PTT SYNERGY GROUP

TOGETHER
WE MAKE IT
HAPPEN

PTT SYNERGY GROUP BERHAD

197101000134 (10493-P)

ANNUAL REPORT 2024

53rd ANNUAL GENERAL MEETING

27 November 2024

10:30 a.m.

2A-1-1(B), Space U8,
No. 6, Persiaran Pasak Bumi,
Taman Bukit Jelutong,
Seksyen U8,
40150 Shah Alam,
Selangor Darul Ehsan

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fifty-Third Annual General Meeting ("**AGM**") of PTT Synergy Group Berhad ("**PTT**" or "**the Company**") will be held at 2A-1-1(B), Space U8, No. 6, Persiaran Pasak Bumi, Taman Bukit Jelutong, Seksyen U8, 40150 Shah Alam, Selangor Darul Ehsan on Wednesday, 27 November 2024 at 10:30 a.m. for the following purposes: -

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 June 2024 together with the Reports of the Directors and the Auditors thereon. ***[Please refer to Explanatory Note (i)]***

2. To approve the payment of Directors' fees and benefits payable to the Directors up to an aggregate amount of RM250,000/- for the period from 28 November 2024 until the next AGM of the Company to be held in year 2025. ***(Ordinary Resolution 1)***

3. To re-elect Ms. Tang Choi Peng who is due to retire in accordance with Clause 95 of the Company's Constitution, and being eligible, has offered herself for re-election. ***(Ordinary Resolution 2)***

4. To re-elect the following Directors, who are due to retire in accordance with Clause 88 of the Company's Constitution and being eligible, have offered themselves for re-election: -

   (a) Dato' Abd Rahim bin Jaafar; ***(Ordinary Resolution 3)***
   (b) Mr. Teo Swee Phin; and ***(Ordinary Resolution 4)***
   (c) Dato' Mahamed bin Hussain. ***(Ordinary Resolution 5)***

5. To re-appoint Messrs. Moore Stephens Associates PLT as the Company's Auditors for the ensuing year, and to authorise the Directors to fix their remuneration. ***(Ordinary Resolution 6)***

AS SPECIAL BUSINESS

To consider and, if thought fit, with or without modification, to pass the following Ordinary Resolutions: -

6. **ORDINARY RESOLUTION**
   AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016 ("THE ACT") ***(Ordinary Resolution 7)***

   "**THAT** pursuant to the Act, the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**") and the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered pursuant to the Act, to issue and allot shares in the capital of the Company from time to time at such price and upon such terms and conditions, for such purposes and to such person or persons whomsoever the Directors may in their absolute discretion deem fit, always provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being;

THAT pursuant to Section 85 of the Act to be read together with Clause 50 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to the Act;

AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares to be issued on Bursa Malaysia Securities;

AND FURTHER THAT such authority shall commence immediately upon passing of this resolution and continue to be in force until the conclusion of the next AGM of the Company."

7. **ORDINARY RESOLUTION** ***(Ordinary Resolution 8)***
PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED RENEWAL OF SHAREHOLDERS' RRPT MANDATE")

"**THAT** subject to the Main Market Listing Requirements of Bursa Malaysia Securities, approval be and is hereby given to the Company and its subsidiaries ("**the Group**") to enter into and to give effect to the category of the recurrent related party transactions of a revenue or trading nature from time to time with the Related Parties as specified in Section 2.5(b) of the Circular to Shareholders dated 30 October 2024 provided that such transactions are: -

(i) recurrent transactions of a revenue or trading nature;

(ii) necessary for the Group's day-to-day operations;

(iii) carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and

(iv) not detrimental to the minority shareholders of the Company.

AND THAT such authority shall commence upon the passing of this resolution and shall continue to be in force until: -

(i) the conclusion of the next AGM of the Company following this AGM at which the Proposed Renewal of Shareholders' RRPT Mandate was passed, at which time it will lapse, unless by an ordinary resolution passed at the next AGM, the authority is renewed;

(ii) the expiration of the period within which the next AGM of the Company after that date it is required to be held pursuant to Section 340(2) of the Act [but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act]; or

(iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting;

Notice of Annual General Meeting (Cont'd)

whichever is earlier;

AND FURTHER THAT the Directors be authorised to complete and do all such acts and things (including executing all such documents as may be required), as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' RRPT Mandate."

8. **ORDINARY RESOLUTION** ***(Ordinary Resolution 9)***
PROPOSED NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED NEW SHAREHOLDERS' RRPT MANDATE")

"**THAT** subject to the Main Market Listing Requirements of Bursa Malaysia Securities, approval be and is hereby given to the Group to enter into and to give effect to the category of the new/additional recurrent related party transactions of a revenue or trading nature from time to time with the Related Parties as specified in Section 2.5(a) of the Circular to Shareholders dated 30 October 2024 provided that such transactions are: -

(i) recurrent transactions of a revenue or trading nature;

(ii) necessary for the Group's day-to-day operations;

(iii) carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and

(iv) not detrimental to the minority shareholders of the Company.

AND THAT such authority shall commence upon the passing of this resolution and shall continue to be in force until: -

(i) the conclusion of the next AGM of the Company following this AGM at which the Proposed New Shareholders' RRPT Mandate was passed, at which time it will lapse, unless by an ordinary resolution passed at the next AGM, the authority is renewed;

(ii) the expiration of the period within which the next AGM of the Company after that date it is required to be held pursuant to Section 340(2) of the Act [but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act]; or

(iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever is earlier;

AND FURTHER THAT the Directors be authorised to complete and do all such acts and things (including executing all such documents as may be required), as they may consider expedient or necessary to give effect to the Proposed New Shareholders' RRPT Mandate."

Notice of Annual General Meeting
(Cont'd)

9. **ORDINARY RESOLUTION PROPOSED ALLOCATION OF EMPLOYEES' SHARE SCHEME ("ESS") AWARDS TO TANG CHOI PENG (GROUP CHIEF EXECUTIVE OFFICER CUM EXECUTIVE DIRECTOR)** ***(Ordinary Resolution 10)***

"**THAT** pursuant to the establishment of a new employees' share scheme ("**Scheme**") of up to 15% of the total number of issued shares (excluding treasury shares, if any) at any point in time during the duration of the Scheme, comprising a share option scheme ("**Proposed ESOS**") and a share grant plan, for the eligible directors and executive / employees of the Company and its subsidiaries which are not dormant ("**Proposed ESS**") as approved by the shareholders at the Extraordinary General Meeting of the Company held on 15 December 2023, approval be and is hereby given to the Board of Directors of the Company to authorise the ESS Committee, at any time and from time to time throughout the duration of the Proposed ESS, to offer and grant to Tang Choi Peng, the Group Chief Executive Officer cum Executive Director of the Company, such number of new ordinary shares in the Company ("**Shares**" or "**PTT Shares**") as may be required to be allotted and issued pursuant to the exercise of the share options pursuant to the Proposed ESOS and such number of Shares which will be vested in her at a specified future date and to allot and issue and/or deliver such number of options, Shares and/or the equivalent cash value or combinations thereof comprised in the Proposed ESS (collectively "**ESS Awards**"), **PROVIDED THAT**: -

(i) the aggregate number of PTT Shares which may be made available under the Proposed ESS shall not in aggregate exceed 15% of the total number of issued PTT Shares (excluding treasury shares, if any) at any point in time during the duration of the Proposed ESS;

(ii) the allocation to her, who either singly or collectively, through person(s) connected to her, holds 20% or more of the total number of issued PTT Shares (excluding treasury shares, if any), must not exceed 10% of the total number of PTT Shares to be made available under the Proposed ESS;

(iii) she must not participate in the deliberation or discussion of her own allocation or allocations to person(s) connected to her; and

(iv) subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws governing the Scheme, the Main Market Listing Requirements of Bursa Malaysia Securities, or any prevailing guidelines issued by Bursa Malaysia Securities or any other relevant authorities, as amended from time to time.

10. To transact any other ordinary business of which due notice shall have been given.

Notice of Annual General Meeting
(Cont'd)

By Order of the Board of Directors

CHUA SIEW CHUAN (SSM PC NO. 201908002648) (MAICSA 0777689)
CHEW KIT YEE (SSM PC NO. 202208000376) (MAICSA 7067474)
Company Secretaries

Kuala Lumpur
Dated: 30 October 2024

NOTES:

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 20 November 2024 shall be eligible to attend, participate, speak and vote at the Meeting or appoint proxy(ies) to attend, participate, speak and vote in his stead.

2. A member entitled to attend and vote at the Meeting may appoint more than one (1) proxy to attend, participate, speak and vote in his stead. Where a member appoints more than one (1) proxy to attend, participate, speak and vote at the same Meeting, the appointments shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy. A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting of the Company shall have the same rights as the member to attend, participate, speak and vote at the Meeting.

3. The instrument appointing a proxy shall be in writing under the hand of the member or of his attorney duly authorised in writing, or if the member is a corporation, shall either be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.

4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**") as defined under the Securities Industry (Central Depositories) Act 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

5. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a duly notarised certified copy of that power or authority, must be deposited at the Registered Office of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time set for holding the Meeting or any adjournment thereof. All resolutions set out in the notice of the Meeting are to be voted by poll.

6. Any notice of termination of authority to act as proxy must be received by the Company before the commencement of the Meeting or at any adjournment thereof, failing which, the termination of the authority of a person to act as proxy will not affect the following in accordance with Section 338 of the Act:-

   (i) the constitution of the quorum at such meeting;
   (ii) the validity of anything he did as chairman of such meeting;
   (iii) the validity of a poll demanded by him at such meeting; or
   (iv) the validity of the vote exercised by him at such meeting.

Notice of Annual General Meeting (Cont'd)

Explanatory Notes to Ordinary and Special Businesses: -

(i) Audited Financial Statements for the financial year ended 30 June 2024

This Agenda item is meant for discussion only, as the provision of Section 340(1)(a) of the Act does not require the formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

(ii) Ordinary Resolution 1 - Payment of Directors' fees and benefits

Section 230(1) of the Act provides, amongst others, that the fees of the Directors and any benefits payable to the Directors of a listed company shall be approved at a general meeting.

The Board wishes to seek shareholders' approval at the Fifty-Third AGM on the payment of Directors' fees and benefits, which comprise of meeting allowance payable for attendance of Directors at Board and/or Board Committees' meetings from 28 November 2024 until the next AGM of the Company to be held in the year 2025.

In the event that the proposed Directors' fees and benefits payable are insufficient due to the enlarged size of the Board of Directors, approval will be sought at the next AGM for additional Directors' fees and benefits to meet the shortfall.

(iii) Ordinary Resolutions 2 to 5 – Re-election of Directors

In determining the eligibility of the Directors to stand for re-election at the Fifty-Third AGM of the Company, the Nomination Committee ("**NC**") reviewed and assessed the following Directors ("**Retiring Directors**") from the annual assessment and evaluation of the Board of Directors for the financial year ended 30 June 2024. The Board of Directors via the NC's annual assessment was satisfied with the performance of the Retiring Directors who are standing for re-election and had recommended to the shareholders the proposed re-election at the Fifty-Third AGM under Ordinary Resolutions 2 to 5: -

(i) Ms. Tang Choi Peng;
(ii) Dato' Abd Rahim bin Jaafar;
(iii) Mr. Teo Swee Phin; and
(iv) Dato' Mahamed bin Hussain.

The profiles of the Retiring Directors are set out in the Annual Report in respect of the financial year ended 30 June 2024.

(iv) Ordinary Resolution 7 - Authority to Issue Shares pursuant to the Act

The Company had been granted a general mandate by its shareholders at the Fifty-Second AGM held on 28 December 2023 ("**Previous Mandate**").

As of to date, the Company has not issued any new ordinary shares pursuant to the Previous Mandate granted by the shareholders. Hence, no proceeds were raised therefrom.

The Company wishes to renew the mandate on the authority granted to the Directors to issue and allot shares pursuant to the Act at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being ("**General Mandate**").

Notice of Annual General Meeting (Cont'd)

Explanatory Notes to Ordinary and Special Businesses: - (Cont'd)

(iv) Ordinary Resolution 7 - Authority to Issue Shares pursuant to the Act (Cont'd)

The purpose of seeking the General Mandate is to provide flexibility to the Company's Directors to undertake any possible fundraising activities, including but not limited to placement of shares to fund the Company's current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or such other purposes as the Directors may deem fit, without having to convene a general meeting. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company.

Pursuant to Section 85 of the Act read together with Clause 50 of the Constitution of the Company, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company or other securities.

The Ordinary Resolution 7, if passed, would allow the Directors to issue new shares to any person under the authority to issue shares pursuant to the Act without having to offer the new shares to be issued equally to all existing shareholders of the Company prior to issuance.

(v) Ordinary Resolutions 8 and 9 - Proposed Renewal of and New Shareholders' Mandates for Recurrent Related Party Transactions of a Revenue or Trading Nature

The proposed Ordinary Resolutions 8 and 9, if passed, will give mandates to the Group to enter into recurrent related party transactions of a revenue or trading nature, details of which are set out in Section 2.5 of the Circular to Shareholders dated 30 October 2024.

The aforesaid mandates from shareholders are on an annual basis and are subject to renewal at the next AGM of the Company.

The details of the proposals are set out in the Circular to Shareholders dated 30 October 2024.

(vi) Ordinary Resolution 10 - Proposed Allocation of ESS Awards to Tang Choi Peng (Group Chief Executive Officer cum Executive Director)

The shareholders had at the Extraordinary General Meeting of the Company held on 15 December 2023 approved the Proposed ESS.

The proposed Ordinary Resolution 10, if passed, will enable the Company to allocate the ESS Awards to Ms. Tang Choi Peng who was appointed as a Group Chief Executive Officer cum Executive Director on 1 March 2024.

Ms. Tang Choi Peng being the interested Director, will abstain and has also undertaken to ensure that persons connected to her will abstain from voting on this resolution. She has also abstained from the deliberations and voting on this resolution at the Board of Directors' Meeting.

Statement Accompanying Notice of Annual General Meeting pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

No individual is standing for election as Director of the Company at the Fifty-Third Annual General Meeting.

CORPORATE INFORMATION

BOARD OF DIRECTORS

DATO' ABD RAHIM BIN JAAFAR
Executive Chairman

TEO SWEE LENG
Deputy Chairman

TEO SWEE PHIN
Managing Director

TANG CHOI PENG
Group Chief Executive Officer cum Executive Director
(Appointed on 1 March 2024)

DATIN NG FONG SHIANG
Executive Director

DATO' MAHAMED BIN HUSSAIN
Independent Non-Executive Director

DATUK IR. RUSLAN BIN ABDUL AZIZ
Independent Non-Executive Director

TOH SENG THONG
Independent Non-Executive Director

DATO' PAUL LIM TAU ERN
Independent Non-Executive Director
(Resigned on 6 September 2024)

AUDIT COMMITTEE

DATO' MAHAMED BIN HUSSAIN
Chairman
Independent Non-Executive Director

DATUK IR. RUSLAN BIN ABDUL AZIZ
Independent Non-Executive Director

TOH SENG THONG
Independent Non-Executive Director

DATO' PAUL LIM TAU ERN
Independent Non-Executive Director
(Ceased on 6 September 2024)

REMUNERATION COMMITTEE

DATO' MAHAMED BIN HUSSAIN
Chairman
Independent Non-Executive Director

DATUK IR. RUSLAN BIN ABDUL AZIZ
Independent Non-Executive Director

TOH SENG THONG
Independent Non-Executive Director

DATO' PAUL LIM TAU ERN
Independent Non-Executive Director
(Ceased on 6 September 2024)

NOMINATION COMMITTEE

DATO' MAHAMED BIN HUSSAIN
Chairman
Independent Non-Executive Director

DATUK IR. RUSLAN BIN ABDUL AZIZ
Independent Non-Executive Director

TOH SENG THONG
Independent Non-Executive Director

DATO' PAUL LIM TAU ERN
Independent Non-Executive Director
(Ceased on 6 September 2024)

SHARE REGISTRAR

Securities Services (Holdings) Sdn. Bhd.
Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur,
Wilayah Persekutuan
Tel: 03-2084 9000
Fax: 03-2094 9940
Email: info@sshsb.com.my

REGISTERED OFFICE

Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur,
Wilayah Persekutuan
Tel: 03-2084 9000
Fax: 03-2094 9940
Email: info@sshsb.com.my

BUSINESS ADDRESS

2A-1-1(B), Space U8,
No. 6, Persiaran Pasak Bumi,
Taman Bukit Jelutong,
Seksyen U8, 40150 Shah Alam,
Selangor Darul Ehsan
Tel: 03-5037 2822
Fax: 03-5037 2823
Website: https://ptt.com.my/
Email: info@ptt.com.my

COMPANY SECRETARIES

Chua Siew Chuan
SSM PC NO. 201908002648
(MAICSA 0777689)
Chew Kit Yee
SSM PC NO. 202208000376
(MAICSA 7067474)

AUDITORS

Moore Stephens Associates PLT
[201304000972 (LLP0000963-LCA) & AF002096]
Chartered Accountants
Unit 3.3A, 3rd Floor, Surian Tower,
No. 1, Jalan PJU 7/3,
Mutiara Damansara,
47810 Petaling Jaya,
Selangor Darul Ehsan

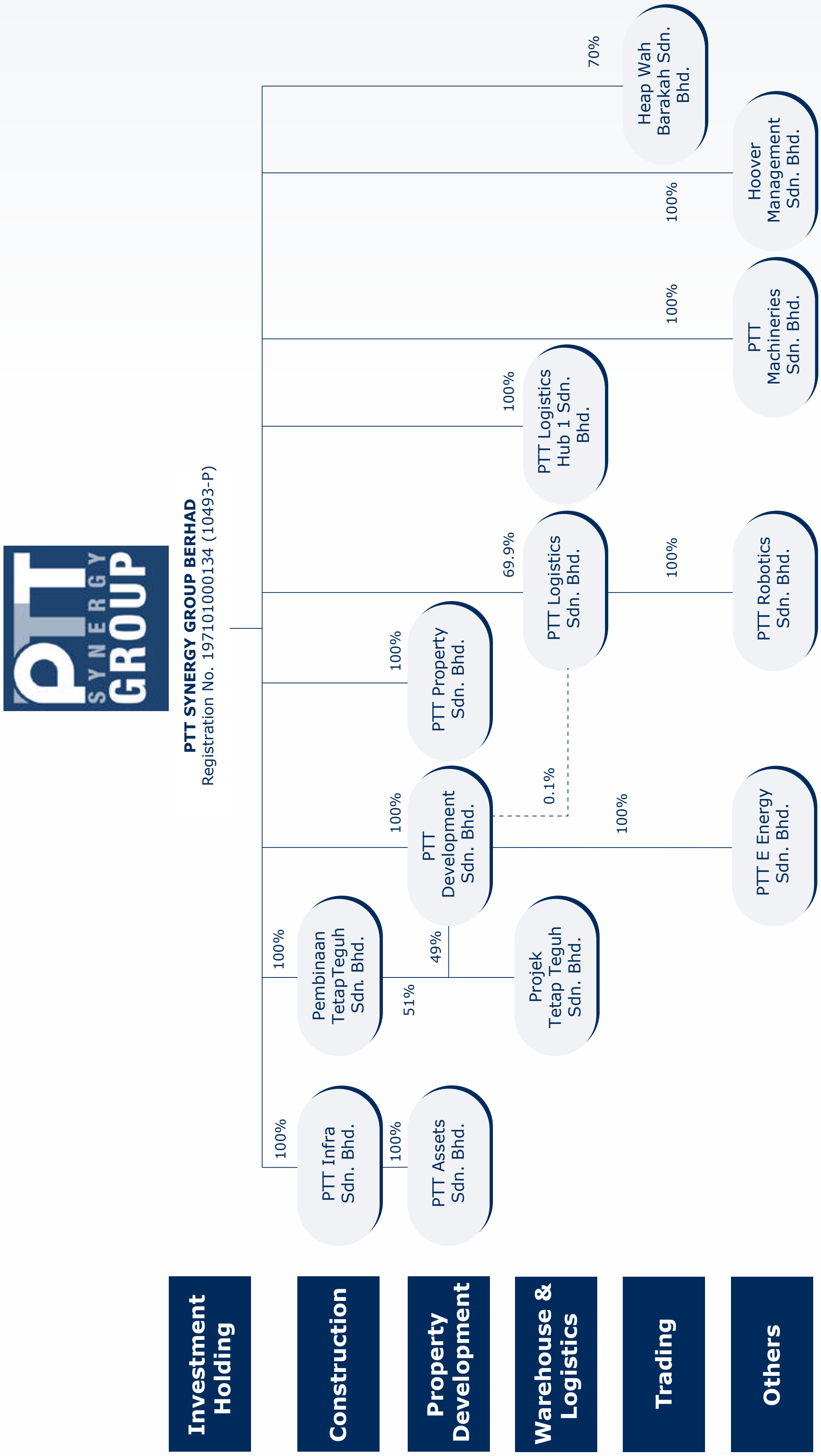
PRINCIPAL BANKERS

Malayan Banking Berhad
Ambank (M) Berhad
Public Bank Berhad
RHB Bank Berhad
United Overseas Bank (Malaysia) Bhd.

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Name: PTT
Stock Code: 7010

CORPORATE STRUCTURE
AS AT 2 OCTOBER 2024



PROFILE OF DIRECTORS

DATO' ABD RAHIM BIN JAAFAR

Executive Chairman

Aged **57**

Gender **Male**

Nationality **Malaysian**

Dato' Abd Rahim bin Jaafar ("**Dato' Abd Rahim**") was appointed to the Board of PTT Synergy Group Berhad ("**PTT**" or "**the Company**") as the Executive Chairman on 18 March 2021. Dato' Abd Rahim was re-appointed as a Director of the Company following Dato's retirement pursuant to Clause 95 of the Company's Constitution on 28 December 2021. He attended all 6 Board meetings held in the financial year.

Dato' Abd Rahim holds a Bachelor of Engineering (Hons) in Civil Engineering from London South Bank University (formerly known as London South Bank Polytechnic). In addition, he has accumulated over 27 years of experience in project management and construction.

He is also currently the shareholder and Director of Aim Concept Sdn. Bhd. ("**ACSB**") which is principally involved in the design and building of construction projects. He oversees the implementation of all construction projects undertaken by ACSB. His responsibilities include contract negotiations, contract monitoring, progress monitoring, budget and quality control monitoring, as well as project supervision for building construction and infrastructure works.

Dato' Abd Rahim had undertaken construction contracts totaling approximately RM1.0 billion in value over 11 years.

Dato' Abd Rahim is a major shareholder of the Company by virtue of his indirect equity interest in the Company via his shareholding in Aim Tetap Teguh Group Sdn. Bhd. ("**ATTG**").

Dato' Abd Rahim does not hold any other directorship in any other public companies or public listed companies in Malaysia and has no family relationship with any other Director and/or major shareholder of the Company.

