings by obtaining financing at competitive market rates and by regularly reviewing its debt portfolio to ensure favourable terms are maintained. The Group does not utilise interest rate swap contracts or other derivative financial instruments for hedging or trading purposes.

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, is as follows:

	2025 RM	2024 RM
Group		
Fixed rate instruments		
Financial assets	816,372	19,774,581
Floating rate instruments		
Financial assets	–	47,804
Financial liabilities	(16,909,793)	(7,847,015)
	(16,909,793)	(7,799,211)
Company		
Fixed rate instruments		
Financial assets	75,811,637	61,201,339
Financial liabilities	(6,455,385)	–
	69,356,252	61,201,339
Floating rate instruments		
Financial liabilities	(4,472,046)	(3,000,000)

Interest rate risk sensitivity

The Group and the Company do not designate any fixed rate financial assets or liabilities at fair value through profit or loss. Accordingly, changes in interest rates at the end of the reporting period would not have a material impact on profit or loss in respect of these instruments.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

37. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risks (Cont'd)

Cash flow sensitivity analysis for floating rate instruments

A reasonably possible change of 1% in interest rates at the end of the reporting period, with all other variables held constant, would have increased/(decreased) the Group's and the Company's profit before tax by RM169,098 and RM44,720 (2024: RM77,992 and RM30,000), respectively. This is mainly attributable to changes in interest expense on floating rate borrowings.

This sensitivity analysis assumes that all other variables remain constant and is based on the interest rate exposures existing at the end of the reporting period. The assumed change in interest rates reflects management's assessment of reasonably possible movements in market interest rates.

(iv) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate due to changes in market prices, other than those arising from interest rate or foreign currency risk.

The Group is exposed to equity price risk arising from its investments in quoted equity instruments, which are listed on the Singapore Exchange and classified as financial assets at fair value through profit or loss ("FVTPL").

The Group manages its exposure to market price risk by monitoring its investment portfolio on an ongoing basis. Investments in quoted instruments are managed at the portfolio level, while significant individual investments are subject to specific oversight.

Market price risk sensitivity analysis

At the end of the reporting period, a reasonably possible change of 1% in the relevant equity market indices, with all other variables held constant, would have increased/(decreased) the Group's profit before tax by RM65,132 (2024: RM50,045), arising from changes in the fair value of equity instruments classified as FVTPL.

The Company is not exposed to material market price risk. This sensitivity analysis assumes that all other variables remain constant and is based on the exposures existing at the end of the reporting period.

(c) Fair values of financial instruments

The carrying amounts of short-term receivables and payables, cash and cash equivalents, and short-term borrowings approximate their fair values due to the relatively short-term nature of these financial instruments and the insignificant impact of discounting.

The table below presents the carrying amounts and fair values of financial instruments, including those measured at fair value and those not carried at fair value as at the end of the reporting period. The fair value of financial instruments is categorised into different levels within a fair value hierarchy based on the inputs used in the valuation techniques.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

37. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair values of financial instruments (Cont'd)

	Fair value of financial instruments carried at fair value			Carrying amount RM
	Level 1	Level 2	Level 3	
	RM	RM	RM	
Group				
2025				
Financial asset				
Other investments	6,513,152	–	–	6,513,152
2024				
Financial asset				
Other investments	5,004,533	–	–	5,004,533

38. CAPITAL MANAGEMENT

The Group's objective in managing its capital is to maintain a strong capital base to safeguard its ability to continue as a going concern, while optimising the capital structure to enhance shareholder value. The Group monitors its capital structure by considering the cost of capital and the risks associated with each component of capital.

To maintain or adjust the capital structure, the Group may adjust the level of dividends paid to shareholders, return capital to shareholders, issue new shares, or dispose of assets to reduce borrowings.

The Group monitors its capital using a gearing ratio. The Group's policy is to maintain a prudent level of gearing that complies with debt covenants and regulatory requirements. The gearing ratios as at the end of the reporting period are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Loans and borrowings	16,909,793	7,847,015	4,472,046	3,000,000
Amount due to subsidiary companies	–	–	6,455,385	–
Less: Cash held under Housing Development Account	(37,475)	–	–	–
Less: Deposits, cash and bank balances	(1,647,403)	(24,555,958)	(44,542)	(3,314,688)
Net debt/(cash)	15,224,915	(16,708,943)	10,882,889	(314,688)
Total equity	142,976,586	139,655,584	145,259,143	136,493,146
Gearing ratio	0.11	N/A	0.07	N/A

"NA" denotes that the gearing ratio is not applicable as the Group and the Company have sufficient deposits, cash and bank balances to settle their liabilities as at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025 (CONT'D)

38. CAPITAL MANAGEMENT (CONT'D)

There were no changes in the Group's approach to capital management during the financial year. The Group is not subject to any externally imposed capital requirements.