Save for the related party disclosures as disclosed in this Annual Report and the Circular to Shareholders dated 30 October 2024, Dato' Abd Rahim does not have any conflict of interest with the Company or potential conflict of interest, including interest in any business that is in competition with PTT or its subsidiaries.

Profile of Directors (Cont'd)

TEO SWEE LENG

Deputy Chairman, Executive Director

Aged **60** | Gender **Male** | Nationality **Malaysian**

Mr. Teo Swee Leng was appointed to the Board of the Company as the Deputy Chairman on 18 March 2021. Mr. Teo Swee Leng was re-appointed as a Director of the Company following his retirement pursuant to Clause 88 of the Company's Constitution on 28 December 2023. He attended all 6 Board meetings held in the financial year.

Mr. Teo Swee Leng holds a Diploma in Civil Engineering from the Federal Institute of Technology, Kuala Lumpur, and has accumulated over 38 years of experience in the construction sector and 15 years of experience in the property development sector.

He is currently a shareholder and Director of several private limited companies.

Mr. Teo Swee Leng is the founder of Denai Alam Recreational and Riding Club (DARC), the first non-profitable horse-riding club in Malaysia. Mr. Teo Swee Leng is also the Honorary Consul of Nepal in Malaysia since year 2017 and extended until year 2027. Mr. Teo Swee Leng is a trustee of Sakyamuni Dharma Centre and Sakyamuni Buddha Foundation. He is also a treasurer of International Buddha Confederation.

He is the elder brother of Mr. Teo Swee Phin, the Managing Director and major shareholder of PTT.

Mr. Teo Swee Leng is also a major shareholder of the Company by virtue of his indirect equity interest in the Company via his shareholding in ATTG.

Mr. Teo Swee Leng does not hold any other directorship in any other public companies or public listed companies in Malaysia.

Save for the related party disclosures as disclosed in this Annual Report and the Circular to Shareholders dated 30 October 2024, Mr. Teo Swee Leng does not have any conflict of interest with the Company or potential conflict of interest, including interest in any business that is in competition with PTT or its subsidiaries.

Profile of Directors
(Cont'd)

TEO SWEE PHIN

Managing Director

Aged **46** Gender **Male** Nationality **Malaysian**

Mr. Teo Swee Phin was appointed to the Board of the Company as the Managing Director on 18 March 2021. Mr. Teo Swee Phin was re-appointed as a Director of the Company following his retirement pursuant to Clause 95 of the Company's Constitution on 28 December 2021. He attended all 6 Board meetings held in the financial year.

Mr. Teo Swee Phin holds an Executive MBA from the Riviera University and a Diploma in Technology (Building) from Tunku Abdul Rahman College, Kuala Lumpur. In addition, he has accumulated over 23 years and 16 years of experience in the construction sector and property development sector, respectively.

He is currently a shareholder and Director of several private limited companies, including PTT Jentera Sdn. Bhd., which has undertaken a variety of construction contracts that mainly comprise earthworks and infrastructure work for property development projects and has completed a variety of residential and mixed property development projects.

Mr. Teo Swee Phin was awarded in Martrade's 100 Most Influential Young Entrepreneurs 2016. He was also awarded as Finalist in the Ten Outstanding Young Malaysian Awards 2017 under Category Business, Economics and/or Entrepreneurial Accomplishment.

He is the younger brother of Mr. Teo Swee Leng, the Deputy Chairman and major shareholder of PTT.

Mr. Teo Swee Phin is also a major shareholder of the Company by virtue of his indirect equity interest in the Company via his shareholding in ATTG.

Mr. Teo Swee Phin does not hold any other directorship in any other public companies or public listed companies in Malaysia.

Save for the related party disclosures as disclosed in this Annual Report and the Circular to Shareholders dated 30 October 2024, Mr. Teo Swee Phin does not have any conflict of interest with the Company or potential conflict of interest, including interest in any business that is in competition with PTT or its subsidiaries.

Profile of Directors (Cont'd)

TANG CHOI PENG, TRACY

Group Chief Executive Officer cum Executive Director

Aged **53**
Gender **Female**
Nationality **Malaysian**

Ms. Tang Choi Peng, Tracy ("**Ms. Tracy**") was appointed as the Group Chief Executive Officer cum Executive Director of PTT on 1 March 2024. She attended 1 Board meeting held in the financial year as she was only appointed to the Board on 1 March 2024.

Ms. Tracy graduated with a Bachelor of Accounting and Finance from the University of Leicester, United Kingdom, in 1993.

Ms. Tracy has more than 28 years of working experience in the fields of accounting, financial management, credit control, and sales and marketing. She has worked with various construction and property development companies, including Gadang Land Sdn. Bhd., Leadmont Sdn. Bhd. and Tanco Holdings Berhad, as well as held various management positions in Accounting and Finance, Credit Control, and Sales and Marketing.

Prior to joining the Company, Ms. Tracy was the Head of Sales and Marketing for PTTSB's Property Development Division in the year 2009. She was then promoted to General Manager of the Special Project and Business Development in the year 2013. In 2016, she was promoted as the Group Financial Officer of PTTSB. She was appointed as the Chief Financial Officer of PTT on 1 September 2021.

Ms. Tracy does not hold any other directorship in any other public companies or public listed companies in Malaysia and has no family relationship with any other Director and/or major shareholder of the Company nor any conflict of interest or potential conflict of interest, including interest in any business that is in competition with PTT or its subsidiaries.

Profile of Directors (Cont'd)

DATIN NG FONG SHIANG, ANGIE

Executive Director

Aged **45**

Gender **Female**

Nationality **Malaysian**

Datin Ng Fong Shiang ("**Datin Angie Ng**") was appointed to the Board of the Company as the Executive Director on 29 May 2023. Datin Angie Ng was re-appointed as a Director of the Company following her retirement pursuant to Clause 95 of the Company's Constitution on 28 December 2023. She attended all 6 Board meetings held in the financial year.

Datin Angie Ng holds a Bachelor's Degree in Economics from University Sains Malaysia, Penang.

Datin Angie Ng has accumulated over 22 years of experience in financial advisory with various companies, including banking, construction, property development and steel manufacturing companies.

Currently, Datin Angie Ng's directorship in other public listed company includes Straits Energy Resources Berhad.

Datin Angie Ng does not have any family relationship with any other Director and/or major shareholder of the Company nor any conflict of interest or potential conflict of interest, including interest in any business that is in competition with PTT or its subsidiaries.

Profile of Directors (Cont'd)

DATO' MAHAMED BIN HUSSAIN

Independent Non-Executive Director

Aged **69**
Gender **Male**
Nationality **Malaysian**

Dato' Mahamed bin Hussain ("**Dato' Mahamed**") was appointed as the Independent Non-Executive Director on 18 March 2021. Dato' Mahamed was re-appointed as a Director of the Company following Dato' Mahamed's retirement pursuant to Clause 95 of the Company's Constitution on 28 December 2021. Dato' Mahamed is the Chairman of the Audit Committee, Remuneration Committee and Nomination Committee. Dato' Mahamed attended all 6 Board meetings held in the financial year.

Dato' Mahamed holds a Bachelor of Art from the University Kebangsaan Malaysia and Masters in Business Administration from the University of Hull, United Kingdom.

Dato' Mahamed held various positions in the government sector before Dato's retirement in December 2015. Dato' Mahamed was the Head of Development Division of Ministry of Higher Education, Principle Private Secretary to the Minister of Technology, Science and Innovation, and Director of Administration Division of National Unity Department. Dato' Mahamed was also exposed to the Land Administration while working as an Assistance District Officer in Ulu Selangor from 1982 to 1987 and Assistance Director in the Kuala Lumpur Land Office from 1996 to 2000. Dato' Mahamed is currently a Director of a private limited company.

Dato' Mahamed does not hold any other directorship in any other public companies or public listed companies in Malaysia and has no family relationship with any other Director and/or major shareholder of the Company nor any conflict of interest or potential conflict of interest, including interest in any business that is in competition with PTT or its subsidiaries.

Profile of Directors (Cont'd)

DATUK IR. RUSLAN BIN ABDUL AZIZ

Independent Non-Executive Director

Aged **63**

Gender **Male**

Nationality **Malaysian**

Datuk Ir. Ruslan bin Abdul Aziz ("**Datuk Ir. Ruslan**") was appointed as the Independent Non-Executive Director on 18 March 2021. Datuk Ir. Ruslan was re-appointed as a Director of the Company following Datuk Ir. Ruslan's retirement pursuant to Clause 88 of the Company's Constitution on 28 December 2022. Datuk Ir. Ruslan is a member of the Audit Committee, Remuneration Committee and Nomination Committee. Datuk Ir. Ruslan attended 3 out of 6 Board meetings held in the financial year.

Datuk Ir. Ruslan holds a Bachelor of Science in Civil Engineering from the University of Nottingham, United Kingdom, and a Master of Business Administration in Construction Business from the International Islamic University, Malaysia.

Datuk Ir. Ruslan held various positions in the Jabatan Kerja Raya ("**JKR**") Headquarters in Kuala Lumpur and other states since 1984. He was the JKR State Director for Malacca and Selangor. Datuk Ir. Ruslan was the Senior Director, heading the Road Division and Building Division of JKR Malaysia before Datuk's retirement on 6 February 2021. Datuk Ir. Ruslan has extensive experience with over 39 years in implementation of building and infrastructure projects locally and internationally. Datuk Ir. Ruslan was also involved in project planning, project construction, contract administration, and collaborative work with the government department and other stakeholders.

Datuk Ir. Ruslan does not hold any other directorship in any other public companies or public listed companies in Malaysia and has no family relationship with any other Director and/or major shareholder of the Company nor any conflict of interest or potential conflict of interest, including interest in any business that is in competition with PTT or its subsidiaries.

Profile of Directors (Cont'd)

TOH SENG THONG, JP

Independent Non-Executive Director

Aged **66**

Gender **Male**

Nationality **Malaysian**

Mr. Toh Seng Thong ("**Mr. Toh**") was appointed as the Independent Non-Executive Director on 28 April 2021. Mr. Toh was re-appointed as a Director of the Company following his retirement pursuant to Clause 88 of the Company's Constitution on 28 December 2023. He is a member of the Audit Committee, Remuneration Committee and Nomination Committee. He attended all 6 Board meetings held in the financial year.

Mr. Toh obtained his Bachelor of Commerce (Accounting) degree from the University of Canterbury, New Zealand, in 1981. He is a Chartered Accountant by profession and a member of the Malaysian Institute of Accountants, Malaysian Institute of Certified Public Accountants, and Chartered Accountants Australia and New Zealand. He was made a Fellow Member of the Chartered Tax Institute of Malaysia in 1997. Mr. Toh has over 34 years of experience in auditing, taxation, and corporate and financial advisory. He is also a practicing Chartered Accountant of Malaysia.

Currently, Mr. Toh's directorships in other public listed companies include Rhong Khen International Berhad and Adventa Berhad. Mr. Toh is also currently a Director of several private companies.

Mr. Toh does not have any family relationship with any other Director and/or major shareholder of the Company nor any conflict of interest or potential conflict of interest, including interest in any business that is in competition with PTT or its subsidiaries.

Notes:

Other than traffic offences, none of the Directors has any conviction for offences within the past 5 years or any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

PROFILE OF KEY SENIOR MANAGEMENT

GAN CHONG WEI

Group Chief Financial Officer

Aged **46**

Gender **Male**

Nationality **Malaysian**

Mr. Gan Chong Wei ("**Mr. Gan**") was appointed as the Group Chief Financial Officer of PTT Synergy Group Berhad ("**PTT**" or "**the Company**") on 1 March 2024.

Mr. Gan is a Fellow of the Association of Chartered Certified Accountants (ACCA), United Kingdom and a member of the Malaysian Institute of Accountants (MIA). In addition, he received a Master of Business Administration (MBA) in 2012 from Cardiff Metropolitan University (UWIC).

Mr. Gan is a seasoned finance professional with a wealth of experience and expertise in financial management, strategic planning, and leadership. He brings a distinguished academic background and a proven track record in steering organisations towards financial excellence.

Mr. Gan's skill sets encompasses a wide range of competencies including aligning business strategies, managing resources, ensuring compliance, and fostering business development initiatives. He has led successful Enterprise Resource Planning (ERP) system implementations, facilitated audits, and crafted robust risk management frameworks.

Mr. Gan does not hold any directorship in any public companies or public listed companies in Malaysia and has no family relationship with any Director and/or major shareholder of the Company nor any conflict of interest with the Company and its subsidiaries.

Profile of Key Senior Management (Cont'd)

IR. PUA AIK HONG

Group Chief Operating Officer

Aged **49** | Gender **Male** | Nationality **Malaysian**

Ir. Pua Aik Hong ("**Ir. Pua**") was appointed as the Group Chief Operating Officer of PTT on 1 March 2024.

Ir. Pua holds Bachelor of Civil Engineering from University of Malaya and Master of Business Administration from University of Leicester, United Kingdom. He is a Qualified Professional Engineer with Practicing Certificate (PEPC) registered with Board of Engineer, Malaysia (BEM).

He has accumulated over 25 years of experience in the construction and holds various positions from consultant, project, contract and project management. He involved in major developments such as ECRL Earthwork Packages, Sime Darby Property - City of Elmina Development, Sime Darby Property - Elmina Business Park, Sime Darby Property - Bandar Bukit Raja, Sime Darby Property – Denai Alam Development, Sime Darby Property – Bukit Jelutong Mixed Development, Tropicana Industrial Park Development, Putrajaya Diplomatic Precinct, and many more.

Ir. Pua was the Project Manager for Pembinaan Tetap Teguh Sdn. Bhd. ("**PTTSB**") in the year 2006. He was then promoted to Senior Project Manager in the year 2009. In 2012, he was promoted to General Manager. He was then excelled and promoted to Chief Operating Officer of PTTSB in the year 2016.

Ir. Pua does not hold any directorship in any public companies or public listed companies in Malaysia and has no family relationship with any Director and/or major shareholder of the Company nor any conflict of interest with the Company and its subsidiaries.

Profile of Key Senior Management (Cont'd)

THEN IKH CHOO, DAN

Chief Executive Officer and Director of PTT Logistics Sdn. Bhd.
Director of PTT Development Sdn. Bhd. and PTT Robotics Sdn. Bhd.

Aged **45** | Gender **Male** | Nationality **Malaysian**

Mr. Then Ikh Choo, Dan ("**Mr. Dan Then**") was appointed as the Chief Executive Officer of PTT Logistics Sdn. Bhd. on 2 May 2023. Subsequently, he was then appointed as the Director of three (3) subsidiaries of PTT, namely PTT Logistics Sdn. Bhd. and PTT Development Sdn. Bhd., on 5 September 2023 and PTT Robotics Sdn. Bhd. on 16 August 2024.

Mr. Dan Then holds a Degree in Electrical and Electronics Engineering and majored in Control System from the University Tenaga Nasional (UNITEN).

He has accumulated over 18 years of expertise and experience in intralogistics consultation and planning for distribution operation, spare parts center to third-party warehouse for both conventional to fully automated warehouses, Distribution Centre and eCommerce Fulfillment Hub.

He started his career in the intralogistics automation that provides solutions to industries such as FMCG, pharmaceutical, automobile, retails and etc. He also provides solutions via a software development in warehouse management system (WMS) and as a third-party warehouse service provider. He further ventured into commerce technology development.

Mr. Dan Then does not hold any directorship in any public companies or public listed companies in Malaysia and has no family relationship with any Director and/or major shareholder of the Company nor any conflict of interest with the Company and its subsidiaries.

Profile of Key Senior Management (Cont'd)

LUM PEK YOKE

Managing Director of Heap Wah Barakah Sdn. Bhd.

Aged **60** Gender **Female** Nationality **Malaysian**

Ms. Lum Pek Yoke ("**Ms. Lum**") was appointed as a Director of Heap Wah Barakah Sdn. Bhd. ("**Heap Wah**") on 1 October 1984. Subsequently, she was appointed as the Managing Director of Heap Wah on 1 September 2017.

Ms. Lum has completed her STPM education. She is responsible for the sales, operations, and administration of Heap Wah. She has more than 31 years of experience in trading construction materials.

Ms. Lum does not hold any directorship in any public companies or public listed companies in Malaysia and has no family relationship with any Director and/or major shareholder of the Company nor any conflict of interest with the Company and its subsidiaries.

FADDLY BIN NORDIN

Director of Pembinaan Tetap Teguh Sdn. Bhd.

Aged **51** Gender **Male** Nationality **Malaysian**

Encik Faddly bin Nordin ("**Encik Faddly**") was appointed as a Director of PTTSB on 25 April 2003.

Encik Faddly holds Diploma in Town and Regional Planning from Institut Teknologi Mara (ITM).

He has accumulated over 21 years of experience in the construction industry, and has been involved in earthworks and general infrastructure works for township development as well as urban public general infrastructure works. Encik Faddly is directly involved and responsible for construction project management team.

He involved in major development and projects such as Putrajaya Diplomatic Precint, Denai Alam General Infrastructure works, USJ Housing Development, Bandar Bukit Raja Earthwork and Bukit Jelutong Mixed Development.

Encik Faddly does not hold any directorship in any public companies or public listed companies in Malaysia and has no family relationship with any Director and/or major shareholder of the Company nor any conflict of interest with the Company and its subsidiaries.

Notes:

Other than traffic offences, none of the Key Senior Management has any conviction for offences within the past 5 years or any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

MANAGEMENT DISCUSSION & ANALYSIS

INTRODUCTION

PTT Synergy Group Berhad ("**PTT**" or "**the Company**") is one of Malaysia's leading construction companies, specialising in earthworks and infrastructure projects. In addition to its construction works and long-standing trading business, which supplies water infrastructure products, PTT and its subsidiaries ("**the Group**") have expanded into the industrial property development sector. This includes transforming industrial land into customised units, such as automated warehouses and distribution centres, integrated with autonomous solutions to serve both local and international businesses.

The Group's strategy focuses on building a portfolio of complementary capabilities that foster the long-term sustainability of its businesses. A disciplined approach to risk management, a strong focus on cash generation, and strategic capital allocation, alongside cost control and a firm commitment to safety, are key elements of the Group's ongoing strategy.

NEW CONTROLLING SHAREHOLDERS AND MANAGEMENT TEAM

Following the completion of the unconditional mandatory takeover by Aim Tetap Teguh Group Sdn. Bhd. on 17 March 2021, the new management team, led by Mr. Teo Swee Phin, the current Managing Director of PTT, assumed management roles within the Group. Subsequently, on 7 January 2022, the Company changed its name from Grand Hoover Berhad to PTT Synergy Group Berhad.

Under the new leadership, PTT has transformed into a formidable player in Malaysia's construction and industrial development sectors, while also re-strategising its legacy trading business, which supplies water infrastructure products such as pipes, fittings, and equipment.

After successfully executing a turnaround for the company in the financial year ("**FY**") 2022, the management team has not only sustained the momentum from FY 2023 but has also embarked on several strategic initiatives aimed at propelling the Group to new heights. These initiatives include:

- On 10 August 2023, the Group completed the acquisition of 100% equity interest in Pembinaan Tetap Teguh Sdn. Bhd. ("**PTTSB**"). As a result, the Group was awarded contracts by Sime Darby Property Berhad for work related to Elmina Business Park 2 on 31 October 2023.
- On 21 March 2024, PTTSB entered into a collaboration agreement with Prima Wahyu Sdn. Bhd. and was awarded the construction contract for Jambatan Palekbang-Kota Bharu and the connecting road at Jajahan Tumpat and Jajahan Kota Bharu in Kelantan.
- On 13 May 2024, PTTSB was awarded a contract by Sime Darby Property (Lagong) Sdn. Bhd. for the proposed construction and completion of earthworks and ancillary works at Lagong Mas, Daerah Gombak, Selangor.
- Via its Project Development arm, Projek Tetap Teguh Sdn. Bhd., the Group entered into a non-binding letter of intent on 23 May 2024 with a multinational corporation based in the northern region of Peninsular Malaysia to build and lease a fully automated warehousing facility.
- On 22 August 2024, the Group established PTT Robotics Sdn. Bhd. and began a collaboration with Siasun Robot and Automation (Malaysia) Sdn. Bhd. for the sale and lease of Automated Guided Vehicles ("**AGVs**") and Autonomous Mobile Robots ("**AMRs**").

In addition, during the FY 2024, PTT successfully completed the Private Placement, raising approximately RM51.9 million to support working capital for its construction and project development activities.

Furthermore, the Company had proposed a bonus issue of 216,081,081 new ordinary shares in the Company on the basis of 1 bonus share for every 1 existing share, and it was successfully completed on 19 September 2024.

Management Discussion & Analysis (Cont'd)

REVIEW OF FINANCIAL PERFORMANCE

For the FY 2024, PTT operated through 4 main business segments:-

1. **Construction**: Specialising in end-to-end construction services, with a focus on earthworks and infrastructure projects.
2. **Trading**: Involving the trading and supply of plumbing, water, and infrastructure-related products to local contractors working on various property types, as well as government agencies such as JPS, PWD, and JBA for water supply and infrastructure.
3. **Property Development**: Focused on transforming industrial land into customised industrial units and facilities for both local and international businesses.
4. **Warehouse and Logistics**: Aiming to modernise the warehouse and logistics segment through intralogistics services and digitalisation, offering a comprehensive range of integrated services, from site selection and facility design to construction and operation management.

The Group recorded a revenue of RM325.1 million in FY 2024 (FY 2023: RM163.4 million), primarily driven by higher contributions from the Construction Division, following the acquisition of PTTSB.

In line with this revenue growth, gross profit increased by 114.5%, and profit before tax rose by 257.1%.

FINANCIAL POSITION OVERVIEW

RM'000	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Extracts from Income Statement:					
Revenue	48,171	62,239	125,555	163,415	**325,105**
Gross Profit	8,471	11,098	24,657	31,469	**67,514**
Results From Operating Activities	(2,572)	(1,478)	12,258	13,888	**55,138**
Profit Before Tax	(3,333)	(2,138)	11,701	9,051	**32,325**
Profit For The Year	(3,220)	(1,180)	9,405	2,201	**21,229**
Profit Attributable To Owners Of The Company ("**PATAMI**")	(3,036)	(1,094)	8,416	1,592	**20,618**
Extracts from Balance Sheet:					
Total Assets	87,897	88,149	157,604	416,424	**1,079,315**
Cash And Equivalents	2,413	2,982	5,166	11,306	**82,111**
Total Liabilities	33,282	36,271	66,952	314,350	**824,599**
Borrowings	11,843	11,422	12,985	48,232	**348,966**
Total Equities Attributable To Owners	42,691	40,538	78,473	89,557	**242,975**

Management Discussion & Analysis (Cont'd)

RM'000	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Extracts from Cash Flow Statement:					
Net cash from/(used in) operating activities	944	718	(18,712)	(26,274)	**(56,906)**
Net cash from/(used in) investing activities	60	(8)	(8,391)	(13,543)	**(177,989)**
Net cash from/(used in) financing activities	144	132	33,197	38,971	**250,797**
Financial Ratios:					
Gross Margins	17.6%	17.8%	19.6%	19.3%	**20.8%**
Operational Margins	(5.3%)	(2.4%)	9.8%	8.5%	**17.0%**
Net Margins	(6.7%)	(1.9%)	7.5%	1.3%	**6.5%**
PATAMI Margins	(6.3%)	(1.8%)	6.7%	1.0%	**6.3%**
Return On Equity	(7.0%)	(2.6%)	14.1%	1.8%	**8.5%**
Current Ratio (times)	1.7	1.6	1.8	2.6	**1.6**
Net Gearing Ratio (times)	0.28	0.28	0.16	0.54	**1.44**

Some Key Financial Highlights in FY 2024 vs FY 2023

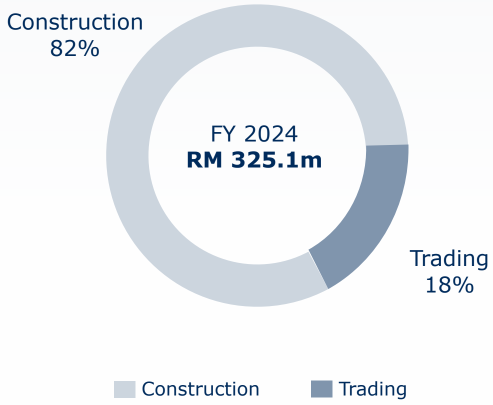
The Group's financial position has shown significant improvement as outlined below:-

- **Revenue** rose by 98.9% year-on-year to RM325.1 million, driven primarily by the Construction segment.
- **Profit before tax** ("**PBT**") increased by 257.1% year-on-year to RM32.3 million, supported by the strong performance of the Construction segment.
- **Profit after tax and minority interest (PATAMI)** surged by 1,194.8% year-on-year to RM20.6 million, largely due to the rise in revenue.
- **Total equity attributable to owners** grew by 171.3% to RM243.0 million, driven by the issuance of new shares through a private placement and improved profitability during the financial year.
- **Current ratio**, which measures financial liquidity, declined to 1.6 times (FY 2023: 2.6 times). Despite this decline, the ratio remains healthy, indicating that the Group has sufficient liquidity to meet its short-term obligations and working capital needs.
- **Net gearing ratio** increased to 1.4 times, reflecting the Group's efforts to fund land and development-related costs for its property development segment.

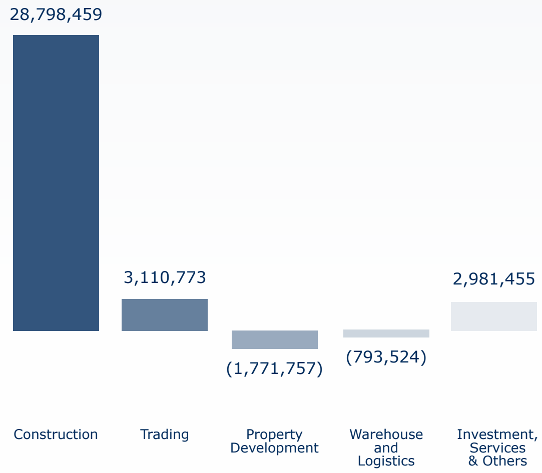
Management Discussion & Analysis (Cont'd)

SEGMENTAL OVERVIEW

Revenue Breakdown by Segments (%)



PBT Breakdown by Segments (RM)



1. Construction Business

RM'000	FY 2022	FY 2023	FY 2024
Revenue	76,051	115,000	266,389
Profit before tax	9,826	13,794	28,798

Financial Performance

Revenue for the Construction segment increased to RM266.4 million in FY 2024 (FY 2023: RM115.0 million). Consequently, PBT rose to RM29.0 million in FY 2024 (FY 2023: RM13.7 million). This significant growth was driven by the completion of the equity acquisition of PTTSB, which contributed to higher revenue and profit. The Group also benefits from a large fleet of trucks, which has played a crucial role in ensuring timely logistics and the early completion of projects.

Operational Overview

The Group is actively participating in new tenders and working to secure additional contracts from existing clients, totalling RM1.4 billion as of 30 June 2024. The management team remains focused on implementing cost control measures, ensuring quality standards, and delivering projects on schedule. Proper planning is instituted from the tendering stage to support the success of our endeavours.

As of 30 June 2024, the Group holds a total unbilled order book of RM640.8 million, with expectations of further improvement as construction activities continue to ramp up.

Management Discussion & Analysis (Cont'd)

SEGMENTAL OVERVIEW (CONT'D)

1. Construction Business (Cont'd)

Key Risks

The Group is mindful of several risks it is exposed to, which are outlined below:-

1. **Slow Job Replenishment Rate**: If we are unable to secure new projects, our order book will gradually decline, which could negatively impact future financial performance. To mitigate this, we are actively tendering for new projects and working to secure additional contracts from our existing and new clients.

2. **Cost Overruns Risk**: Unanticipated cost increases during the execution and construction phases could result in significant expenses that cannot be passed on to customers. Geopolitical tensions, in particular, contribute to uncertainty in material prices. To mitigate this risk, we practice bulk ordering at the outset of a project to lock in material costs and hedge against fluctuations in diesel prices, which constitute a major project cost.

3. **Delay Risk**: Any delays in project completion could result in claims for Liquidated Ascertained Damages (LAD) and penalties from customers, negatively affecting both our financial performance and reputation. Our management team takes a hands-on approach to project management to ensure that projects are delivered on time.

2. Trading Business

RM'000	FY 2022	FY 2023	FY 2024
Revenue	47,154	47,229	57,269
Profit before tax	4,157	3,023	3,111

Financial Performance

The Trading segment achieved a revenue increase of RM10.0 million, reaching RM57.3 million in FY 2024, representing a growth of 21.3%, driven by the introduction of new products. Despite stiff competition in the building materials trading business, PBT saw a slight increase, growing to RM3.1 million from RM3.0 million in FY 2023.

Operational Overview

During FY 2024, the Group has implemented initiatives such as cost control strategies, effective inventory management, credit management processes, product-mix specialisation, and customer base profiling. These initiatives are expected to further enhance the profitability of the division going forward. As to the challenges of a stiff competition from building materials suppliers, the Trading segment will continue to expand its customer base to industrial users and create new value-added products.

Key Risks

The Group is mindful of several risks it is exposed to, which are outlined below:-

1. Credit risk – We grant credit term to majority of our customers. Therefore, the Group constantly reviews and implements a stringent policy on our receivables collection in order to minimise any defaults.

2. Market demand risk – Any decline in the property market, coupled with stiff competition among building material players, will directly impact the financial performance of our trading division. To mitigate the effects of a potential slowdown, the Group is taking proactive measures, including expanding our customer base and fabricating or modifying value-added products with higher profit margins to meet customer needs.

Management Discussion & Analysis (Cont'd)

SEGMENTAL OVERVIEW (CONT'D)

3. Property Development

RM'000	FY 2022	FY 2023	FY 2024
Revenue	2,350	1,168	–
Loss before tax	(921)	(4,615)	(1,772)

Financial Performance

There was no revenue recorded under the Property Development segment in FY 2024, as the industrial warehouse remained under construction. The segment reported a loss before tax of RM1.8 million, primarily due to land and development related costs as well as recognition of accretion of interest on deferred trade payables in relation to landowner entitlement amounting to RM3.8 million.

Operational Overview

The Group has made substantial efforts to establish holistic warehousing and comprehensive intralogistics solutions to meet the growing demand for industrial properties, including automated warehouses, distribution centres, and e-commerce micro fulfilment centres. These initiatives involve several strategic elements, such as identifying suitable industrial land for development and forming key partnerships with an Automated Storage and Retrieval System (ASRS) provider and a pallet system producer. Additionally, PTT has successfully secured Longterm Distribution Sdn. Bhd. ("**Longterm Distribution**") as a tenant for its upcoming automated warehouse at Elmina Business Park and is actively exploring further industrial property opportunities in the pipeline. As of 30 June 2024, the warehouse is approximately 50% complete. The ongoing construction of the warehouse has contributed to a heavier balance sheet, however upon completion, the balance sheet will ease, and the revenue from the lease of this property will begin to be recognised.

In October 2023, PTT entered into a sale and purchase agreement to acquire 2 parcels of freehold development land in Seberang Perai Selatan, Penang through its Project Development arm, Projek Tetap Teguh Sdn. Bhd. Additionally, the Group signed a non-binding letter of intent on 23 May 2024 with a multinational corporation based in northern Peninsular Malaysia to build and lease a fully automated warehousing facility.

Key Risks

The Group is mindful of several risks it is exposed to, which are outlined below:-

1. Soft Demand Risk – In the event of an economic downturn or an oversupply of industrial properties, we would adopt a cautious approach towards the property market. Currently, there is robust demand for industrial properties, and our holistic warehousing and comprehensive intralogistics solutions remain in high demand.

2. Execution and Delay Risks – Delays in project completion may occur due to labour shortages or the scarcity of certain building materials. Additionally, we rely on subcontractors to execute specific tasks. To mitigate these risks, our experienced project teams are actively involved at every stage, ensuring timely project delivery and minimising the risk of incurring Liquidated Ascertained Damages (LAD) claims.

SEGMENTAL OVERVIEW (CONT'D)

4. Warehouse and Logistics

RM'000	FY 2024
Revenue	-
Loss before tax	(794)

Financial Performance

There was no revenue recorded under the Warehouse and Logistics segment in FY 2024. The segment reported a loss before tax of RM0.8 million, due to operational cost incurred.

Operational Overview

The Group, through its newly established subsidiary, PTT Robotics Sdn. Bhd., has initiated a collaboration with Siasun Robot and Automation (Malaysia) Sdn. Bhd. ("**Siasun Malaysia**") for the sale and lease of AGVs and AMRs. This enables the Group to offer clients comprehensive industrial warehouse solutions integrated with autonomous technologies.

Key Risks

The Group is mindful of several risks it is exposed to, which are outlined below:-

1. Soft Demand Risk – In the event of an economic downturn or an oversupply of industrial properties, we would adopt a cautious approach towards the property market. Currently, there is robust demand for industrial properties, and our holistic warehousing and comprehensive intralogistics solutions remain highly sought after.

2. Technology Risk – As technology evolves rapidly, we maintain an open approach by staying updated with the latest technological advancements to ensure that we supply latest cutting-edge, cost-efficient technology to our valued clients.

BUSINESS OUTLOOK & STRATEGIES

1. Stronger Foothold in the Construction Industry

With the Group's active participation in new tenders and securing additional contracts from existing clients, the Group's construction order book has reached RM1.4 billion as of 30 June 2024. The management team continues to focus on implementing cost control measures, maintaining quality standards, and ensuring timely project delivery. Proper planning is instituted from the tendering stage to ensure the success of these initiatives.

As of 30 June 2024, the Group holds a total unbilled order book of RM640.8 million, with further improvements expected as construction activities gain momentum. PTT plans to continue with the following strategies to further strengthen its construction business:-

- Actively tendering for and securing new construction projects from both new and existing clients.
- Proactively managing and monitoring ongoing projects to ensure that all timelines are met without delays.
- Implementing stringent cost control measures, including hedging and bulk purchasing of raw materials, along with variation orders to manage pricing fluctuations.
- Maintaining strong relationships with master developers, enhancing the ability to secure new projects and control costs effectively.
- Leveraging a large fleet of trucks to ensure efficient logistics and facilitate early project completion.

Management Discussion & Analysis (Cont'd)

BUSINESS OUTLOOK & STRATEGIES (CONT'D)

1. Stronger Foothold in the Construction Industry (Cont'd)

These strategies will position the Group to sustain growth and profitability in the construction sector, driving long-term success and resilience.

2. Capitalising on Robust Demand for Total Intralogistics Solutions

PTT anticipates robust and sustainable growth in Malaysia's industrial sector, as the country offers abundant resources and well-developed infrastructure, appealing to both local and foreign businesses seeking expansion or establishment in Malaysia. We have strategically positioned ourselves as a comprehensive solution provider for industrial building needs, offering landbanks, in-house construction expertise, and complete intralogistics solutions.

In September 2023, the Group achieved a significant milestone by signing a lease agreement with Longterm Distribution for our PTT Space Elmina Logistic Hub, the first in a series of logistics spaces envisioned by PTT. We are actively pursuing opportunities in intralogistics consultancy, distribution operation planning, as well as the development of conventional and fully automated warehouses, distribution centres, and e-commerce fulfilment hubs across Malaysia. Our facilities are designed to meet the highest industry standards, ensuring unparalleled quality and efficiency.

PTT also announced a major investment in Internet of Things ("**IoT**") and AI-driven automated warehousing solutions to support the fast-growing semiconductor industry in May 2024. As part of this initiative, a non-binding letter of intent was signed with a leading multinational semiconductor manufacturer located in the northern Peninsular Malaysia to develop a state-of-the-art automated warehousing facility.

In August 2024, the Group entered into an exclusive collaboration with Siasun Malaysia to provide revolutionary intralogistics solutions in Malaysia. Through this partnership, PTT Robotics Sdn. Bhd. gains exclusive rights to distribute and implement Siasun Malaysia's advanced automation technologies, including AGVs and AMRs, transforming Malaysia's intralogistics and industrial sectors. The collaboration includes a comprehensive strategy, offering flexible leasing options and extensive technical support to ensure the successful adoption of these cutting-edge solutions.

3. Enhancing Trading Division's Profitability

The management's efforts to improve credit control and collections for the Trading segment have yielded favourable results. The Group remains committed to maintaining a proactive approach in this area. This includes closely monitoring trade receivables and customer profiling, focusing on retaining customers with strong credit profiles while reassessing those with long-overdue payments.

Additionally, PTT aims to expand its customer base. Our objectives include optimising the supply chain by negotiating more favourable prices with suppliers and developing new products under our own brands to enhance profit margins.

4. Dividend

The Board of Directors did not recommend any dividend for the FY 2024.

APPRECIATION

We would like to extend our heartfelt gratitude to our loyal shareholders for their steadfast support and trust in our Management team. Our sincere appreciation also goes out to our valued customers, suppliers, bankers, and business associates for their continued dedication. Most importantly, we are deeply thankful to our committed employees, whose exceptional efforts have been instrumental in executing the strategies that are driving the Group's success.

We remain confident that the Group will continue to establish itself as a leading integrated player in both the construction and industrial sectors, raising industry standards and ensuring long-term sustainability. Lastly, we are optimistic about delivering a strong performance in the coming year.

TEO SWEE PHIN
Managing Director
Date: 17 October 2024

SUSTAINABILITY STATEMENT
FOR THE YEAR ENDED 30 JUNE 2024

1. INTRODUCTION (GRI 2-1, GRI 2-2, GRI 2-3)

1.1. About this Report

PTT Synergy Group Berhad (“**PTT**” or “**the Group**”)'s annual Sustainability Report (“**this Report**”) covers our sustainability efforts and highlights the Group’s Environmental, Social, and Governance ("**ESG**") performance from July 1, 2023, to June 30, 2024 (“**FY 2024**”). It details the sustainability initiatives we have implemented in our business and operations to benefit our stakeholders and the environment, driving our business forward. This Report includes information on significant risks and opportunities that will impact our business operations, including ESG and economic challenges, in the coming years. Our sustainability journey is underpinned by our strategies, robust frameworks, and initiatives that enable us to achieve the Group’s sustainability goals and targets. In summary, this Report captures the progress, achievements, and challenges of our sustainability journey in FY 2024 and beyond.

This Report's contents have been reviewed and approved by our Board of Directors and the Sustainability Working Committee, ensuring their relevance to our business and material issues. We have strived to maintain transparency in our disclosures, goals, and key performance indicators within this Report.

1.2. Scope and Boundaries

PTT is one of the leading construction and development companies listed on the Main Market of Bursa Malaysia Securities Berhad (“**Bursa Malaysia Securities**”) and is headquartered in Selangor, Malaysia. To set consolidation boundaries, we took the financial control approach to consider all subsidiaries where we have more than 50% financial control (section 2.2) for all the sustainability indicators to follow in this Report, except the Environmental Indicators (section 4.1). The Environmental Indicators section encompasses all business operations within the divisions: Pembinaan Tetap Teguh Sdn. Bhd. (“**PTTSB**”) and PTT Infra Sdn. Bhd. (“**PTTI**”) as our data-gathering technique is mature in these divisions. As data-gathering technology and techniques advance, we plan to disclose metrics for additional portions of the business in future reports.

1.3. Period and Cycle

This Report covers the financial year period from July 1, 2023, to June 30, 2024 (“**FY 2024**”), and is reported on an annual basis. Data and information from previous years have been included, where possible, to provide historical context and show trends.

1.4. Frameworks and Standards

We continuously reflect and improve our ESG reporting practices by rigorously complying with both the Malaysian and international frameworks and guidelines during our reporting process. In addition to the core frameworks followed by many companies in Malaysia, we have also incorporated further guidelines this year to ensure our ESG journey strives towards a carbon-neutral future. To monitor and reduce our carbon emissions, we are proud to employ the frameworks listed below, along with the value they bring.

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

1. INTRODUCTION (CONT'D)

1.4. Frameworks and Standards (Cont'd)

Framework	Definition	Benefits
Bursa Malaysia Sustainability Report Framework	Malaysia's Stock Exchange requires public listed companies to disclose 22 statistics across 11 common indicators. The common indicators target and cover environmental, social, and governance topics.	• Align operations with local regulatory requirements • Identify and manage major ESG issues in Malaysia
Task Force for Climate-Related Financial Disclosures (TCFD)	A guideline that helps companies disclose the financial impacts of climate change on their operations, now and in the future, under different climate scenarios, across the categories of Governance, Strategy, Risk/ Opportunities, and Metrics/ Targets.	• Incorporate climate-related planning into business strategy and risk management • Attract and benefit climate-conscious investors
Global Reporting Initiative (GRI)	An international framework that provides standards for organisations to report on their economic, environmental, and social impacts. It aims to promote transparency, accountability, and sustainability by offering guidelines for companies to disclose their sustainability performance.	• Provide a globally recognised framework, ensuring comparable disclosures • Communicate, engage, and satisfy stakeholders' expectations
United Nation Sustainable Development Goals (UN SDG)	A set of 17 global goals established by the United Nations in 2015 to address urgent social, economic, and environmental challenges. The goals aim to end poverty, protect the planet, and ensure prosperity for all by 2030. Each goal has specific targets and indicators, focusing on areas such as health, education, gender equality, clean water, climate action, and sustainable economic growth.	• Align ESG topics with international concerns • Foster collaboration with international partners

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

1. INTRODUCTION (CONT'D)

1.4. Frameworks and Standards (Cont'd)

Framework	Definition	Benefits
Greenhouse Gas (GHG) Protocol	GHG Protocol is the most widely used guidance to help businesses measure and monitor their greenhouse gas emissions from Scope 1 (direct operations), 2 (purchased energy) and 3 (value chain activities). GHG Protocol allows companies to manage and reduce their carbon footprints.	• Implement a standardised approach to quantify GHG emissions • Align emission reduction targets with globally-recognised standards
Science-Based Targets initiative (SBTi)	SBTi is a coalition of global companies and think tanks which have devised specific carbon reduction targets, by industry, between now and 2050. For instance, construction industries globally must reduce their carbon emissions by 31% by the year 2030 to achieve the goals of the Paris Agreement.	• Set statistically accurate emission reduction targets • Enhance resilience against regulatory changes and stakeholder pressures

1.5. Assurance Readiness (GRI 2-5)

While this Report has not been externally assured, the data published herein has been assessed, validated and reviewed by the internal operations and management teams within the Group, as well as the external consultants who assisted in this Report's preparation. This Report is also reviewed and approved by the Board.

Furthermore, the Group has used the most common and recognised assurance standards as guidance in crafting this document, including ISAE 3000. Along with a careful explanation of the carbon calculations where relevant, this high level of scrutiny and disclosure greatly diminishes any chance of error or omission in this Report and will make future assurance efforts easier to complete.

1.6. Feedback

As ESG is the blueprint for a sustainable future, we welcome feedback, comments, and suggestions about this Report that can further enhance our transparency, accountability, and commitment. You can reach us by contacting:-

Email	:	esg@ptt.com.my
Address	:	2A-1-1(B), Space U8, No. 6, Persiaran Pasak Bumi, Taman Bukit Jelutong, Seksyen U8, 40150 Shah Alam, Selangor

2. ABOUT PTT GROUP

2.1. Company Description

PTT is a market leader in innovative industrial solutions. We are committed to excellence and innovation in our business ventures, aspiring to become the leading player in cutting-edge automated warehousing, construction and industrial property development while contributing to Malaysia's economic growth. We focus on creating long-term value for stakeholders through strategic initiatives and robust business practices. Our operations are divided into two main segments: construction and property development.

We offer contemporary industrial solutions at PTT. As Artificial Intelligence continues to evolve, we continuously integrate and streamline our operations with the Internet of Things (IoT) and AI-driven warehousing. To date, we are proud to announce our latest project in developing our own fully automated warehousing system, equipped with advanced automation and software. Additionally, we also offer end-to-end intralogistics solutions, designed to enhance efficiency and productivity for our clients across various industries, including semiconductors, FMCG, automobiles, pharmaceuticals, retail chains, and home appliances. Furthermore, we also have strong technical expertise in infrastructure construction, owning the largest and most advanced heavy machinery and equipment fleet in Malaysia. All of our solutions work harmoniously to provide synergies to the local economy, community, and the environment.

Under the leadership of Mr Teo Swee Phin since 2021, we have implemented cost-saving strategies, secured additional projects, consolidated shareholders' businesses, formed strategic alliances and acquired valuable land banks. In 2024, we successfully raised RM51.9 million through a private placement of shares, enhancing our operations and strategic projects.

Sustainability remains our core as we continue to embark on our Environmental, Social, and Governance (ESG) journey. We have integrated energy-efficiency technologies and environmentally friendly practices into our operation to reduce our energy consumption, and greenhouse gas emissions, and implement effective waste management practices. We aim to deliver cutting-edge solutions and also reduce our environmental impacts to achieve a true synergy between our Group and the environment. Committed to our mission and vision, we continually evolve to sustain growth and reinforce our leading position in Malaysia.

Figure 2.1a Our Board of Directors.

Figure 2.1b Our employees at PTT.

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

2. ABOUT PTT GROUP (CONT'D)

2.1. Company Description (Cont'd)

VISION

To Be "A" Industry Leader

MISSION

To generate sustainable returns for shareholders by delivering quality projects while conserving the environment and fulfilling careers for our people

Our Principles Our mission is supported by four Principles by which we live and work

Integrity
Being sincere and honest with ourselves, our colleagues, our clients, our suppliers, our partners and shareholders and other stakeholders

Accountability
Committing and delivering what we are responsible for

Innovation
Continually adapting and evolving for the future

Safety
Ensuring safety of our people and environment

Figure 2.1c Our Mission, Vision, and Core Principles at PTT.