39. COMPARATIVE INFORMATION

Certain comparative figures have been reclassified to conform with the current year's presentation. These reclassifications do not have any material impact on the Group's financial performance for the financial year ended 31 December 2024.

Statements of Financial Position

	As Previously Reported RM	Reclassification RM	As Restated RM
Group			
Non-Current Assets			
Investment in an associate company	6,312,001	(6,312,000)	1
Other investments	–	6,312,000	6,312,000
Current Assets			
Inventories	68,539,042	(4,373,051)	64,165,991
Contract assets	–	8,842,293	8,842,293
Non-Current Liabilities			
Loans and borrowings	3,000,000	(527,954)	2,472,046
Current Liabilities			
Contract liabilities	259,036	4,469,242	4,728,278
Loans and borrowings	4,847,015	527,954	5,374,969
Company			
Non-Current Assets			
Investment in subsidiary companies	54,084,754	(44,879,750)	9,205,004
Investment in an associate company	6,312,001	(6,312,000)	1
Other investments	–	51,191,750	51,191,750

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2025 (CONT'D)

39. COMPARATIVE INFORMATION CONT'D)

Certain comparative figures have been reclassified to conform with the current year's presentation. These reclassifications do not have any material impact on the Group's financial performance for the financial year ended 31 December 2024. (Cont'd)

Statements of Cash Flows

	As Previously Reported RM	Reclassification RM	As Restated RM
Group			
Investing Activities			
Placement of fixed deposits	–	(2,442,250)	(2,442,250)
Financing Activities			
Increase in fixed deposits pledged	(2,442,250)	2,442,250	–
Company			
Operating Activities			
Interest received	2,117,453	(2,037,887)	79,566
Investing Activities			
Advances to subsidiary companies	–	(13,707,624)	(13,707,624)
Financing Activities			
Advances from subsidiary companies	(2,656,832)	15,745,511	13,088,679

40. DATE OF AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 27 April 2026.

STATISTICS OF SHAREHOLDINGS AS PER RECORD OF DEPOSITORS AS AT 10 APRIL 2026

Issued Share Capital : 114,908,571
Class of Shares : Ordinary shares
Voting Rights : One vote per ordinary share

Analysis of Shareholdings

Size of Holdings	No. of Holders	No. of Shares	%
1 - 99	708	17,149	0.02
100 - 1,000	191	63,299	0.06
1,001 - 10,000	2,364	6,978,038	6.09
10,001 - 100,000	346	9,370,757	8.18
100,001 - below 5%	58	41,071,566	35.86
5% and above	1	57,019,729	49.79
Total	3,668	114,520,538*	100.00

* Excluding a total of 388,033 shares bought-back by LBI and retained as treasury shares

Directors' Direct and Indirect Interest in the Company

Other than as disclosed below, there are no other Directors of the Company who has interest, direct or indirect, in the Company

	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Dato' Ng Chin Heng	828,000	0.72	63,693,629 [^]	55.62
Datin Low Wee Chin	5,691,000	4.97	58,830,629 [^]	51.37
Raymond Ng Yew Foong	414,000	0.36	63,745,729 [^]	55.66
Kong Sau Kian	629,694 [@]	0.55	—	—
Azlan Bin Arshad	7,147	0.01	—	—

Notes:

[^] Deemed interest through Ng C.H. Holdings Sdn Bhd and persons connected to.

[@] Direct interest through Cimsec Nominees (Tempatan) Sdn. Bhd.