2.2. Sustainability Highlights

1 NO POVERTY — 99% of our materials come from **local suppliers**, providing fair wages for countless people.

2 ZERO HUNGER — Our partnerships with local landowners and customers support **sustainable landscaping.**

3 GOOD HEALTH AND WELL-BEING — Our **safety record and proper training** and gear are all top priorities, as the annual results show.

4 QUALITY EDUCATION — PTT has been **building schools** in Malaysia for over 20 years, starting in Terengganu in 2001.

5 GENDER EQUALITY — **Women account for a higher percentage** at PTT than in the industry.

6 CLEAN WATER AND SANITATION — We use **recycled rain water** at construction sites to reduce water local stress.

7 AFFORDABLE AND CLEAN ENERGY — Our **EV conversion** is well underway, with EV cars and trucks delivered and scheduled in 2025.

8 DECENT WORK AND ECONOMIC GROWTH — **465 employees** work at PTT across Malaysia, more than double last year.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE — **Smart Warehouses** built by PTT Logistics, infused with AI, are the cornerstone of our future vision.

10 REDUCED INEQUALITIES — **We partner with local organizations** such as the Women's Aid Organisation.

11 SUSTAINABLE CITIES AND COMMUNITIES — **Green Building Certifications** are a top goal of our new construction across Malaysia.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION — **We recycled nearly one ton** of waste, diverting from landfills and local waterways.

13 CLIMATE ACTION — We have pledged a 4% year over year reduction in emissions in order to **achieve Net Zero**.

14 LIFE BELOW WATER — Silt traps, strategic drainage, and rainwater harvesting **prevent runoff** and protect marine life.

15 LIFE ON LAND — Our soil preparation techniques **preserve natural habitats** all over Malaysia.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS — **100% of our operations** have been assessed for corruption risk.

17 PARTNERSHIPS FOR THE GOALS — Our network of agricultural companies **share our goal of attaining Net Zero.**

2. ABOUT PTT GROUP (CONT'D)

2.3. Joint Statement of Leadership

As the senior leadership of PTT, we are proud to affirm our commitment to sustainability as a cornerstone of our operations and growth strategy. In an industry where resource efficiency and environmental stewardship are becoming increasingly critical, we recognise that sustainability is fundamentally about doing more with less—delivering superior value while conserving the resources that future generations depend upon.

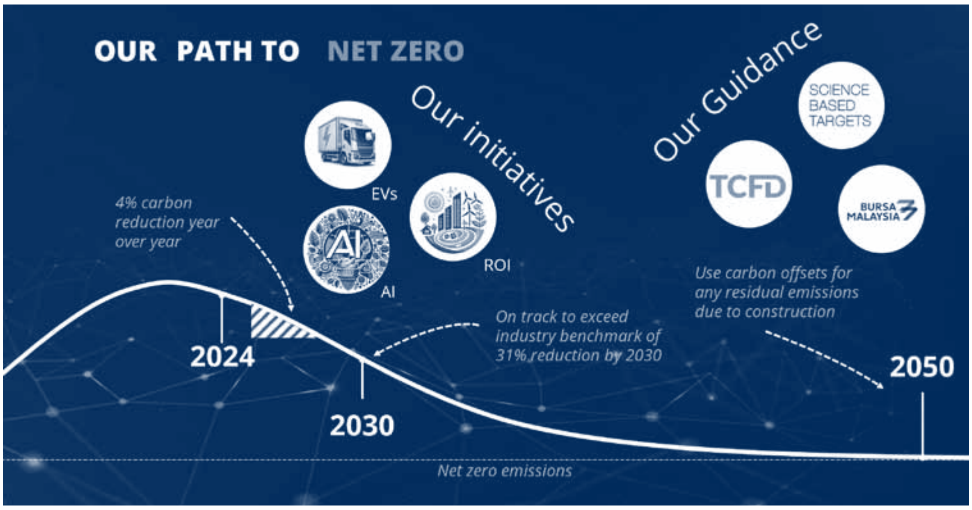
Our focus on sustainability is not merely an add-on; it is woven into the fabric of our business strategy. As we advance, our initiatives will centre on three key areas:

Automation and Innovation: By embracing cutting-edge technologies and automation, we are streamlining our operations, reducing waste, and enhancing productivity. These innovations allow us to optimise resource use, minimise environmental impact, and maintain our competitive edge in a rapidly evolving market.

Electric Vehicles (EVs) and Green Infrastructure: We are committed to transitioning our fleet to electric vehicles and investing in green infrastructure. This shift not only reduces our carbon footprint but also aligns with global trends towards renewable energy and sustainable transport, ensuring that we remain ahead of regulatory changes and market expectations.

Practical Cost-Saving Solutions: Sustainability is not just about environmental impact; it's also about economic viability. By implementing practical, cost-saving measures, we are ensuring that our sustainability efforts contribute to the long-term financial health of our company. Whether through energy-efficient practices, waste reduction, or sustainable sourcing, our approach is designed to enhance profitability while protecting our planet.

We are steadfast in our belief that sustainable practices are not only beneficial for the environment but are also crucial for the ongoing success and growth of our business. By integrating sustainability into every aspect of our operations, we are not just preserving the environment—we are ensuring that we remain a leader in the industry, delivering value to our clients, shareholders, and the communities we serve. his approach will guide us as we build a future that is both prosperous and sustainable.



Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

3. SUSTAINABILITY STATEMENT

3.1. Governance Structure

Our commitment to transparency and accountability guides our Group's direction, with a strong focus on sustainability. We integrate sustainable practices across our operations through comprehensive ESG frameworks, ensuring sustainability is central to our business.

The Sustainability Working Committee ("**SWC**"), comprising of Managing Director, Executive Director and Senior Management, oversees sustainability initiatives. All Head of Departments will perform the day-to-day implementation and regular updates and report to the Senior Management. The SWC drives strategic discussions on Economic, Environmental, Social, and Governance topics and reports to the Board of Directors, who review and endorse our sustainability strategies and performance.

Our Sustainability Governance Structure

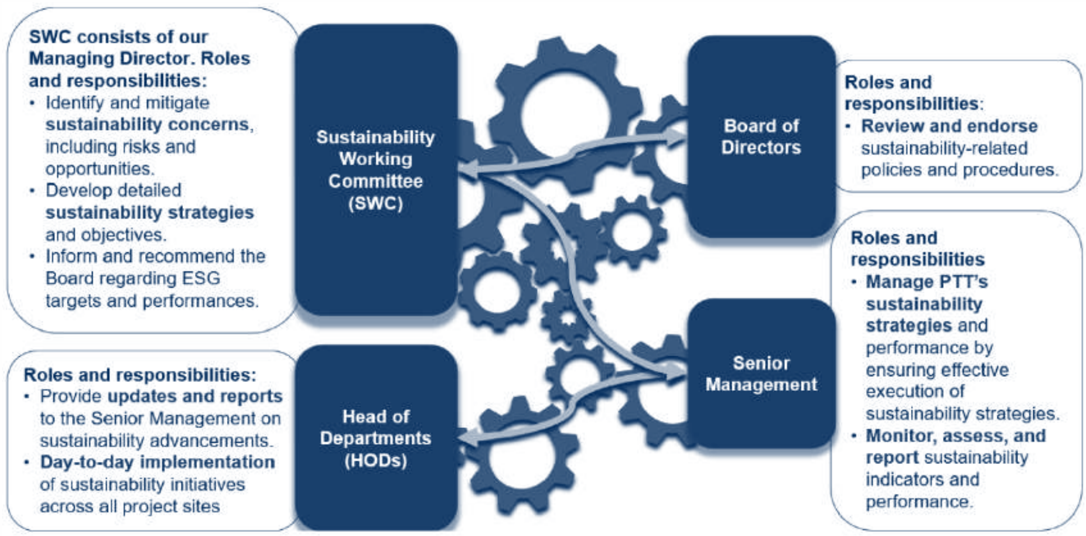


Figure 3.1. Our sustainability governance structure at PTT. Our Board of Directors oversee and endorse about sustainability matters develop and recommend by our Sustainability Working Committee (SWC) and support by all the Head of each Department.

Through these governance structures and ongoing efforts to enhance our expertise, we ensure sustainability remains central to our strategic decisions and daily practices. Our goal is to create lasting value for our stakeholders and support a sustainable future.

3. SUSTAINABILITY STATEMENT (CONT'D)

3.2. Materiality Assessment (GRI 2-29, GRI 3-1, GRI 3-2, GRI 3-3)

3.2.1. Inclusivity: Stakeholder Engagement and Our Responses

We engage with a wide range of stakeholders who impact or are influenced by our operations. These include shareholders, financiers, investors, government agencies, regulators, customers, employees, community members, NGOs, suppliers, contract, and media. We prioritise maintaining open and constructive communication with all key stakeholders, using both formal and informal channels to foster strong dialogue.

These interactions are crucial for identifying material issues, gaining insights into emerging opportunities and risks, and responding effectively to stakeholder needs.

3.2.2. Engagement Methods and Frequency

To ensure alignment with sustainability concerns surrounding its operations, we actively engage all stakeholder groups through various methods and at different frequencies throughout the year. This includes:

- ***Formal Discussions and Meetings:*** Shareholder meetings, investor briefings, and direct engagement programs.
- ***Surveys and Audits:*** Conducting regular surveys and audits to gather feedback and assess our performance.
- ***Informal Interactions:*** Ongoing informal discussions to maintain an open dialogue with stakeholders.
- ***Community Engagement:*** Participating in community events and initiatives to stay connected with community members and NGOs.
- ***Regulatory Engagement:*** Regular interactions with government agencies and regulators to ensure compliance and address any concerns.

These engagements enable us to understand stakeholder expectations, address their concerns, and integrate their feedback into our sustainability strategies. By actively listening and collaborating, we aim to enhance our sustainability performance and create long-term value for all parties involved.

Through stakeholder engagement, we identify critical issues for both stakeholders and the business. This helps us anticipate and manage emerging risks and opportunities, ensuring that our sustainability strategies and action plans align with stakeholder expectations and contribute to our overall goals.

We are committed to continuously improving our stakeholder engagement processes. Regular reviews and enhancements of our methods ensure we remain responsive to evolving needs and concerns, fostering stronger relationships, building trust, and driving sustainable growth for the Group.

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

3. SUSTAINABILITY STATEMENT (CONT'D)

3.2. Materiality Assessment (Cont'd)

3.2.2. Engagement Methods and Frequency (Cont'd)

Table 3.2.2 Our stakeholder engagement methods, frequency, and responses.

Key Stakeholder Group	Areas of interest or concerns	Our Response	Frequency of Engagement
Business Partners	• Financial performance and stability • Integrity in partnerships • Alignment with sustainability goals and values	• Meetings and discussions • Regular communications	• Ad hoc • Ongoing
Customers	• Quality and safety of construction projects • Product innovation • Availability of sustainable and energy efficient features in projects and solutions provided • Customer satisfaction	• Customer service and support • Customer surveys	• Ongoing
Employees	• Workplace health and safety • Diversity and equal employment opportunities • Training and career development • Human rights • Employee welfare	• Employee surveys and feedback mechanism • Team meetings with management • Annual appraisal and performance review • Job-related training and workshop • Employee engagement activities	• Annually • Ongoing

3. SUSTAINABILITY STATEMENT (CONT'D)

3.2. Materiality Assessment (Cont'd)

3.2.2. Engagement Methods and Frequency (Cont'd)

Table 3.2.2 Our stakeholder engagement methods, frequency, and responses. (Cont'd)

Key Stakeholder Group	Areas of interest or concerns	Our Response	Frequency of Engagement
Government and Regulatory Authorities	• Compliance with regulations • Ethical and responsible business practices • Contribution to the local economy • Public health and safety • Environmental and social impact of construction and development	• Regulatory reporting and compliance submissions • Announcement • Participation in programmes organised by regulatory bodies	• Ongoing • Annually
Local Communities and Public (NGO)	• Environmental and social impact of construction and development activities • Contribution to the local community • Corporate social responsibility initiatives • Job creation and economic contributions	• Community programmes and events • Corporate social responsibility activities	• Ad hoc
Media	• Accuracy and transparency in public communications • Timely response to inquiries and concerns	• Newspaper and social media • Press release • Direct engagement	• Ongoing

Sustainability Statement
For The Year Ended 30 June 2024
(Cont'd)

3. SUSTAINABILITY STATEMENT (CONT'D)

3.2. Materiality Assessment (Cont'd)

3.2.2. Engagement Methods and Frequency (Cont'd)

Table 3.2.2 Our stakeholder engagement methods, frequency, and responses. (Cont'd)

Key Stakeholder Group	Areas of interest or concerns	Our Response	Frequency of Engagement
Shareholders and Investors	• Financial performance • Long-term growth and resilience • Ethical business practices • Timely and accurate announcement • Transparency in financial reporting	• Annual general meetings • Earnings reports and financial disclosures • Sustainability reports and updates • Investor relations website and contact • Analyst briefings and meetings • Press release • Site visits • Audits	• Ongoing • Quarterly • Annually
Suppliers	• Fair procurement practices • Sustainable sourcing • Sustainability in the supply chain	• Supplier assessment and audits • Supplier meetings and discussions • Regular communications	• Ongoing • Annually

3.2.3. Materiality Matrix

The material assessment process involves identifying and prioritising the most significant sustainability issues impacting the Group and its stakeholders. This is done by engaging with stakeholders to understand their concerns, evaluating the issues' significance through discussions and surveys, and ranking them on the Materiality Matrix. The SWC reviews and validates the matrix to ensure it aligns with current sustainability trends before presenting it to the Board of Directors for final approval.

1. **Identification of Sustainability Matters**
   - Collect and identify significant material issues through comprehensive stakeholder interactions.
   - Review and incorporate material topics from previous years and benchmark against industry peers.

3. SUSTAINABILITY STATEMENT (CONT'D)

3.2. Materiality Assessment (Cont'd)

3.2.3. Materiality Matrix (Cont'd)

2. Categorisation and Prioritisation of Material Matters

- Assess the relevance and impact of each identified material issue on the Group's operations and stakeholders' decisions through detailed discussions and surveys.
- Rank and prioritise the identified issues on the Materiality Matrix based on their significance.

3. Review and Validation

- The SWC rigorously reviews the Materiality Matrix, ensuring alignment with current sustainability trends.
- Submit the validated Materiality Matrix to the Board for thorough review and final approval.

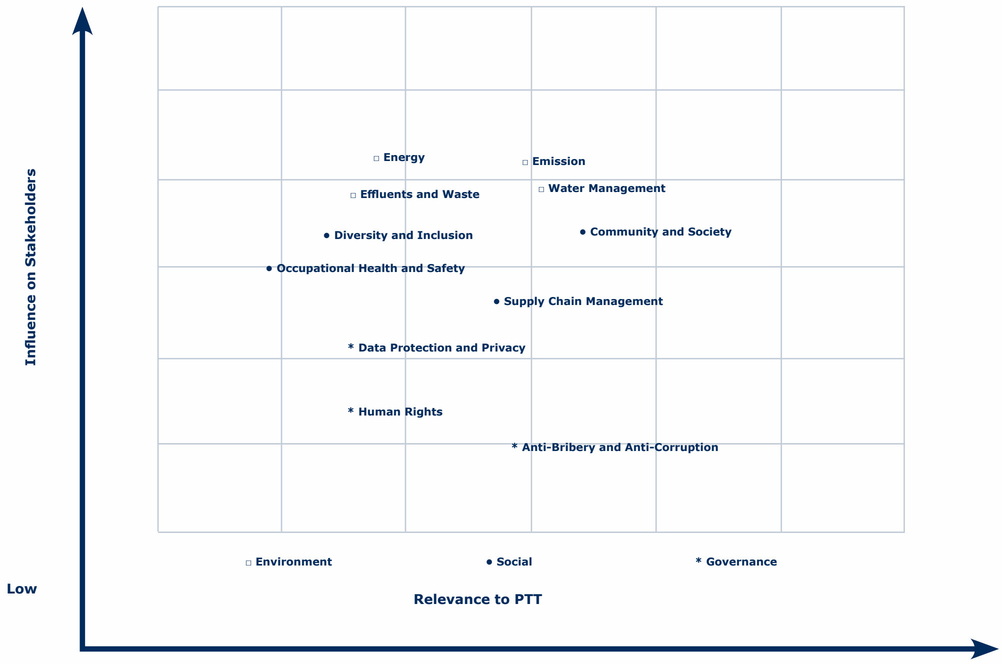


Figure 3.5.3 PTT Materiality Matrix in FY2024, where our sustainability matters are categorised into Environment, Social, and Governance issues.

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

3. SUSTAINABILITY STATEMENT (CONT'D)

3.2. Materiality Assessment (Cont'd)

3.2.3. Materiality Matrix (Cont'd)

Table 3.2.3 The definitions of the 11 topics material and relevant to PTT's operations.

ESG Pillars	Material Topics	Material Topics
Environment	Energy	The systematic monitoring, control, and optimisation of energy consumption to reduce environmental impact, improve energy efficiency, and support long-term sustainability goals.
	Emission	Refers to the release of greenhouse gases or other pollutants into the atmosphere. It is generally measured to manage environmental impact and align with reduction targets and regulatory standards.
	Effluents and waste	The discharge of liquid waste and the generation of hazardous waste, focusing on minimising their environmental impact through proper management, treatment, and disposal practices.
	Water management	The efficient use, conservation, and treatment of water resources are aimed at minimising water consumption, reducing pollution, and ensuring access to clean water for all stakeholders.
Social	Community and Society	PTT's initiatives and impact on social well-being, including contributions to local communities, stakeholder engagement, and efforts to promote social equity, economic development, and positive societal outcomes.
	Supply chain management	The oversight and integration of sustainable practices throughout the supply chain, focusing on ethical sourcing and ensuring social responsibility across all stages of procurement, production, and distribution.
	Diversity and inclusion	The promotion of a diverse workforce and inclusive practices, ensures equal opportunities, representation, and a supportive environment for all employees regardless of gender, ethnicity, age, or other characteristics.
	Occupational Health and Safety	Policies, practices, and measures implemented to ensure the health, safety, and well-being of employees, aiming to prevent workplace accidents, injuries, and illnesses at PTT.

3. SUSTAINABILITY STATEMENT (CONT'D)

3.2. Materiality Assessment (Cont'd)

3.2.3. Materiality Matrix (Cont'd)

Table 3.2.3 The definitions of the 11 topics material and relevant to PTT's operations. (Cont'd)

ESG Pillars	Material Topics	Material Topics
Governance	Data Protection and Privacy	Policies and practices PTT implement to safeguard personal and sensitive data, ensuring compliance with regulations and maintaining the privacy, security, and trust of stakeholders.
	Human rights	PTT's commitment to respecting and upholding fundamental human rights throughout its operations and supply chain, including preventing abuses, ensuring fair labour practices, and promoting equality and dignity for all individuals.
	Anti-Bribery and Corruption	Policies, controls, and practices PTT enforces to prevent, detect, and address bribery and corruption, ensuring ethical business conduct and compliance with legal and regulatory standards.

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

4. IMPACT: KEY PERFORMANCE INDICATORS (KPI)

4.1. Environmental Indicators

Accurate tracking of environmental indicators—such as energy, water, waste, and emissions—is essential for ensuring regulatory compliance, managing risks, and promoting sustainable practices. By closely monitoring these factors, PTT can identify areas for improvement, minimise our environmental footprint, and adhere fully to regulatory requirements. This data-driven approach supports better decision-making, enhances operational efficiency, and bolsters our reputation among stakeholders and clients who prioritise environmental responsibility. Ultimately, our commitment to environmental stewardship can lead to long-term financial savings and a competitive market advantage.

Previously, our environmental indicators covered only two major project sites. In FY2024, we expanded our tracking methods and increased the number of sites tracked from two to 22. Our goal is to standardise our tracking systems across all data sources for at least 22 sites, with FY2024 marking the first step towards this objective. We also plan to set FY2024 as our baseline for our key performance indicators in future report.

4.1.1. Energy (GRI 302-1, GRI 302-3, GRI 302-4)

Why it Matters

We prioritise energy management to lower operational costs, reduce environmental impact, and support sustainability efforts. By optimising energy consumption and incorporating renewable energy sources, we actively contribute to mitigating climate change and advancing global carbon reduction goals. Our initiatives, including upgrading to Light Emitting Diode ("**LED**") lighting, installing solar panels, and enhancing overall energy efficiency, reflect our commitment to sustainable practices and reducing our carbon footprint.

Our Performance

Electricity consumption is essential for our daily operations across headquarters, office buildings, plants, and workhouses. We are pleased to report that our energy initiatives have substantially reduced electricity consumption at the two sites tracked from FY2022 and FY2023, achieving a remarkable 80% reduction to 22.5 MWh in FY2024. This success highlights the effectiveness of the energy measures we have implemented and strengthened since FY2022. We remain focused on enhancing our energy management practices.

With our new tracking ability now covering 22 sites, total diesel consumption was 79,297.8 MWh. For petrol, accurate tracking was achieved for three sites, totalling 146.8 MWh.

We are excited about our expanded data tracking coverage and are committed to continuously improving our reporting practices. This comprehensive approach enables us to better manage energy usage and underscores our commitment to sustainability for our environment, employees, local community, and stakeholders.

Sustainability Statement
For The Year Ended 30 June 2024
(Cont'd)

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.1.1. Energy (GRI 302-1) (Cont'd)

Our Performance (Cont'd)

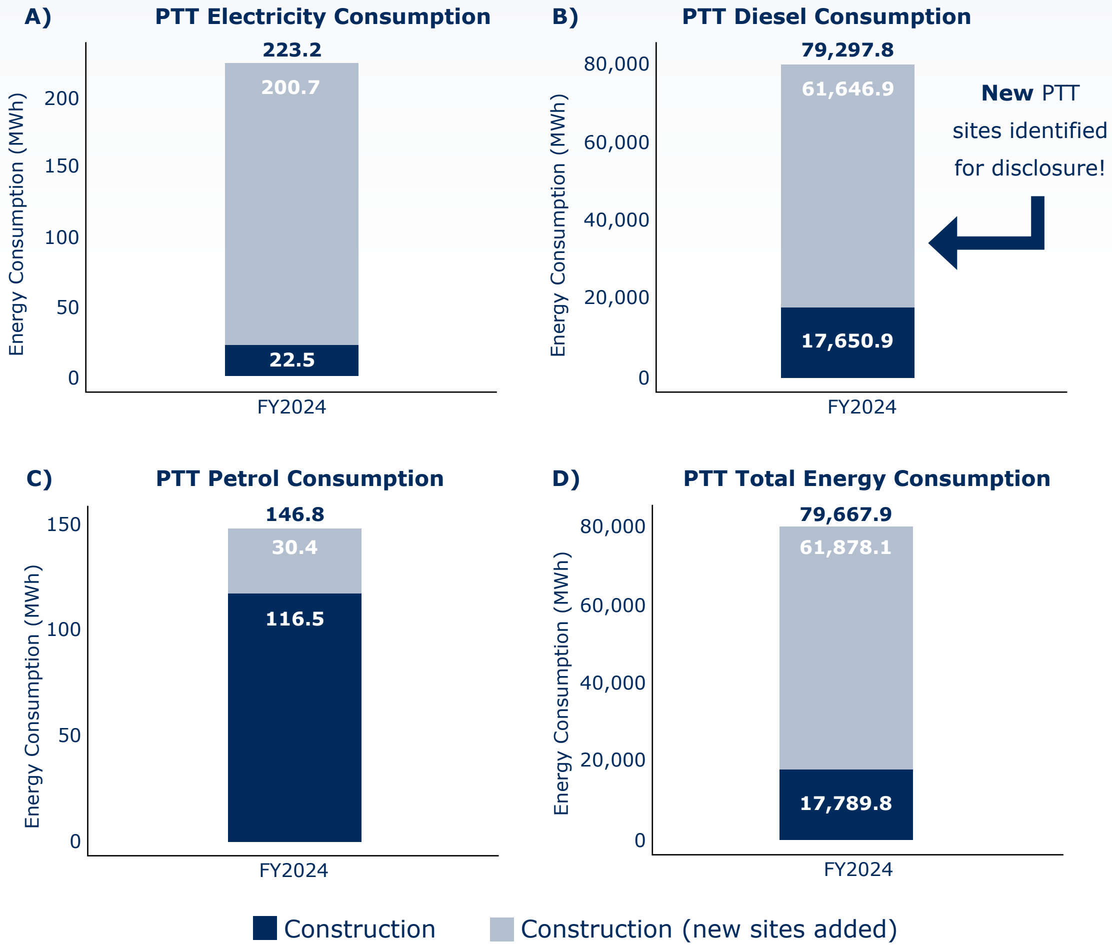


Figure. 4.1.1a The electricity, diesel, petrol, and total energy consumption in megawatts per hour (MWh).

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.1.1. Energy (GRI 302-1) (Cont'd)

Table 4.1.1 PTT electricity and non-renewable fuel consumption over time. "Main" represents the same sites we tracked in the past, "Added" implies the new sites that we added this year, and "-" means data deficiency.

Electricity consumption						
Unit		FY2022	FY2023	FY2024		
Total electricity consumption	MWh	112.4	48.7	Main	22.5	223.2
				Added[1]	200.7	
Non-renewable fuel consumption						
Total Diesel consumption	MWh[3]	23,590.0	12,196.8	Main	17,650.9	79,297.8
				Added[1]	61,646.9	
Total Petrol consumption	MWh[4]	17.4	5.7	Main	116.5	146.8
				Added[2]	30.3	
Total Energy Consumption (Electricity and Non-renewable fuels)						
Total energy consumption	MWh	23,719.8	12,251.3	Main	17,789.8	79,667.9
				Added	61,877.1	
Energy intensity ratio	MWh/ RM in mil[5]	188.9	75.0	Main	54.7	245.05
				Added	190.3	

Note:
1. In FY2024, we have expanded our effort to track more carbon emission sources from two sites last year to 22 sites this year.
2. Petrol consumption includes only 3 project sites.
3. The net caloric value (CV) of diesel used was obtained from "Diesel (average biofuel blend)" of DEFRA (2023), which was 9.891 KWh/L. We assume all of our diesel fuels are the average blend. In future reports, we aim to step up our disclosure to account for emissions from petroleum-based diesel and non-petroleum-based diesel (or also known as biogenic emissions).
4. The net caloric value (CV) of petrol used was sourced from "Petrol (average biofuel blend)" of DEFRA (2023), which was 8.969 KWh/L. We assume all of our petrol fuels are the average blend. In future reports, we aim to step up our disclosure to account for emissions from petroleum-based petrol and non-petroleum-based petrol (biogenic emissions).
5. Revenue is in million Ringgit. FY2022 revenue was RM 125.6 million, FY2023 was RM163.4 million, and FY2024 was RM325.1 million.

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.1.1. Energy (GRI 302-1) (Cont'd)

Our Energy Initiative

Figure 4.1.1b The ASRS system, which consists of racking, robotic AGV, conveyor, stacker cranes, and other automated equipment.

Our energy initiatives have significantly contributed to reducing our energy consumption in FY2024. A key factor is our ongoing adoption of LED lighting, which is known for its energy efficiency, saving approximately 86.4% of energy compared to traditional incandescent bulbs (Kosai et al., 2020; Osagie-Bolaji & Asikhia, 2020). Since FY2023, we have consistently implemented LED lighting across all project sites.

Another major initiative is our Automated Storage and Retrieval System ("**ASRS**"), a fully automated solution designed for efficient storage and retrieval of goods in warehouses. The ASRS system enhances operational efficiency by reducing human error, maximising storage capacity within a smaller footprint, and minimising the need for excessive lighting, heating, and cooling. These improvements lead to lower energy consumption, carbon emissions, and environmental impacts. Additionally, the ASRS system contributes to cost savings, improved productivity, and a safer work environment by reducing manual handling risks.

We are collaborating with Oriental Material Handling Malaysia ("**OMH**") to deploy ASRS systems, aiming to manage 2 million pallets over the next five years. This strategic plan will deliver numerous benefits for our clients while advancing our commitment to environmental sustainability.

Furthermore, solar panel adoption is our solution to optimising our energy usage. Solar energy can be abundantly found in Malaysia throughout the year. It has been shown that adopting solar panels can save at least RM 704 of energy costs, generating around 2 billion kWh of electricity per year (Jing et al., 2015). This benefit implies the energy efficiency of solar panels. Additionally, the Malaysian government has invested in solar energy in recent years, with an estimated $2.9 billion expenditure for new grids, LED street lights, and rooftop solar panels. A 1,400 MW solar project is estimated to generate $1.1 billion in investments (Vaka et al., 2024). As part of our contribution to this trend, we expect to install solar panels on the roof of our future ASRS projects, which equates to 700~1,000 panels per roof, where our expected peak electricity generated (kilowatt-peak, kWp) is 0.55 kWp per panel. In other words, we expect to generate 385 to 550 kW of electricity from our solar panels under ideal conditions.

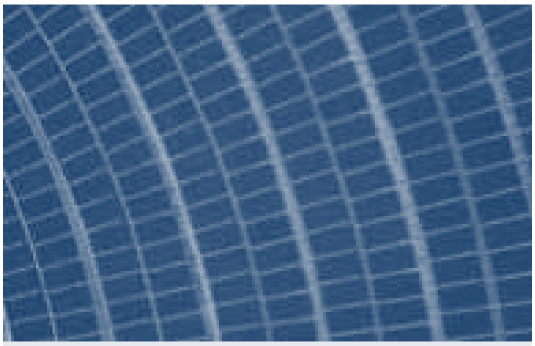


Figure 4.1.1c The solar roofs installed by PTT. We planned to implement solar roofs on all ASRS warehouse projects.

Sustainability Statement
For The Year Ended 30 June 2024
(Cont'd)

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.1.2. Water (GRI 303-5)

Why it Matters

PTT recognises effective water management is vital in mitigating resource scarcity. By ensuring regulatory compliance, we uphold the highest standards of environmental responsibility and transparency to our stakeholders. Prioritising water sustainability helps PTT minimise our environmental impact and align with global sustainable development goals, building long-lasting trust with our stakeholders. Furthermore, efficient water management is crucial to ensure uninterrupted operations and manage risks associated with water dependency in our production processes.

Our Performance

In FY2024, our absolute total potable and non-potable water consumption amounted to 242,508 m3. The potable water is withdrawn from third-party (municipal) water, while the non-potable is from rainwater and surface water. Additionally, this year, we started tracking water consumption in our PTTI, along with more project sites covered by PTTSB. Although our absolute total water consumption this year increased by 58% to 242,508 m3 (compared to FY2023), our water intensity reduced by 20.6% to 745.9 m3/RM in mil (compared to FY2023). In other words, we have been more efficient with our water consumption.

We do not operate in water-stressed regions. Based on World Resource Institute (2024), Malaysia at the national level has low to medium water risks, generally classified as a non-water-stressed nation. Although localised water stress may occur, 100% of our project sites have more than adequate supply and access to water.

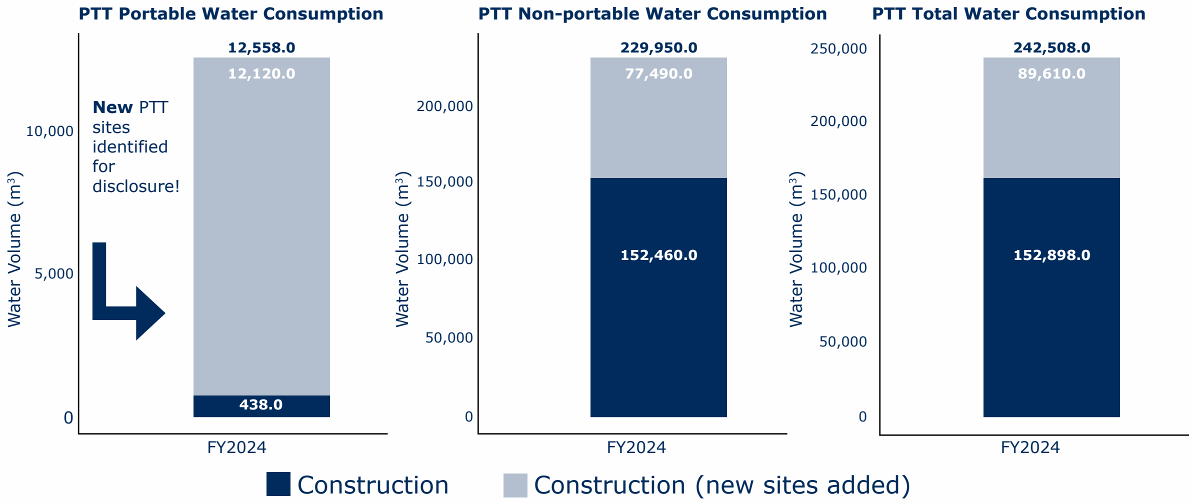


Figure. 4.1.2 The potable, non-potable, and total water consumption measured in cubic meters from the construction segment from FY2022 to FY2024.

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.1.2. Water (GRI 303-5) (Cont'd)

Table 4.1.2. Potable, non-potable, and total water consumption of PTT from FY2022 to FY2024. "Main" represents the same sites we tracked in the past, "Added" implies the new sites that we added this year, and "-" means data deficiency.

<table>
<tr><th>Financial Year (FY)</th><th>Unit</th><th>FY2022</th><th>FY2023</th><th colspan="3">FY2024</th></tr>
<tr><td rowspan="2">Total potable water consumption</td><td rowspan="2">m^3</td><td rowspan="2">377</td><td rowspan="2">211</td><td>Main</td><td>438</td><td rowspan="2">12,558</td></tr>
<tr><td>Added</td><td>12,120</td></tr>
<tr><td rowspan="2">Total non-potable water consumption</td><td rowspan="2">m^3</td><td rowspan="2">–</td><td rowspan="2">–</td><td>Main</td><td>152,460</td><td rowspan="2">229,950</td></tr>
<tr><td>Added</td><td>77,490</td></tr>
<tr><td rowspan="2">Total potable and non-potable water consumption</td><td rowspan="2">m^3</td><td rowspan="2">55,297</td><td rowspan="2">153,511</td><td>Main</td><td>153,437</td><td rowspan="2">242,508</td></tr>
<tr><td>Added</td><td>89,071</td></tr>
<tr><td rowspan="2">Water intensity ratio[1]</td><td rowspan="2">m^3/RM in mil</td><td rowspan="2">440.3</td><td rowspan="2">939.5</td><td>Main</td><td>472</td><td rowspan="2">745.9</td></tr>
<tr><td>Added</td><td>274</td></tr>
</table>

Note:
1. Revenue is measured in million Ringgit. FY2022 revenue was RM 125.6 million, FY2023 was RM163.4 million, and FY2024 was RM325.1 million.

Our Water Initiative

Another notable feature was our tracking of non-potable water this year. Non-potable water consumption is estimated from water browsers multiplied by the number of times the browser is filled per year for three sites only. We used the water browsers to wash and clean the site's cars, dump trucks, heavy machines and the main road. In addition, we also harvest, transport, and utilise rainwater through water browsers in our cleaning processes to ensure a safe and healthy environment for our employees and the local community. Furthermore, we also installed perforated pipe to the back of our water browsers allowing water to leak through to wet the floor, acting as a dust control technique to maintain air quality and visibility for our employees to safely operate at the site. As a result of our water initiative, we are proud to announce a 20.6% reduction this year in our water intensity to 745.9 m3/RM in mil (compared to FY2023), even after we incorporated an additional subsidiary. We will continue to uphold and strengthen our water initiative to sustainably manage our water consumption at PTT.

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.1.2. Water (GRI 303-5) (Cont'd)

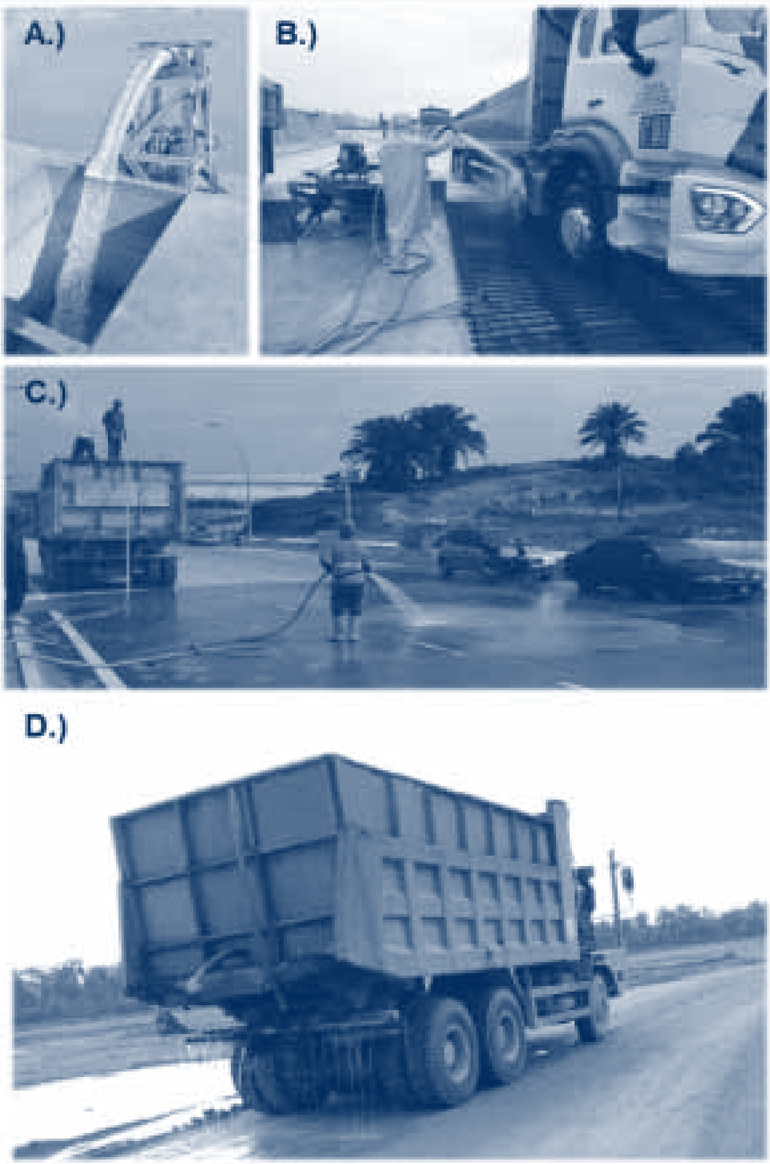


Figure 4.1.2b Our sustainable water initiatives at PTT

A) In all of our project sites, we pump up water from the sediment basin or rainwater catchment area into a water browser.
B) In addition to using rainwater, we also reuse water from silt traps to clean up the tyres of lorries and vehicles, and the road. This process ensures safe travelling for everyone visiting the site and prevents contaminating the road with construction materials.
C) We are responsible for road cleanliness from the dirt of lorries and runoffs from rain, which we periodically clean the road with our water jet. The image shows our workers cleaning the road at Kota Elmina.
D) Water browser with the perforated pipe at the back, which leaks and traps silt onto the soil to ensure safe and good on-site air quality.

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.1.3. Waste (GRI 306-2, GRI 306-3)

Why it Matters

Effective waste management is vital for PTT due to its significant environmental, social, and economic impacts. Minimising landfill waste reduces our environmental footprint, enhances resource efficiency, and lowers greenhouse gas emissions, supporting climate change mitigation. Improved practices also promote community well-being, operational sustainability, regulatory compliance, and corporate reputation. Integrating strong waste management strategies aligns PTT with global sustainability standards, boosts operational efficiency, and reinforces our corporate responsibility.

Our Performance

Waste management is crucial for PTT, and we have significantly enhanced our monitoring and system improvements. We expanded our tracking from two sites to three this year to better manage waste generation. We acknowledge that some sites lacked organised waste records, which we aim to address in future reports. Our goal is comprehensive waste tracking across all PTT sites to implement more effective waste reduction initiatives.

We categorise our waste into non-hazardous domestic and hazardous scheduled waste, the latter being treated per the Environmental Quality (Scheduled Wastes) Regulations 2005. All of our scheduled waste (SW) is managed offsite. Key scheduled wastes include:

- **SW305:** Used engine oil
- **SW408:** Contaminated soil and chemical spills
- **SW409:** Contaminated containers
- **SW410:** Contaminated filters, rags, and papers

In FY2024, hazardous waste increased by 62% compared to FY2023, primarily due to heightened earthwork activities. Notably, our PTTI site reported no hazardous waste this year.

For our domestic waste, we have implemented various techniques to manage them onsite. These techniques included:

- **Tree mulching:** Protecting the trees surrounding the project sites by applying a layer of organic or inorganic materials. This technique protects the tree roots, maintains soil moisture, and preserves soil temperature.
- **Coir log:** Stabilising the slopes and controlling erosion at our project sites near water bodies. Coir logs are biodegradable and environmentally friendly as they are made from coconut husk fibres and can also prevent dangerous surface runoffs from our project sites.
- **Silt trap:** A barrier or structure designed to capture and retain silt and sediment from stormwater runoff on construction sites. This prevents water pollution and protects aquatic habitats nearby.
- **Earth drain:** Shallow channels dug into the ground to direct excess water away from construction sites, preventing waterlogging and promoting better drainage. This technique is cost-effective and maintains soil stability by reducing the risk of erosion or landslides.

Sustainability Statement
For The Year Ended 30 June 2024
(Cont'd)

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.1.3. Waste (GRI 306-2, GRI 306-3) (Cont'd)

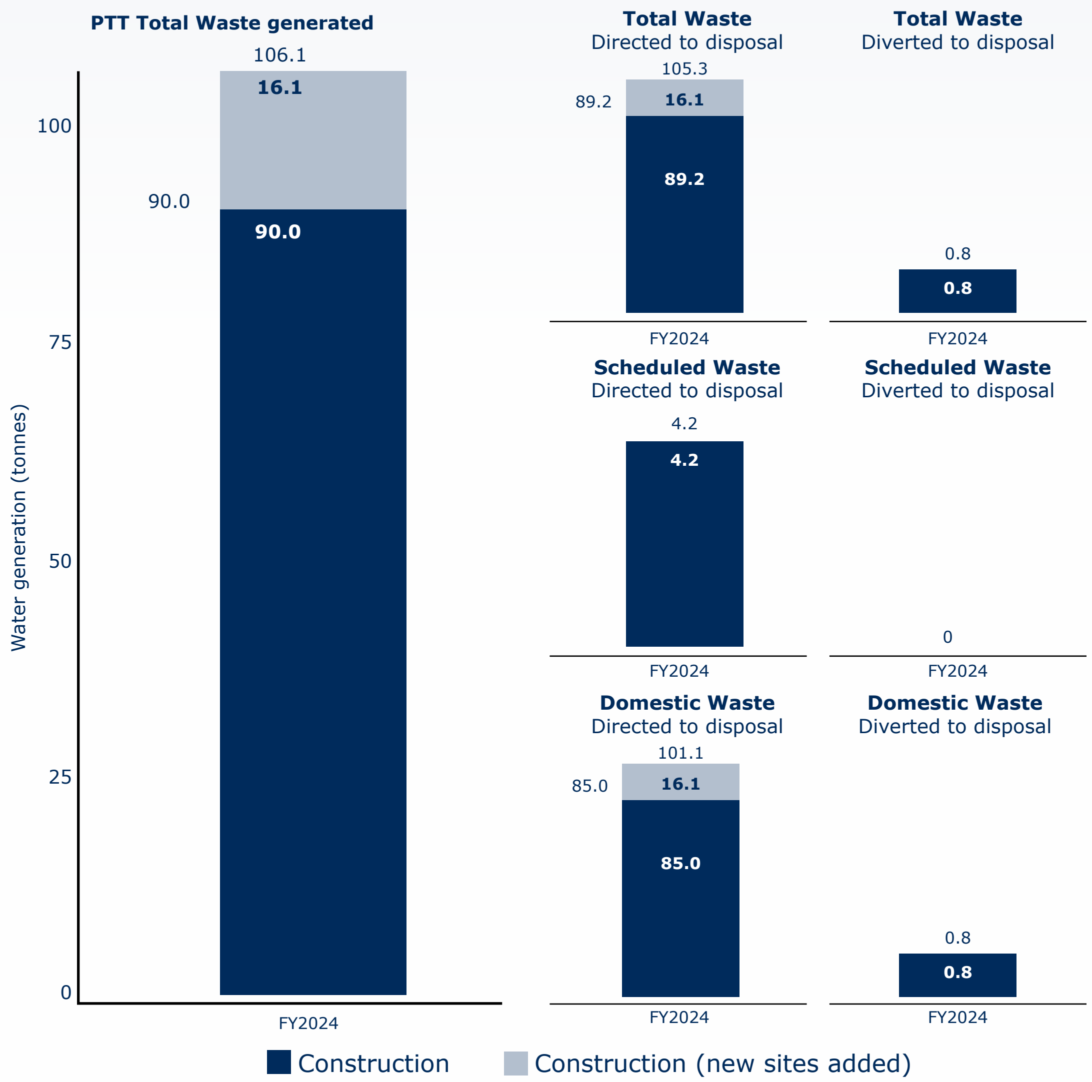


Figure. 4.1.3 Waste generation of the construction segment measured in metric tonnes from FY2022 to FY2024. The waste generated is divided into the total waste directed to and diverted from disposal, which is then sub-categorised into dangerous scheduled waste and municipal domestic waste.