Substantial Shareholders as Per Register of Substantial Shareholders

	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Ng C. H. Holdings Sdn. Bhd.	57,019,729	49.79	—	—
Dato' Ng Chin Heng	828,000	0.72	63,693,629	55.62
Datin Low Wee Chin	5,691,000	4.97	58,830,629	51.37
Raymond Ng Yew Foong	414,000	0.36	63,745,729	55.66
Ng Pooi Yee	—	—	64,159,729	56.02
Ng Pooi Mun	207,000	0.18	64,314,629	56.16
Ng Pooi Cheng	—	—	64,159,729	56.02

STATISTICS OF SHAREHOLDINGS (CONT'D)

Top Thirty Securities Account Holders as at 10 April 2026
(without aggregating the securities from different securities accounts belonging to the same Depositor)

NO.	NAME	SHAREHOLDINGS	%
1	NG C.H. HOLDINGS SDN. BHD.	57,019,729	49.79
2	DATIN LOW WEE CHIN	5,691,000	4.97
3	GALAKSI SEJATI SDN. BHD.	4,494,705	3.92
4	CHROME ASSET SDN. BHD.	3,830,551	3.34
5	APEX NOMINEES (TEMPATAN) SDN. BHD. Beneficiary : Pledged Securities Account for SEIK YEE KOK	3,321,664	2.90
6	KENANGA NOMINEES (TEMPATAN) SDN. BHD. Beneficiary : Pledged Securities Account for KWONG MING KWEI	2,768,489	2.42
7	KENANGA NOMINEES (TEMPATAN) SDN. BHD. Beneficiary : Pledged Securities Account for GAN BOON GUAT	2,171,520	1.90
8	ZALARAZ SDN. BHD.	1,291,680	1.13
9	APEX SECURITIES BERHAD Beneficiary: LEONARD CHIN YEN HAW	1,287,800	1.12
10	TAN ZI YING	1,004,600	0.88
11	LEONG SIEW SENG	874,079	0.76
12	YAP POI HOON	854,446	0.75
13	DATO' NG CHIN HENG	828,000	0.72
14	TEH JOO HONG	810,000	0.71
15	KENANGA NOMINEES (TEMPATAN) SDN. BHD. Beneficiary : GAN BOON GUAT (EM1-P88)	809,436	0.71
16	TAN KIAT TIONG	731,150	0.64
17	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. Beneficiary : CIMB for KONG SAU KIAN	629,694	0.55
18	TAN SIAN ZHENG	536,470	0.47
19	LOK WEI SEONG	490,039	0.43
20	TEH JOO HONG	480,600	0.42
21	RAYMOND NG YEW FOONG	414,000	0.36

STATISTICS OF SHAREHOLDINGS (CONT'D)

Top Thirty Securities Account Holders as at 10 April 2026
(without aggregating the securities from different securities accounts belonging to the same Depositor)

NO.	NAME	SHAREHOLDINGS	%
22	TOH CHAN NAM	381,710	0.33
23	SEOW YOCK LING	367,773	0.32
24	TAN YI ZIN	361,900	0.32
25	KENANGA NOMINEES (TEMPATAN) SDN. BHD. Beneficiary : KWONG MING KWEI	350,954	0.31
26	SEIK THYE KONG	339,229	0.30
27	TAN KIM SENG	337,300	0.29
28	CHONG SWEE CHIN	300,000	0.26
29	GOH KOK GUAN	300,000	0.26
30	EUNICE KOH JIA YING	270,000	0.23
		93,348,518	81.51

LIST OF PROPERTIES

AS AT 31 DECEMBER 2025

Owner	Location/Address	Description & Existing Use	Valuation/ Cost at Year Ended (RM)	Land Area/ Built –up Area (Sq Ft)	Tenure & Expiry	Age of Building (Years)
LBI Capital Bhd	Lot 1282, Jalan Bukit Kemuning, Seksyen 32, 40460 Shah Alam	Factory and Office For Investment	32,000,000	189,044 / 143,035	Freehold	44
Triple Equity Sdn Bhd	CL 025331499, CL 025331506 & CL025331515, Kg Sibabau, District of Papar, Sabah	Vacant Land	3,899,802	260,913	Leasehold expiring 2082	N/A
	Accessory parcels and 319 open car park bays within Putra Walk, on Lot 100182, Mukim and District of Petaling, Selangor	Investment Property	2,500,000	N/A	Leasehold expiring 2101	N/A
Goldmount Resources Sdn Bhd	CL015486647, CL015486656, CL015486674 and CL015179496 , District of Kota Kinabalu, Sabah	Development Land	4,795,709	156,816	Leasehold expiring 2909	N/A
	Hakmilik No. 480, Lot 537 and Hakmilik No. 582, Lot 535, both of Mukim Telok Panglima Garang & Daerah Kuala Langat, Negeri Selangor	Development Land	8,317,845	435,000	Freehold	N/A
Haba Equity Sdn Bhd	Hakmilik No. PM1350, Lot 8587 and Hakmilik No. PM1351, Lot 4992, Mukim Bukit Baru & Daerah Melaka Tengah, Negeri Melaka.	Development Land	8,688,000	189,921	Leasehold expiring 2096 & 2099	N/A
Wittee Land Sdn Bhd	CL 015093491, Jalan Sukang/Mabpai, Bukit Padang, District Kota Kinabalu, Sabah.	Development Land	7,713,223	89,570	Leasehold expiring 2930	N/A
Rising Alliance Sdn Bhd	Geran 35311, Lot 559, Mukim Ijok, Daerah Kuala Selangor, Negeri Selangor	Development land	16,327,834	1,481,040	Freehold	N/A

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FORM OF PROXY

LBI CAPITAL BHD.