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.1.3. Waste (GRI 306-2, GRI 306-3) (Cont'd)

Table 4.1.3 The total waste generated, broken down into those directed to disposal and those diverted from disposal, and into different waste categories. "Main" represents the same sites we tracked in the past, "Added" implies the new sites that we added this year, and "-" means the lack of accurate data.

Waste	Unit	FY2022	FY2023	FY2024		
Hazardous and Domestic waste	**Tonne**	**38.3**	**34.9**	**Main**	**90**	**106.1**
				Added	**16.1**	
Waste intensity ratio	Tonne / RM in mil	0.305	0.214	Main	0.277	0.326
				Added	0.05	
Directed to disposal	Tonne	37.9	34.5	Main	89.2	105.3
				Added	16.1	
Diverted from disposal	Tonne	0.5	0.5	Main	0.8	0.8
				Added	0	
Hazardous waste	**Tonne**	**3.1**	**2.6**	**Main**	**4.2**	**4.2**
				Added	**0**	
Directed to disposal	Tonne	3.1	2.6	Main	4.2	4.2
				Added	0	
Diverted from disposal	Tonne	0	0	Main	0	0
				Added	0	
Domestic waste	**Tonne**	**35.3**	**32.3**	**Main**	**85.8**	**101.9**
				Added	**16.1**	
Directed to disposal	Tonne	34.8	31.9	Main	85	101.1
				Added	16.1	
Diverted from disposal	Tonne	0.5	0.5	Main	0.8	0.8
				Added	0	

Most of our waste was non-hazardous domestic waste, amounting to 101.9 tonnes, or 96% of the total waste generated. The domestic wastes generated were mostly cardboard, paper, plastics, and aluminium. Similar to scheduled waste, we witnessed a 165.6% increase in FY2024 compared to FY2023, which was a consequence of our new phases of the projects. In FY2024, we added a new site from PTTI to our total non-hazardous waste produced, amounting to 101.1 tonnes of total waste produced. We plan to increase the number of sites we track every year to accurately and transparently display our true waste production across all projects, and we currently have our tracking systems underway to achieve this goal.

We have increased our recycling efforts this year. On May 20, 2024, we collaborated with and participated in the GoGreen Programme organised by the ISB at Sime Darby Sales Gallery. In this program, our employees recycle used cardboard and paper. In addition to this programme, we also recycled our domestic waste by partnering with and selling it to the local recycling centres at each of our project sites. Not only does this reduce the waste generated by PTT, but it also supports our local community by providing more employment opportunities and promoting awareness of green practices. Furthermore, we also repurposed some of our domestic waste into recycling bins placed at each site to further raise the importance and awareness of waste recycling at PTT.

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.1.3. Waste (GRI 306-2, GRI 306-3) (Cont'd)

Figure 4.1.3b Our waste management at PTT
A) GoGreen Programme at SimeDarby Sales Gallery, where we participated in recycling activities.
B) Our staff members formed into groups of two to collect recycled paper and cardboard.
C) We collected and recycled paper and cardboard.

4.1.4. Emission (GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 305-5)

Why it Matters

We believe that emission management is essential for addressing the environmental impacts of resource depletion, such as deforestation and global warming, and for promoting the sustainable use of natural resources. Effective emission management reduces reputational risks from potential environmental breaches, preserving stakeholder trust and business continuity. Additionally, adopting eco-friendly practices minimises raw material wastage, lowers purchasing costs, and supports both environmental preservation and community well-being.

Emission time: The Need to Act

The building sector, including PTT, significantly impacts climate change, contributing 12 GtCO2-eq of GHG emissions globally in 2019, or 21% of total global emissions (IPCC, 2022). Scope 2 emissions from electricity and heat (6.8 gigatonnes of carbon dioxide equivalent, GtCO2-eq) are the most significant, followed by Scope 1 emissions from on-site activities (2.9 GtCO2-eq) and Scope 3 emissions from cement and steel (2.2 GtCO2-eq) (IPCC, 2022). In response, PTT is enhancing its strategies to target and reduce Scope 1 and Scope 2 emissions while developing new systems to manage Scope 3 emissions.

Sustainability Statement
For The Year Ended 30 June 2024
(Cont'd)

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.1.4. Emission (GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 305-5) (Cont'd)

Emission targets: National, Sectoral, and Our Target

At PTT, we have proactively addressed climate change by setting our GHG emission reduction targets based on key benchmarks. We considered Malaysia's national target announced at COP28 on December 9, 2023, which aims for a 45% reduction in GHG emissions by 2030 and carbon neutrality by 2050. Additionally, we incorporated targets from the Science-Based Targets Initiative (SBTi, 2023), which recommends approximately a 31% reduction in emissions for the construction sector by 2030 and a 97% reduction by 2050 to limit global warming to 1.5°C.

Emission Tracking upgrade

In FY2024, we evaluated our progress and enhanced our tracking methods. From FY2022 to FY2023, we tracked only carbon emissions from our two project sites, but this year we are proud to announce that we have expanded our effort to include 22 project sites. In addition to including more project sites, we revised and updated our emission calculations by using the latest information from the Greenhouse Gas Protocol (2023), DEFRA (2024), IPCC (2023), and Energy Commission (2021).

We also highlighted the importance of methane (CH4) and nitrous oxide (N2O) in our scope emissions this year. According to IPCC (2023a), CO2 accounted for 75% of the total GHG emissions in 2019, while CH4 and N2O accounted for only 18% and 4% respectively, with the remaining 3% from other GHGs. Biogenic CO2 was excluded in this reporting cycle as the identification and verification process is ongoing. We aim to disclose this in our future reports.

Our Performance: Scope 1 and Scope 2

Our location-based Scope 2 emissions have shown a consistent decrease. Since FY2022, we have emitted 73% less GHG, which is attributed to our energy initiative (see section 4.1.1) and the habits of our staff to responsibly conserve electricity when not needed.

We are proud to announce that our GHG emission data in FY2024 is the most accurate and comprehensive to date. Diesel consumption remained our primary consumption source in our construction segment. GHG emissions from diesel accounted for 99.8% of the total GHG emission, while diesel was only 0.2%, emitting 25,562.7 and 38.5 tonnes of carbon dioxide equivalent (CO2e) respectively. Emissions from diesel consumption were mostly from mobile sources (mainly cars, dump trucks, and heavy machinery) rather than stationary sources (mainly generator sets). For petrol consumption, GHG emissions came from only mobile sources (including PTT-owned cars and motorcycles).

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.1.4. Emission (GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 305-5) (Cont'd)

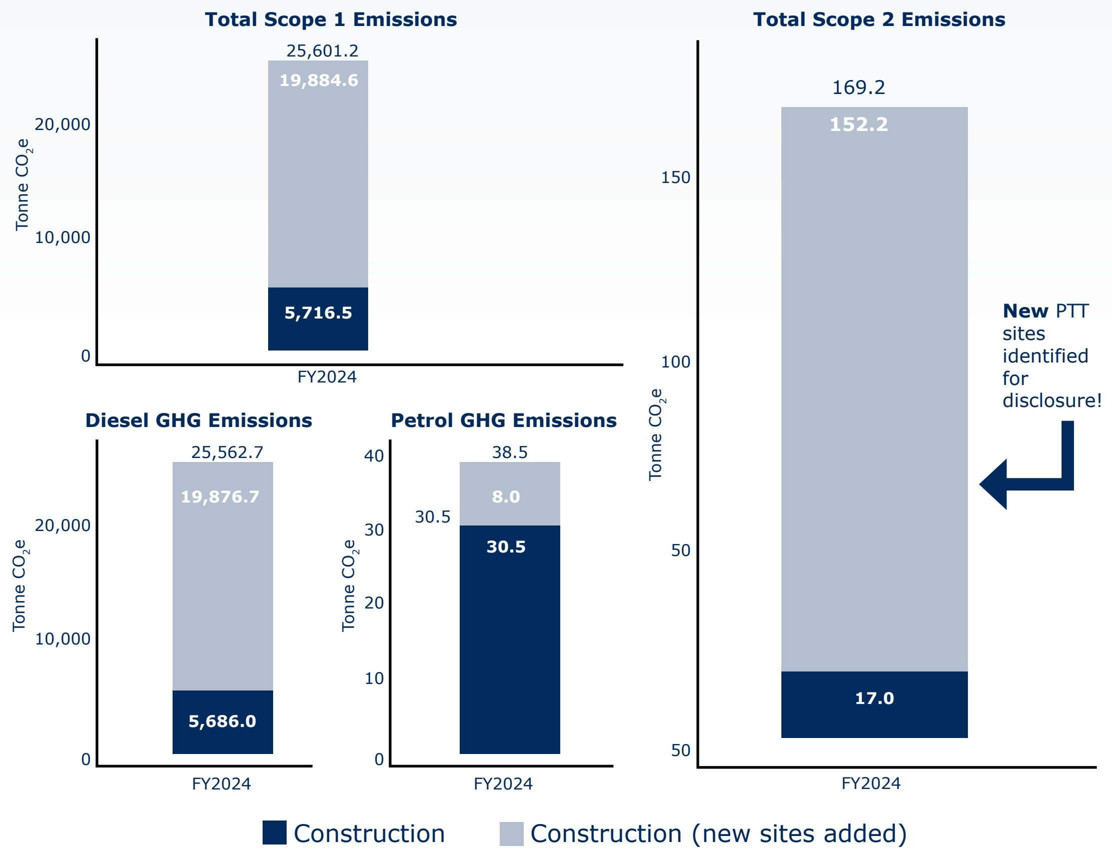


Figure. 4.1.4a Total scope 1 and 2 emissions measured in carbon dioxide equivalent (CO_2e, which accounted for GWP100 of CO_2, CH_4, and N_2O) from FY2022 and FY2024.

Focusing on the GHGs, CO_2 was the most abundant GHG compared to the others in PTT. In diesel consumption, 91.3% of the total GHG emissions came from CO_2, followed by N_2O (8.6%), and CH_4 (0.13%). Analogously, GHG emissions from diesel usage showed a similar trend, with more emissions from CO_2 (97.3%) and less from CH_4 (1.92%) and N_2O (0.75%). This information allowed us to plan and target our mobile diesel usage in the future, where we plan to use cleaner fuels (such as biodiesels), more advanced engines, and retrofit our old models to produce less emissions per fuel use.

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.1.4. Emission (GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 305-5) (Cont'd)

Table 4.1.4 shows the total and a breakdown of Scope 1 emissions over time.

Fiscal Year (FY)		FY2022	FY2023	FY2024	FY2024 (22 sites)
Total Scope 1 Emissions	Tonne CO_2e	–	–	5,222.7	2,3367.3
	Tonne CH_4	–	–	0.294	1.24
	Tonne N_2O	–	–	1.78	8.05
	Tonne CO_2e	**5,908.7**	**3,054.1**	**6,580.2**	**25,601.2**
GHG emissions from diesel consumed	Tonne CO_2	–	–	5,193	23,329.8
	Tonne CH_4	–	–	0.273	1.21
	Tonne N_2O	–	–	1.78	8.05
	Tonne CO_2e	–	–	**5,686**	**25,563**
GHG emissions from petrol consumed	Tonne CO_2	–	–	29.7	37.5
	Tonne CH_4	–	–	0.021	0.026
	Tonne N_2O	–	–	0.0008	0.001
	Tonne CO_2e	–	–	**30.5**	**38.5**
Scope 1 intensity ratio	Tonne CO_2e / RM in mil[1]	47	18.7	20.2	78.7
Fiscal Year (FY)		**FY2022**	**FY2023**	**FY2024**	**FY2024 (22 sites)**
Total Scope 2 Emissions$_4$	Tonne CO_2e	71.8	31.1	**19.4**	**169.19**
Scope 2 intensity ratio	Tonne CO_2e / RM in mil[1]	0.572	0.190	0.060	0.52

Note:
1. Revenue is in million Ringgit. FY2022 revenue was RM 125.6 million, FY2023 was RM163.4 million, and FY2024 was RM325.1 million.

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

How did we calculate Scope 1 and 2 Emissions?

We calculated greenhouse gas (GHG) emissions based on the emission factors from the Greenhouse Gas Protocol (2024) and DEFRA (2024), which focused on three major GHGs: CO_2, CH_4, and N_2O.

To ensure comparability between GHGs, we first converted the impact of each GHG to carbon dioxide equivalent (CO_2e), calculated using the Global Warming Potential over 100 years (GWP100) from the latest Intergovernmental Panel on Climate Change Assessment Report (IPCC AR) 6. According to IPCC AR6, CO_2, CH_4, and N_2O have a GWP100 of 1, 27.9, and 273 respectively (Smith et al., 2021). The Scope emissions would be calculated using the formula:

Scope Emission = Amount of fuel X Emission Factor X GWP

After converting all GHGs to CO_2e, we calculated Scope 1 mission by accounting for both **stationary** and **mobile** combustion sources. This is because stationary sources generally emit more CO_2 gases, while mobile combustion is non-CO_2 gases, so we want to accurately capture all GHG emissions. While calculation for Stationary Combustion is straightforward, mobile combustion is more complicated.

For Mobile combustion, CO_2 emissions were calculated based on "On-road Diesel" and "Motor gasoline/Petrol". CH_4 and N_2O emissions were based on "Industry Equipment – 4 Stroke". For CH_4 and N_2O emissions, the emission factors were converted from "Kg/TJ" to "Kg/L" using the Fuel Property Net Caloric Value (CV) and Specific Volume from DEFRA (2024). Net CV was used over Gross CV to more accurately capture the usable energy released from said fuel by excluding the latent heat produced from the vaporisation of water.

For Scope 2 emissions, we adopt the location-based method because our operations that consume electricity use only the local power grid. The grid emission factor was based in Peninsular Malaysia (0.758 Gg CO_2e/GWh), where the data was sourced from the Energy Commission (2021).

In FY2024, we have expanded our effort to track more carbon emission sources from two sites last year to 22. We have implemented a new system to accurately track these records from 2024 onwards.

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.1.4. Emission (GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 305-5) (Cont'd)

Our Performance: Scope 3

We are excited to share that we began tracking Scope 3 emissions in FY2024. We have implemented a new system to monitor these emissions in response to the significant impact of Scope 3 emissions, particularly from steel and cement purchases as noted by IPCC AR6 (2022). Although we are still refining our system to fully track steel and cement purchases (Category 1: Purchased goods and services), we successfully recorded emissions for waste management (Category 5), business travel (Category 6), and employee commuting (Category 7). We aim to continuously improve our records and disclose all 15 categories of Scope 3 emissions.

In FY2024, our total Scope 3 emissions encompass Category 5 and 7. For Category 5 (Waste generated in operation), we produced 106.5 tonnes of CO2e from waste disposal but reduced this by 0.8 tonnes of CO2e through recycling and selling waste to local recycling centres, resulting in 105.6 tonnes of CO2e. We plan to enhance our recycling efforts further. For Category 7 (Employee commuting), data from 102 employees showed that petrol cars were the most common mode of transport, accounting for 65.6% of total CO_2e, followed by diesel cars and petrol motorcycles, which contributed 27% and 7.34%, respectively. Employee commuting generated a total of 307.8 tonnes of CO_2e.

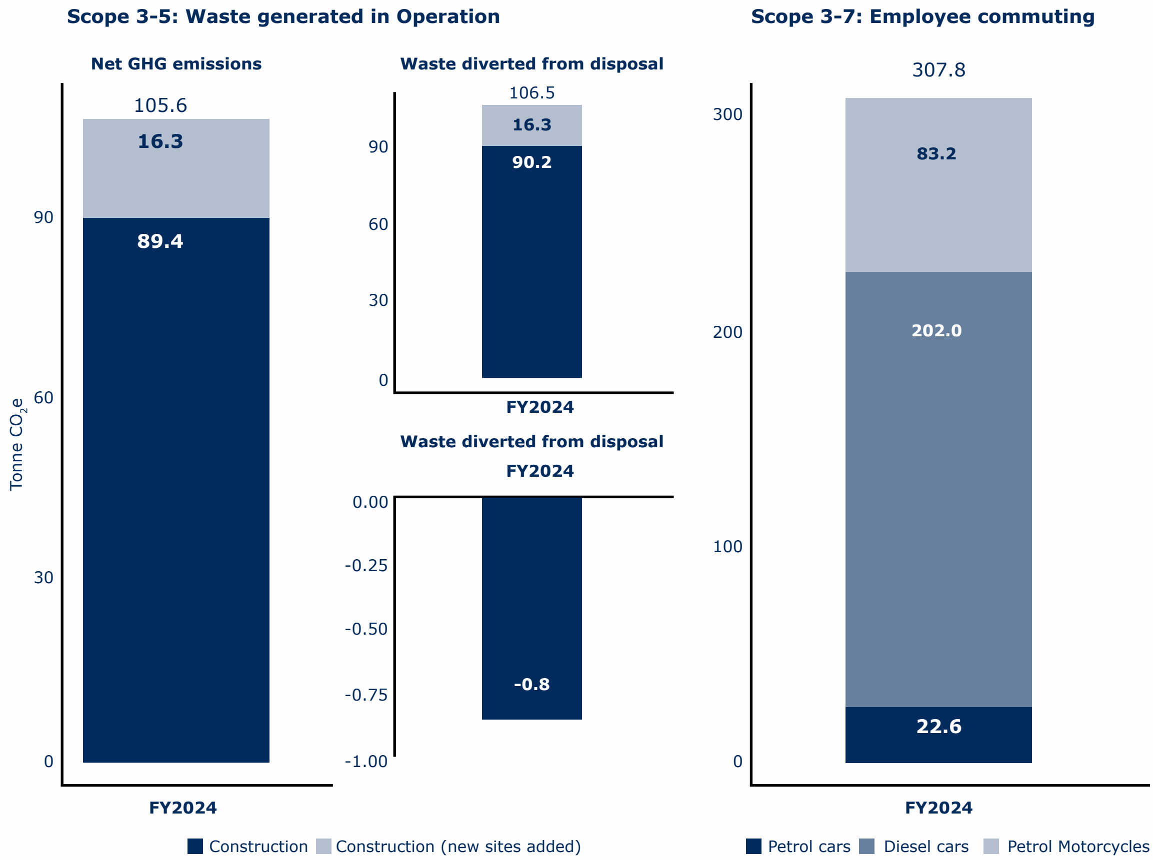


Figure. 4.1.4b Scope 3 Category 5 (Scope 3-5) and Category 7 (Scope 3-7) emissions measured in metric tonnes of CO_2e of PTT.

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.1.4. Emission (GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 305-5) (Cont'd)

Table 4.1.4a PTT Scope 3 emissions measured in tonnes of carbon dioxide equivalent, which considers three of the most abundant GHGs: carbon dioxide (CO_2), methane (CH_4), and nitrous oxide (N_2O). "-" means data deficiency.

Fiscal Year (FY)[5]		FY2022	FY2023	FY2024
Total Scope 3 Emissions	Tonne CO_2e	–	–	413.4
Scope 3 intensity ratio	Tonne CO_2e / RM in mil	–	–	1.27
Category 5: Waste generated in operations	Tonne CO_2	–	–	95.8
	Tonne CH_4	–	–	0.312
	Tonne N_2O	–	–	0.00457
	Tonne CO_2e	**–**	**–**	**105.6**
Emissions generated from waste that are directed to disposal	Tonne CO_2	–	–	96.6
	Tonne CH_4	–	–	0.315
	Tonne N_2O	–	–	0.0046
	Tonne CO_2e	**–**	**–**	**106.5**
Emissions avoided from waste that is diverted from disposal	Tonne CO_2	–	–	(0.767)
	Tonne CH_4	–	–	(0.003)
	Tonne N_2O	–	–	(0.00003)
	Tonne CO_2e	**–**	**–**	**(0.8)**
Category 7: Employees commuting[1]	Tonne CO_2	–	–	288.8
	Tonne CH_4	–	–	0.364
	Tonne N_2O	–	–	0.0326
	Tonne CO_2e	**–**	**–**	**307.8**
Petrol car	Tonne CO_2	–	–	191.5
	Tonne CH_4	–	–	0.324
	Tonne N_2O	–	–	0.005
	Tonne CO_2e	**–**	**–**	**202.0**
Diesel car	Tonne CO_2	–	–	75.8
	Tonne CH_4	–	–	0.004
	Tonne N_2O	–	–	0.027
	Tonne CO_2e	**–**	**–**	**83.2**
Petrol motorcycle	Tonne CO_2	–	–	21.5
	Tonne CH_4	–	–	0.036
	Tonne N_2O	–	–	0.0006
	Tonne CO_2e	**–**	**–**	**22.6**

Note:
1. Employee commuting distance included 102 employees, with a total working day of 245 in FY2024. Emission factors were sourced from the GHG Protocol (2024) and DEFRA (2024), under "Mobile Combustion". For petrol emissions, we used "Motor Gasoline" and "Household Equipment – 4 Stroke". For diesel emissions, we used "Diesel" and "Household Equipment". The fuel economy used in the calculation was from the GHG Protocol (2024), where passenger cars and motorcycles were 10.4 and 18.7 km/L respectively.

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.1.4. Emission (GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 305-5) (Cont'd)

TCFD Emission Scenario Analysis

Context and Our Approach

As climate change progresses, our risk management and planning at PTT will shape our response to future climate impacts. Given the uncertainties ahead, it is crucial to understand potential future scenarios to address risks effectively. To inform our strategy, we have analysed and utilised three climate projection frameworks: 1) Working Group III (WGIII) category, 2) Shared Socio-economic Pathways (SSPs), and 3) Representative Concentration Pathways (RCPs).

Table 4.1.4b The three most commonly adopted future climate projection frameworks. At PTT, we focused on SSP1-1.9, SSP2-4.5, and SSP5-8.5 to prepare for the best-, mid-, and worst-case climate scenarios in the future (highlighted in light blue) (IPCC, 2023a).

Shared Socio-economic Pathway (SSP)	Category in WGIII	Representative Concentration Pathway (RCP)	Description
SSP1-1.9	C1	RCP1.9	Limit warming to 1.5 °C with no or limited overshoot (1.6 °C)
	C2		Return warming to 1.5 °C after a high overshoot (1.6~1.8 °C)
SSP1-2.6	C3 and C4	RCP2.6	Limit warming to 2 °C
	C5		Limit warming to 2.5 °C
SSP2-4.5	C6	RCP4.5	Limit warming to 3 °C
SSP3-7	C7	RCP7.0	Limit warming to 4 °C
SSP5-8.5	C8	RCP8.5	Exceed warming of 4 °C

Each scenario framework offers a unique perspective, but when combined, they provide a comprehensive view of potential future impacts. Here's how the three frameworks—SSPs, WGIII, and RCP—work together to shape our predictions:

SSPs (Shared Socioeconomic Pathways): These frameworks explore how future socioeconomic developments could influence greenhouse gas emissions and climate policies. They are categorised into four scenarios, ranging from SSP1, representing an ideal, sustainable world, to SSP5, portraying a highly polluting and hazardous future (IPCC AR6, 2022; O'Neill et al., 2017).

WGIII Category: This framework assesses the effectiveness of various climate strategies by examining how well they can limit warming to specific targets.

RCP (Representative Concentration Pathways): This scientific framework analyses the impact of greenhouse gas concentrations on the atmosphere over time, measured in radiative forcing (W/m^2). Radiative forcing gauges the heat-capturing potency of greenhouse gases, with higher values indicating more severe climate change effects.

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.1.4. Emission (GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 305-5) (Cont'd)

By integrating these frameworks, PTTS has identified three relevant scenarios for future climate impacts:

1. 1.SSP1-1.9 (C1): Sustainability (**Low challenges to mitigation and adaptation**). This represents the most favourable outcome for PTT. It envisions significant progress toward sustainability with radiative forcing controlled to 1.9 W/m² and global mean surface temperatures rising by less than 1.5–1.6°C. The scenario emphasises inclusive development, balanced economic growth, reduced inequality, and widespread technological advancements, including a shift toward sustainable energy sources.
2. SSP2-4.5 (C6): Middle of the Road (**Medium challenges to mitigation and adaptation**). This scenario reflects a continuation of current trends, with radiative forcing at 4.5 W/m² and a temperature increase within 2°C. It suggests moderate economic growth and technological progress with persistent but manageable environmental and social challenges.
3. SSP5-8.5 (c8): Fossil-Fuelled Development (**High challenges to mitigation, low challenges to adaptation**). This represents the least favourable future for PTT. It projects rapid economic growth driven by heavy reliance on fossil fuels, resulting in high GHG emissions and severe climate impacts. Radiative forcing is expected to reach 8.5 W/m², with temperature rises exceeding 4°C, far beyond the Paris Agreement targets.

These scenarios help PTT analyse, predict, and prepare for various climate impacts, guiding our strategic planning and sustainability efforts.

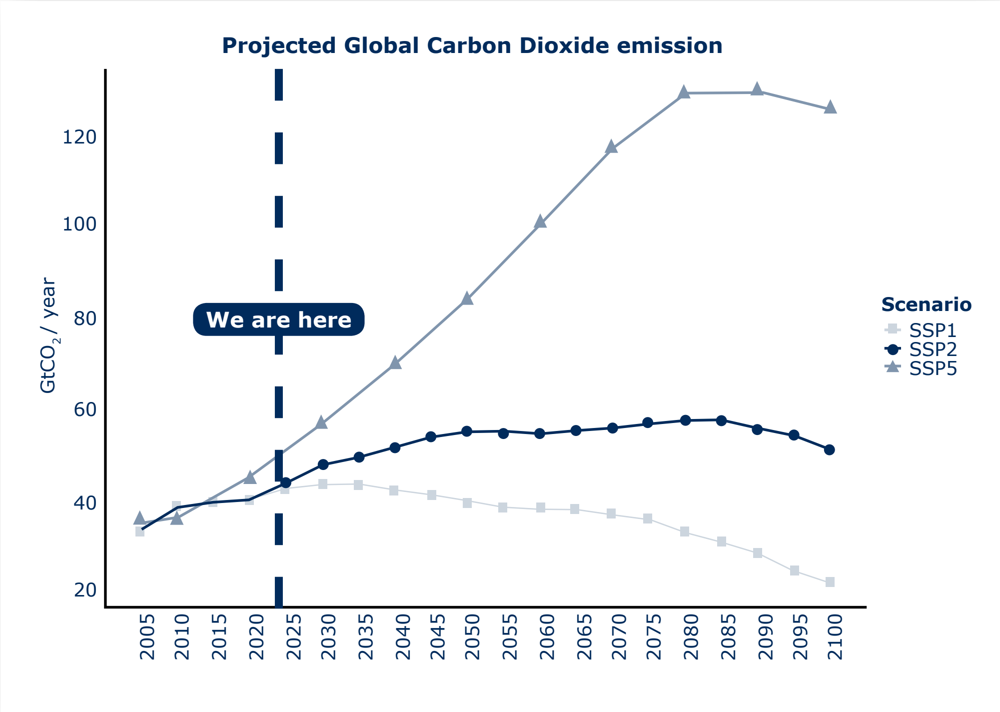


Figure 4.1.4c shows the projected amount of carbon dioxide released every year under the three scenarios focused on by PTT. The graph is plotted from IPCC (2023b), using the models: IMAGE 3.2 (for SSP1), IMAGE 3.2 (SSP2), and REMIND-MAgPIE 1.5 (SSP5) (Byers et al., 2022).

Did you know

Did you know IPCC (2023b) projected that under the worst possible future (SSP5-8.5, C8) temperature will rise by 2.9~5.2 °C, along with -5.7~10.1% changes in rainfall pattern (drier regions may become even drier, and wetter regions even wetter), and a 0.4~1.1-meter rise in sea level. Temperature rise and rainfall pattern change are enough to cause a **10~30% decline** in industrially important crops in Malaysia, including **oil palm, rubber, and rice** (Siwar et al., 2013). On top of that, sea level rise will endanger those living in coastal regions. In Malaysia, 1400 km of the 4800 km of coastlines are already facing erosion problems, with **9% of land areas (with around 3.5 million people) vulnerable** to flooding (Sarkar et al., 2014).

Period	Scenario	Mean Temperature (°C)	Total Precipitation (%)	Sea level rise (m)
2021-2040	SSP1-1.9 (C1)	1.0~1.6	-3.8~3.6	0.0~0.2
	SSP2-4.5 (C6)	1.0~1.7	-4.8~3.1	0.0~0.2
	SSP5-8.5 (C5)	1.1~1.8	-4.4~4.3	0.0~0.2
2041-2060	SSP1-1.9 (C1)	1.1~2.0	-3.7~3.9	0.1~0.3
	SSP2-4.5 (C6)	1.3~2.3	-4.1~4.4	0.1~0.4
	SSP5-8.5 (C5)	1.7~2.7	-3.1~5.9	0.1~0.4
2081-2100	SSP1-1.9 (C1)	1.1~2.2	-3.0~4.9	0.2~0.8
	SSP2-4.5 (C6)	1.8~3.2	-4.2~7.0	0.2~0.9
	SSP5-8.5 (C5)	**2.9~5.2**	**-5.7~10.1**	**0.4~1.1**

Source: IPCC (2023b)

Physical and Transitional Risks

As climate change unfolds, numerous physical and transition risks can impact PTT over time. To assess such impacts, we followed the TCFD Guideline and conducted a scenario analysis. Our first step was to define a timeline to which we set our scenario analysis. According to the WEF Global Risk Report (2023), it recommended businesses adopt the short- (in the next 2 years), medium- (2 to 10 years), and long-term (more than 10 years) approach to identify potential issues that might arise. Referencing this, we decided to adopt the following timeline:

- **Short-term**: 2024 to 2030
- **Medium-term**: 2030 to 2040
- **Long-term**: 2040 to 2050

This time horizon allows us to plan, and identify all possible climate-related risks, impacts, and opportunities that we might encounter under each climate scenario.

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.1.4. Emission (GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 305-5) (Cont'd)

Physical and Transitional Risks (Cont'd)

We defined a timeline and assessed the impacts of different climate scenarios on PTT's operation, categorising risks into acute physical, chronic physical, and transition risks. Detailed assessments are in **Appendix A**.

The most likely acute physical risks are **severe weather events** and **heat waves**. In the short term, SSP1 expects mild impacts, SSP2 faces moderate challenges, and SSP5 encounters significant disruptions. Medium-term risks increase, with SSP1 manageable, SSP2 frequent severe storms, and SSP5 extreme weather. Long-term impacts show SSP1 remaining mild, SSP2 facing chronic disruptions, and SSP5 struggling with severe weather and heat.

Changing rainfall patterns and **soil conditions** are significant chronic physical risks, especially in regions prone to flooding, water scarcity, and unstable ground, with the most severe impacts under SSP5. These risks affect facilities, supply chains, water availability, and soil quality, emphasising the need for proactive adaptation.

Top financial impacts from changes in **policy, technology, market demands,** and **reputation** involve compliance costs, technology investments, and market repositioning. SSP1 incurs high short-term costs, escalating in the medium term and peaking long-term. SSP2 shows moderate financial impacts, rising steadily. SSP5's short-term impacts are minimal, but long-term costs surge due to delayed adaptation.

This assessment enables PTT to plan strategic opportunities to enhance resilience and sustainability. Possible actions include developing weather-resistant infrastructure, investing in adaptive infrastructure, adopting sustainability practices, and leveraging short-term revenues for critical transitions, ensuring PTT's future competitiveness.

Our Emission Reduction Initiative

Adoption of Electric Vehicles

Electric vehicles (EVs) present a significant opportunity for Malaysian construction companies to reduce emissions. Transitioning from petrol or diesel vehicles to EVs can notably cut CO2 emissions, a major factor in global warming. Road transport, contributing over 70% of urban air pollution and ranked second in CO2 emissions in Malaysia, can see significant reductions through EV adoption (Kwan et al., 2022). Life cycle assessments show EVs emit considerably fewer greenhouse gases than internal combustion engine vehicles and offer lower operational costs due to higher energy efficiency and reduced maintenance needs. EVs consume 30% less energy and provide 26% energy cost savings on long-distance highway travel (Kosai et al., 2022; Muzir et al., 2023).

With Malaysia's goal of 885,000 EVs by 2030 under the Low Carbon Mobility Blueprint, the construction sector's shift to EVs supports national sustainability objectives (Kwan et al., 2022). PTT aligns with these goals and plans to operate 30 EV cars and trucks. Additionally, we have also purchased and put two EV Prime movers this early June into operation, and we expect to see a decrease in our energy consumption in the future.

Figure 4.1.4d: We purchased 2 Prime Movers and started using EV cars to optimise our energy usage.

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.1.4. Emission (GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 305-5) (Cont'd)

EV Mega Charging Hub

EV Mega charging stations in Malaysia provide several notable advantages over traditional charging infrastructure, making them highly beneficial for supporting the growing adoption of electric vehicles (EVs). One of the most significant benefits is the drastically faster charging times. At PTT, our EV Mega Charging Hub can fully charge an electric vehicle in 60 minutes. The EV Mega Charging stations deliver much higher power output, reducing charging times from hours to minutes, which is crucial for long-distance travellers and commercial EV fleets (Abdul Kadir et al., 2023). This reduction in charging time also boosts user convenience and encourages more widespread EV use. Furthermore, Mega charging stations can also integrate renewable energy sources, such as solar power, which not only reduces reliance on the grid but also lowers carbon emissions, making EV charging more environmentally friendly (Ali et al., 2022). Additionally, by incorporating smart grid technology and energy storage systems, our EV Mega Charging Hub can help to reduce the strain on the power grid, particularly during peak demand periods (Ali et al., 2022).

Prefabricated Vertical Drains (PVDs)

At PTT, we adopted the Prefabricated Vertical Drains (PVDs) for their significant environmental benefits and GHG emissions reduction. PVDs accelerate soil consolidation in low-bearing capacity areas by providing short pathways for water to escape, thus greatly reducing consolidation time compared to traditional methods like surcharge preloading, which are more time-consuming and material-intensive (Sun et al., 2020). This efficiency shortens construction project durations, reducing emissions from construction equipment and machinery (Zhafirah et al., 2021). Additionally, PVDs minimise the need for extensive excavation and transportation of fill materials, thereby lowering the associated carbon footprint. PVDs also enhance safety and reliability by preventing structural failures, outperforming traditional techniques (Rujikiatkamjorn & Indraratna, 2006; Kuganeswaran et al., 2021).

Figure 4.1.4e: The installation of PVDs at our project sites to improve the soil condition and the safety of our operations.

The installation of the PVDs is first subjected to consultations with our consultants on the soil condition of the project site. Generally, for a 10-acre plot of land, 30~50% of which would be installed with the PVDs, but this can vary depending on site to site.

Sustainability Statement
For The Year Ended 30 June 2024
(Cont'd)

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.2. Social Indicators

4.2.1. Community and Society (GRI 413-1)

Why it Matters

We firmly believe that cultivating a positive relationship between businesses and communities not only promotes social inclusion but also yields favourable long-term outcomes for all stakeholders. At PTT, our commitment to being a responsible corporate citizen drives us to actively give back to the communities where we operate. Our robust community engagement and impact programs are centred on community welfare, social welfare, and women's aid.

Our Action

PTT has established itself as a leader in the construction sector, focusing on creating positive transformations within its operational areas. Our primary goal is to achieve mutually beneficial outcomes for both PTT and the communities we serve through strategic community programs that drive meaningful impact and promote sustainable growth.

In the current financial year, PTT has made notable progress in CSR initiatives, supporting organizations that empower women and address their needs, as well as enhancing community infrastructure. Our efforts include upgrading roadside drains, constructing sediment basins for flood mitigation, and clearing flood debris. These initiatives demonstrate our commitment to social responsibility, environmental sustainability, and community resilience.

We also recognise the importance of employee volunteerism and actively support participation in community impact activities. By providing various opportunities and resources, we encourage employees to engage in volunteer work, from organising community events to local outreach programs. This culture of volunteerism not only strengthens our community programs but also fosters a sense of purpose and fulfilment among our employees. PTT believes that these collective efforts drive significant and lasting positive change in society while promoting teamwork, empathy, and social responsibility within our workforce.

Active Supporter of the Women's Aid Organisation

We donated to and supported the Women's Aid Organisation (WAO). WAO is a non-profit organisation that combats domestic violence in Malaysia and provides support for victims of domestic violence. At PTT, we support gender equality and do not tolerate any form of discriminatory behaviour. To show our support, we collaborated with Tractor Malaysia on International Women's Day and donated RM20,000 to WAO by renting a Caterpillar 323GX hydraulic excavator. The goal was to raise RM80,000 to WAO and we are proud to have accounted for a quarter of the effort. The donations we made would have crucial impacts on providing shelters to women and children affected by domestic violence.

Figure 4.2.1a: We donated RM20,000 to the Women's Aid Organisation, by collaborating with Tractor Malaysia.

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.2.1. Community and Society (GRI 413-1) (Cont'd)

Village Road Construction and Maintenance

We also contributed to the local community by upgrading and improving roadside to ensure everyone has access to safe commuting and travel. We answered a request from a resident of a nearby village to our project site to help them upgrade their road at Lorong Atap Kampung Ladang Baru, Sungai Buloh. A total of 15 of our workers took the initiative to help construct a completely new roadside drain, and the operation lasted two weeks from the middle to the end of June 2024. The new roadside drain improves the sewerage system in the village to prevent excessive surface runoff during rain. Afterwards, we also regularly maintain roadworks in this village as we firmly believe that everyone should have access to safe roads. We estimate that our work should benefit at least 300 people, with more to come as the village prospers. Despite the difficulties we faced during the project (including heavy traffic flow and limited working area at the village), we are glad to have overcome such obstacles and see the results of our hard work paid off as the villagers safely go on with their day with our road upgrade and maintenance.

Figure 4.2.1b: We upgrading and improved the roadside drains and roadworks on Lorong Atap Kampung Ladang Baru, Sungai Buloh.

Flood Mitigation for our local community

Flooding is a common phenomenon experienced by the local villages and we continue to offer our help. Close to our project site Kampung Damai, Sungai Buloh, we noticed a village was suffering from a flood every year, so we decided to tackle the issue by installing a new sediment basin. The operation involved 10 of our workers, and it was a lengthy operation, starting from December 2023 until the end of April 2024. We faced challenges with operating in a soggy area, making excavation difficult. Regardless, we were able to overcome these difficulties and see our work come to fruition. The sediment basin functioned exceptionally well during heavy rain by retaining the rainwater and preventing runoff and the village would never have to suffer from flood again. From this, we estimated that at least 300 people would benefit from our work.

Figure 4.2.1c: We constructed a sediment basin for flood mitigation at Kampung Damai, Sungai Buloh.

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.2.1. Community and Society (GRI 413-1) (Cont'd)

Our contribution to Post-Flood Support

While we successfully prevented the flooding of the village at Kampung Damai, Sungai Buloh site just in time, we were late for the community at Pasir Raja, Hulu Dungun. In January 2024, the area close to our project site (Project Jalan, Pasir Raja Hulu Dungun, Terengganu) was hit by the worst flood in Malaysia, where the local community was severely impacted. We collaborated with the JKR Ketengah Team (Project S.O) to help with clean-up activities for 5 days (26/01/24-30/01/24), where 60 of our workers volunteered. We mobilised our staff, workers and machinery (including dump trucks, back pushers and backhoes) to the affected area and assisted in helping the community recover from the severe flood. From the collaboration, we have helped an estimated amount of at least 523 people. Although the operation was treacherous, we were glad to have lent our helping hand to continuously support our local community, in which we stem from.

There are also other instances we helped clean up the aftermath of flooding. At Kampung Shukor, Dungun Terengganu, we mobilised our team to clear the mud at the access road after the flooding event. Additionally, our workers also helped remove mud in the village houses. Similarly, at Dewan Pusat, we mobilised our machineries to clear mud on the road and in the houses of villagers.

Figure 4.2.1d: We contributed to helping the victims of the severe mud flood at Pasir Raja, Hulu Dungun and we also cleared mud after flood from the road and the house floors for our local community.

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.2.1. Community and Society (GRI 413-1) (Cont'd)

Promotion of Ecotourism

In October 2023, we collaborated with Terengganu Inc. to demonstrate our commitment on sustainability through the sponsorship of the PTT XCO Jamborace & Funrace Tasik Kenyir 2023. This event was strategically designed to promote eco-friendly tourism by leveraging the natural beauty and terrain of Tasik Kenyir, transforming it into a permanent cycling track. The event attracted over 1,000 participants, reflecting a significant boost to local tourism and economic activities. By encouraging active lifestyles and environmental consciousness through cycling, the event aligns with PTT's broader goals of fostering sustainable development. The collaboration with Terengganu Inc. ensured that the initiative not only enhanced the local economy but also supported community engagement and the preservation of the region's natural resources. Through this partnership, PTT Group and Terengganu Inc. are investing in the future of sustainable tourism in Terengganu, balancing economic growth with environmental stewardship, and contributing to the long-term well-being of the local community and environment.

Figure 4.2.1e: We collaborated with Terengganu Inc to promote the ecotourism of Tasik Kenyir.

Table 4.2.1 Our contribution to and impacts on our local community and society

Financial year	2022	2023	2024
Total amount (RM) invested in the community	–	–	20,000
Total number of workers involved in community contribution	–	–	85
Total number of beneficiaries from our investment	–	–	1,123

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.2.2. Diversity (GRI 405-1)

Why it Matters

We acknowledge the competitive edge that diversity and inclusivity bring to our workplace, enabling us to tap into a rich pool of knowledge, perspectives, and innovative ideas. To foster equal employment opportunities and combat discrimination, we proactively promote diversity across gender, race, religion, age, and nationality.

Our Action

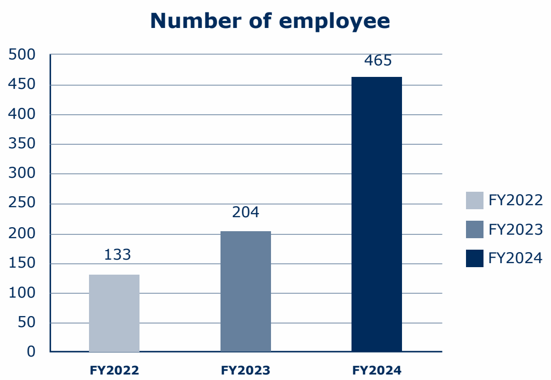
At PTT, fostering a culture of diversity and inclusion is a cornerstone of our values. We believe that embracing diversity not only drives innovation and creativity but also enhances our decision-making processes. Our commitment extends to creating an inclusive and equitable workplace where every employee is valued, respected, and empowered with equal growth opportunities.

We uphold rigorous fair employment practices and continually review our recruitment procedures to ensure equality, in line with our Recruitment Policy. Career progression, recognition, and rewards are administered impartially and transparently, reflecting our dedication to fairness in all aspects of our operations.

Our Employee Share Scheme (ESS) is designed to boost engagement and retention by instilling a sense of ownership among employees. Through our ESOS, employees gain a direct stake in the company’s profitability, fostering profit-sharing and active involvement in our success. This initiative aligns employee interests with the company's goals and strengthens their commitment to PTT's long-term growth.

In FY2024, PTT employed 465 individuals, with 83% male and 17% female employees, which mirrors the construction industry's historical gender imbalance. We are committed to increasing female representation and actively encourage women to pursue executive and senior management roles, working towards a more balanced and inclusive workforce.

Performance Highlights



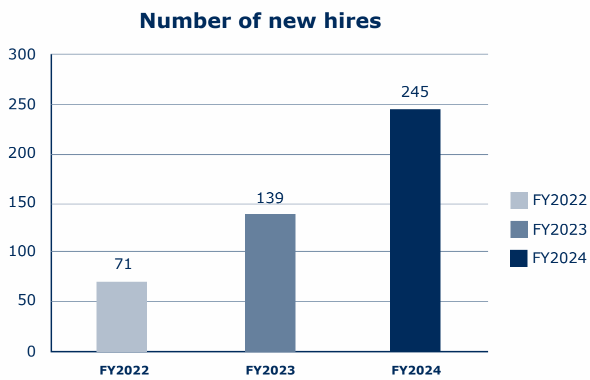


Figure 4.2.2a Total number of employees and new hires from FY2022 to FY2024.

Sustainability Statement
For The Year Ended 30 June 2024
(Cont'd)

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.2.2. Diversity (GRI 405-1) (Cont'd)

Table 4.2.2 Our diversity at PTT, broken down into our total workforce, new talents, age, gender, and employee groups.

Financial year	2022	2023	2024
Employee data			
Number of employees	133	204	465
New hires	71	139	245[1]
Permanent staff	127	197	141
Contractor staff	6	7	324
Employee turnover	34	73	23
Employee Turnover rate (%)	34.9	43.3%	17%
Age group			
<30	36	68	172
30~50	79	107	260
>50	18	29	33
Gender breakdown			
Male	102	163	384
Female	17	21	37
Employee Category			
Senior management	10	12	13
Manager	17	21	37
Executive	38	42	87
Non-executive	68	129	328
Director			
<30	0	0	0
30~50	2	3	3
>50	6	6	6
Male	8	8	7
Female	0	1	2

Note:
1. 1.In FY2024, the opening of 20 new project sites led to a notable increase in new hiring. This growth in the workforce was essential to support the expansion and ensure effective operations across all new locations.operations across all new locations.