[Registration No. 197801004391 (41412-X)]
(Incorporated in Malaysia)

CDS Account No	:	
Total number of ordinary shares held	:	

I/We _____ NRIC/Passport/Registration No. _____

of _____

with email address _____ mobile phone no. _____

being a member of **LBI CAPITAL BHD.** hereby appoint(s):

Full Name:	NRIC/Passport No.:	Proportion of Shareholdings	
		No. of Shares	%
Address:			
Email Address:			
Mobile Phone No.:			

and / or

Full Name:	NRIC/Passport No.:	Proportion of Shareholdings	
		No. of Shares	%
Address:			
Email Address:			
Mobile Phone No.:			

or failing him/her, the Chairperson of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Forty Eighth Annual General Meeting of the Company to be held at the Company's office, Lot 1282, Jalan Bukit Kemuning, Seksyen 32, 40460 Shah Alam, Selangor Darul Ehsan on Thursday, 18 June 2026 at 11.00 a.m. and at every adjournment thereof for/against the resolutions to be proposed thereat.

Resolution		For	Against
Ordinary Resolution 1	To approve the payment of Directors' fees for financial year ended 31 December 2025		
Ordinary Resolution 2	To re-elect Datin Low Wee Chin as director		
Ordinary Resolution 3	To re-elect Azlan Bin Arshad as director		
Ordinary Resolution 4	To re-elect Khor Joe Ann as director		
Ordinary Resolution 5	To re-appoint Messrs. UHY Malaysia PLT as Auditors of the Company		
Ordinary Resolution 6	To approve the continuation in office of Azlan Bin Arshad as Independent Non-Executive Director		
Ordinary Resolution 7	To authorise Directors to allot and issue shares pursuant to the Companies Act 2016		
Ordinary Resolution 8	To authorise Directors to allot and issue shares pursuant to the Companies Act 2016		

(Please indicate with an X in the spaces provided on how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his/her discretion.)

Dated this _____ day _____ 2026

Signature of Member(s)

Affix Company's Common Seal
(if applicable)

Notes:-

- The members whose names appear in the Record of Depositors on 10 April 2026 shall be entitled to attend and vote at this Forty Eighth Annual General Meeting.
- A member entitled to attend and vote at this meeting is entitled to appoint not more than two (2) proxies (or in the case of a corporation, a duly authorised representative) to attend and vote in his stead. A proxy may but need not be a member of the Company.
- Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
- Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a member is an exempt authorised nominee ("EAN") as defined under the Securities Industry (Central Depositories) Act, 1991 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 EAN may appoint in respect of each omnibus account it holds. An EAN refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act, 1991 which is exempted from compliance with the provisions of subsection 25A(1) of the said act.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, if the appointer is a corporation, under its Common Seal or the hand of an officer or attorney duly authorised.
- The instrument appointing a proxy must be deposited at the Company's registered office at Lot 1282, Jalan Bukit Kemuning, Seksyen 32, 40460 Shah Alam, Selangor Darul Ehsan, not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof.

Audited Financial Statements for financial year ended 31 December 2025

- The audited financial statements are for discussion only under Agenda 1, as it does not require shareholders' approval under the provisions of Section 340(1)(a) of the Companies Act, 2016. Hence, it shall not be put for voting.

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STAMP

LBI CAPITAL BHD

[Registration No. 1978011004391 (41412-X)]
(Incorporated in Malaysia)

Lot 1282, Jalan Bukit Kemuning,
Seksyen 32, 40460 Shah Alam,
Selangor Darul Ehsan

Fold along this line



LBI CAPITAL BERHAD

197801004391 (41412-X)

Lot 1282, 1282, Jalan Bukit Kemuning, Seksyen 32,
40460 Shah Alam, Selangor

Tel: 03 5122 5128

Fax: 03 5122 5188