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.2.2. Diversity (GRI 405-1) (Cont'd)

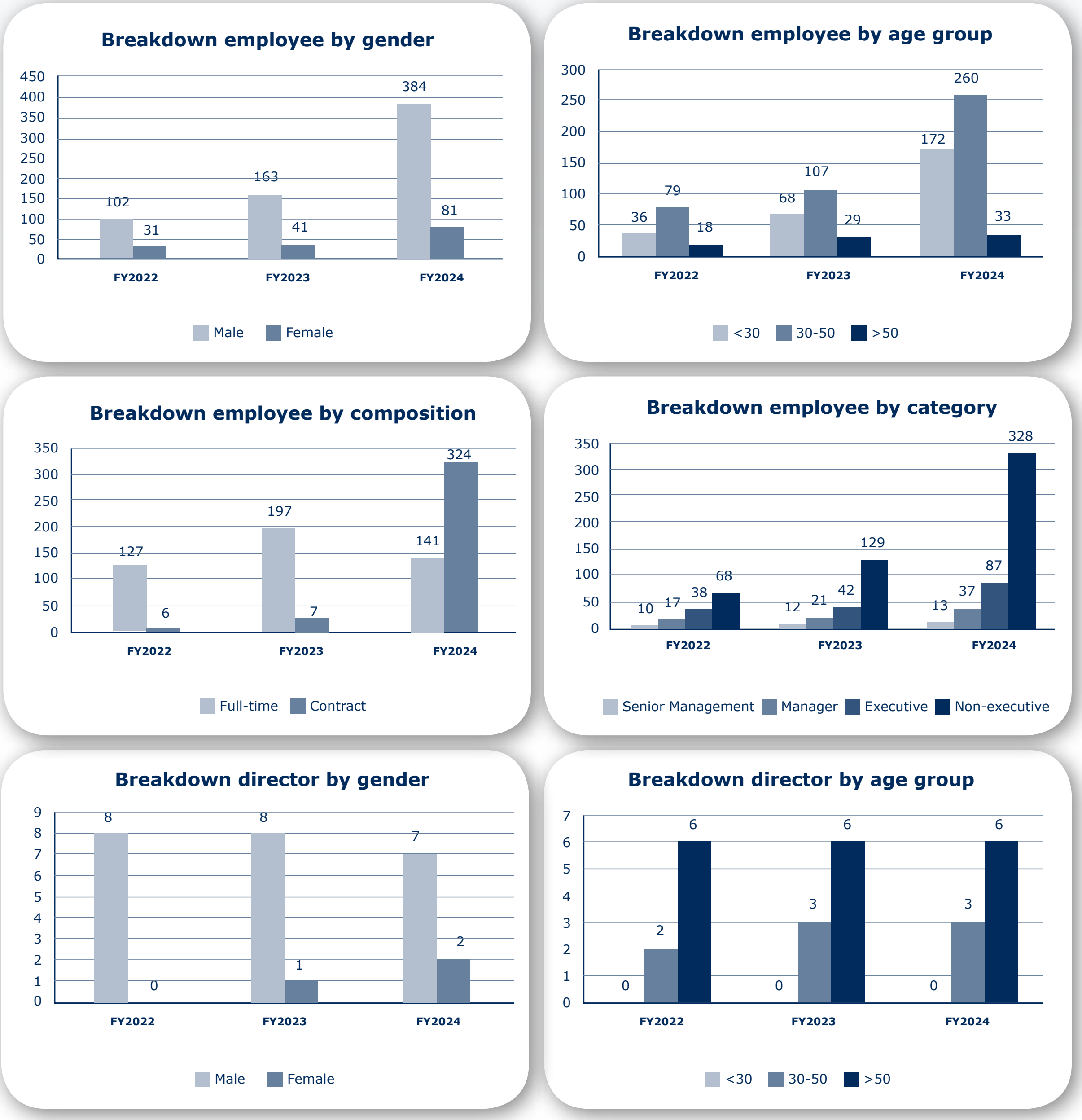


Figure 4.2.2b: Director and employee breakdown by age group, employee category, gender, and contract type.

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.2.3. Occupational Health and Safety (GRI 403-1, 403-2, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9)

Why it Matters

At PTT, the health and safety of our employees and contract staff are paramount in all our business operations and workplaces. We are committed to creating a healthy, safe, and conducive work environment to prevent injuries and illnesses. This dedication not only safeguards our workforce but also enhances overall efficiency and productivity.

Our Action

At PTT, the safety, health, and well-being of our people are integral to our operations. Our unwavering commitment to Occupational Health and Safety (OHS) is centred on fostering a culture of safety, accountability, and well-being for everyone contributing to the Group's success.

To maintain a safe and comfortable workplace, PTT has implemented a comprehensive Health and Safety Framework. This framework is continuously updated to address employee concerns and complaints promptly, ensuring it remains effective and relevant.

Occupational Safety and Health Training

An effective Health and Safety Framework is essential in preventing workplace accidents and promoting a culture of safety and uninterrupted productivity. Through this framework, PTT emphasises the importance of workplace safety in our operations by providing necessary training and OHS programs. These initiatives ensure all our employees are well-trained and equipped with the knowledge to handle hazardous situations.

In FY2024, PTT conducted 10 key training sessions, including but not limited to the following health and safety training programs:

I. First Aider Training
II. Accident & Incident Investigation & Reporting Technique Analysis
III. HSSE Convention
IV. PTT Environmental, Safety & Health Day
V. NIOSH – Tenaga Safety Passport (NTSP)

These sessions reinforce our safety culture and regulatory compliance, reflecting our ongoing efforts to improve safety practices and adapt to new risks.

Figure 4.2.3a: Our Health and Safety training and campaign, which includes first-aid training and demonstration of cardiopulmonary resuscitation (CPR); Earth, Safety, and Environment (ESH) Campaign at our BBR3 project site; and ESH campaign at the Kota Elmina project site.

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.2.3. Occupational Health and Safety (GRI 403-1, 403-2, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9) (Cont'd)

Performance Highlights

In FY2024, we provided comprehensive training on health and safety standards to a total of 58 employees. These sessions aimed to equip our workforce with the latest knowledge and best practices to ensure a safe and healthy working environment.

Financial year	2022	2023	2024
Number of employees trained on health and safety standards.	22	21	58

Work-related Injuries

PTT's primary objective is to ensure the safety of all our workers, with the goal that everyone returns home safely at the end of each day. We are committed to preventing and minimising workplace incidents, striving to maintain a record of zero fatalities each year.

Table 4.2.3 Our safety records are categorised into the total manhours worked, fatalities, injuries, and lost time incident rate.

Financial year	2022	2023	2024
Total number of hours worked	NA	374,007	8,406,312[1]
Number of fatalities as a result of work-related injury	0	1	0
Number of recordable work-related injuries (Including fatalities)	0	2	0
Number of fatalities as a result of work-related ill health	0	0	0
Number of cases of recordable work-related ill health	0	0	0
Lost time injury rate (LTIR)[2]	0	8.64	0

Notes:
1. The spike in FY2024 training hours is because we have increased the number of sites we have tracked, compared to the past few years.
2. LTIR calculated based on the standardised value of 1,000,000 hours worked.

In FY2024, the total hours worked increased to 8,406,312 from 374,007 in FY2023. Although FY2023 saw one fatality and two minor injuries due to work-related incidents, we are pleased to report that FY2024 there were no injuries and fatalities. We also had no cases of work-related ill health in the past three years, and the Lost Time Injury Rate (LTIR) was zero in FY2024, reflecting our ongoing commitment to safety.

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.2.3. Occupational Health and Safety (GRI 403-1, 403-2, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9) (Cont'd)

Promotion of worker health

In FY2024, PTT conducted various activities to promote workers' health, including:

I. **First Aid Training**: This training ensures that employees are equipped with essential life-saving skills, such as CPR and emergency care techniques, which are critical for immediate response during workplace accidents or medical emergencies. By building internal capacity to handle emergencies, PTT strengthened its commitment to a safe and responsive work environment, aligning with its health and safety sustainability goals.

Figure 4.2.3b: The dedication of PTT employees to acquiring essential first aid skills, showcasing the company's commitment to enhancing workplace safety and readiness for emergencies.

II. **Ergonomic Workplace Training**: This initiative helped promote ergonomic practices, preventing workplace injuries, particularly those related to repetitive strain or poor posture, which are common in office and industrial settings. By addressing potential hazards and optimising the work environment for employee comfort, PTT actively reduced injury risks and enhanced productivity, supporting its long-term strategy for occupational health and wellness.

Figure 4.2.3c: The proactive measures taken during Ergonomic Workplace Training, underscoring PTT's efforts to foster a comfortable and injury-free work environment for its employees.

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.2.3. Occupational Health and Safety (GRI 403-1, 403-2, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9) (Cont'd)

Promotion of worker health (Cont'd)

III. **Fire Safety Training**: This training ensured that employees were well-prepared to identify fire hazards and act quickly in case of emergencies, minimising the risk of injury and property damage. This proactive approach to risk management demonstrated PTT's commitment to maintaining a safe workplace and contributed to the broader goal of disaster preparedness and emergency response planning within the sustainability framework.

Figure 4.2.3d: The essence of Fire Safety Training at PTT illustrates the company's initiative to educate employees on fire hazards and emergency procedures to ensure a safer workplace.

IV. **E-Waste Collection:** This initiative promoted environmental stewardship by encouraging the proper disposal of electronic devices. By preventing hazardous materials from entering landfills, PTT supported responsible waste management practices, reduced its environmental footprint, and engaged employees in sustainable behaviours that contribute to broader sustainability targets.

Figure 4.2.3e: PTT's commitment to environmental responsibility through the E-Waste Collection initiative, promoting sustainable practices among employees and reducing electronic waste impact.

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.2.3. Occupational Health and Safety (GRI 403-1, 403-2, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9) (Cont'd)

Promotion of worker health (Cont'd)

V. **Blood Donation Campaign**: Engaging employees and the local community in blood donation reflected PTT's dedication to corporate social responsibility and promoting community health. A total of 40 of our employees took part in the event, where we donated around 14 litres of blood to help those in need in our local community. This initiative enhanced participants' well-being and fostered a culture of care and civic duty, aligning with PTT's broader sustainability objectives of fostering positive social impact and employee engagement.

Figure 4.2.3f showcases the Blood Donation Campaign, demonstrating PTT's active role in community health engagement and its commitment to fostering a culture of civic responsibility among employees.

4.2.4. Development and Learning Strategies (GRI 404-1, 404-2)

Why it Matters

At PTT, training and development are pivotal to maintaining a skilled and adaptable workforce. Our investment in employee growth not only enhances operational efficiency but also supports career advancement and ensures compliance with safety and regulatory standards. This commitment to continuous learning fosters innovation, aligns the workforce with our organizational values, and contributes to long-term sustainability and success.

Our Action

PTT is committed to investing in employee training and development through a wide array of programs, including technical training, leadership development, and safety compliance workshops. This comprehensive approach provides continuous learning opportunities, supports career advancement, and promotes a culture of diversity and inclusion. By aligning training initiatives with our strategic goals, PTT empowers the workforce to drive innovation and achieve organisational excellence. We offer numerous training programs to our workforce to further develop their core skills, soft skills, and technical skills. Our top 10 training programmes in FY2024 were:

- STEP First Class Manager Training Programme
- First Aider Training
- Basic Scaffolding (Lev 1)
- Intermediate Scaffolding (Lev 2)
- Accident & Incident Investigation & Reporting Technique Analysis
- MBAM Human Resources Conference 2023
- HSSE Convention 2023
- Controlling Occupational Exposure to Hazardous Chemicals
- Kaedah Menyusun Strategi Penjimatan Pembelian Bahan & Pemilihan Sub Kontraktor
- Incident Investigation & Reporting Training (Online)

Sustainability Statement
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4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

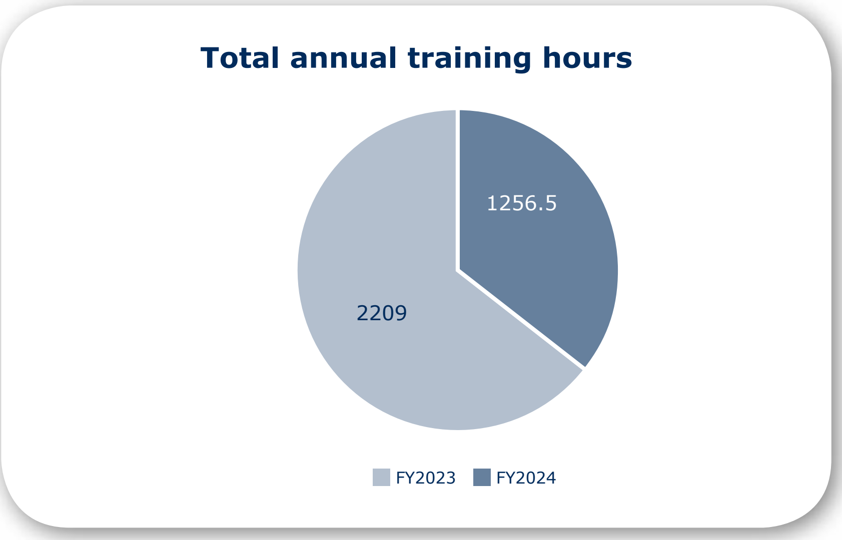
4.2.4. Development and Learning Strategies (Cont'd)

Performance Highlight

In its commitment to fostering a culture of continuous learning and development, PTT has increased total training hours by 79% from FY2023 to FY2024. Due to the increasing shifts in project phases, more of our staff were occupied by their operations. To compensate for this, we ensured each employee received an average of 16 training hours, a 2.6-fold increase compared to FY2023. This investment highlights PTT's dedication to upskilling the workforce at all levels, with a special focus on providing growth opportunities for both male and female employees. Notably, non-executive employees saw a twelvefold increase in training hours, demonstrating our strong emphasis on broad-based skill enhancement and career development.

Table 4.2.4 Overview of the training provided to our workforce.

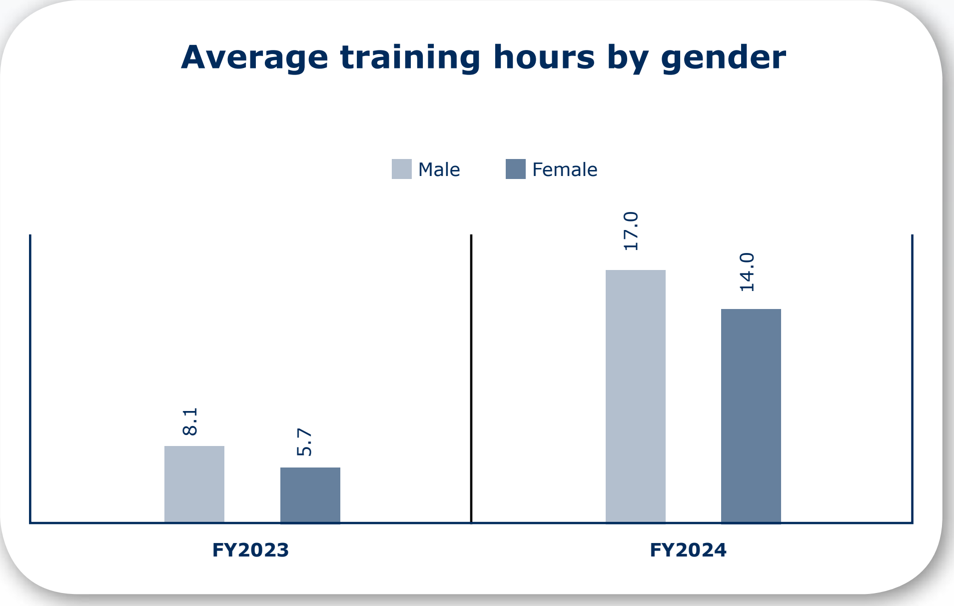
Financial year	2022	2023	2024
Total annual training hours	934.50	1,256.50	2209
Number of employees trained	133	204	141
Average training hours per employee	7.03	6.16	16
Average training hours by gender:			
Male	5.93	5.67	17
Female	10.65	8.09	14
Average training hours by employee category:			
Non-executive	4.35	2.23	20
Executive	8.64	4.86	17
Manager	17.03	23.45	11
Senior Management	2.1	8.83	13



4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.2.4. Development and Learning Strategies (Cont'd)

Performance Highlight (Cont'd)



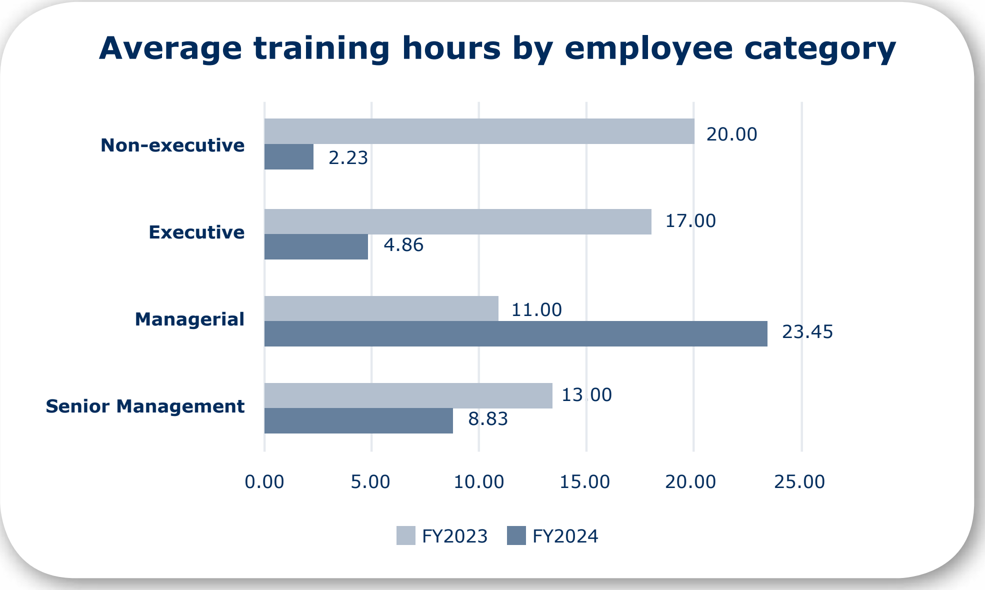


Figure 4.2.4: Total number of training hours at PTT, broken down by gender and employee category.

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(Cont'd)

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.2.5. Supply Chain Management (GRI 204-1)

Why it Matters

PTT is committed to advancing responsible procurement practices and enhancing supply chain resilience by integrating sustainability throughout the procurement process. We actively support local businesses, focusing on driving economic growth within our operational communities. By prioritising local suppliers and offering opportunities to small and medium-sized enterprises (SMEs), we contribute to their development and success. Our dedication to sustainability applies to all suppliers, including contractors, service providers, and consultants, ensuring that responsible procurement practices are consistently maintained.

Our Action

PTT's supply chain management emphasises sustainability, efficiency, and resilience. We integrate environmental and social considerations into our procurement processes to minimise negative impacts and support local communities. This includes selecting suppliers who align with our sustainability goals and implementing eco-friendly practices.

We uphold rigorous standards for suppliers, screening them before onboarding to ensure responsible sourcing and high-quality procurement. Ongoing evaluation and monitoring of supplier performance ensure compliance with sustainability and ethical guidelines, maintaining a transparent and robust supply chain.

Our procurement practices are governed by stringent policies, audited by external teams, and regularly reviewed to meet economic and regulatory conditions. Procedures are documented, approved, and safeguarded by segregation of authorities, reflecting our commitment to transparent procurement across the Group.

Performance Highlights

PTT is committed to ensuring job security and fostering career growth for employees while contributing to the local economy by engaging local contractors and sourcing materials from within the region. As a key component of corporate responsibility, the company prioritises support for local communities and economies, with 99% of procurement contracts allocated to local suppliers. Recognising the profound impact of climate change as both an environmental and economic risk, PTT takes proactive steps to identify and mitigate climate-related challenges within its operations. Additionally, resource efficiency measures, such as the use of precast concrete wash-through systems and electric vehicle (EV) prime movers, are implemented to minimise the carbon footprint.

Table 4.2.5 Our contributions to the local suppliers.

Financial year	2022	2023	2024
Percentage of local suppliers (%)	99	99	99

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.3. Governance Indicators

4.3.1. Anti-corruption and Anti-bribery (GRI 205-1, GRI 205-2, GRI 205-3)

Why it Matters

PTT upholds rigorous standards of business ethics and compliance, embodying our core values of Honesty, Integrity, and Operational Excellence. This commitment is vital for safeguarding the interests of our business and stakeholders, fostering trust, and enhancing stakeholder confidence. By consistently adhering to these principles, we demonstrate our dedication to ethical conduct and operational excellence, reinforcing our reputation as a responsible and trustworthy organisation.

Our Action

At PTT, our Board and senior management are committed to the highest standards of business integrity, as outlined in our Code of Conduct (CoC). This Code provides clear guidelines for handling ethical concerns, and we enforce a zero-tolerance policy towards corruption through our Anti-Corruption and Bribery Policy, which aligns with the Malaysian Anti-Corruption Commission (MACC) Act 2009.

New employees receive training on the CoC and anti-corruption policies during induction, and suppliers must adhere to these standards before establishing a business relationship with us.

To ensure transparency, PTT provides a whistleblowing channel for confidential reporting of misconduct, in line with our Whistleblowing Policy. All our policies, including the CoC, Anti-Corruption and Bribery Policy, and Whistleblowing Policy, are available on our company website for stakeholder access, as well as our staff handbook.

PTT also engages with internal auditors to assess corruption-related risks yearly, which we are proud to announce our third year of engagement. All operations at our headquarter were assessed for corruption-related risks through strict document checks and interviews. Our project sites were also included in the assessment, in which two of our sites were randomly selected and assessed.

Performance Highlights: Corruption Incidents

As of 30 June 2024, PTT has maintained zero documented incidents of corruption across all business operations, reflecting the company's robust internal controls, stringent compliance measures, and effective anti-corruption policies in place. This zero-incidence status highlights the organization's commitment to ethical practices and reinforces the effectiveness of its proactive approach to mitigating corruption risks.

Financial year	2022	2023	2024
Number of confirmed corruption incidents	0	0	0
Percentage of operations* assessed for corruption-related risks	100%	100%	100%

Note:
* *Operation includes the Headquarter and project sites*

Sustainability Statement
For The Year Ended 30 June 2024
(Cont'd)

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.3.1. Anti-corruption and Anti-bribery (GRI 205-1, GRI 205-2, GRI 205-3) (Cont'd)

Performance Highlights: Corruption-related Training

In FY2024, PTT proudly demonstrated its commitment to ethical practices by conducting comprehensive anti-bribery and corruption training for all new hires and onboarding staff, seamlessly integrating relevant policies and procedures during their induction sessions. Looking ahead, PTT is excited to enhance its dedication to fostering a culture of integrity and excellence with a planned rollout of a comprehensive Anti-Bribery and Anti-Corruption (ABAC) training program for all employee categories, including Senior Management, Managers, Executives, and Non-executives, in the upcoming financial year. This forward-thinking initiative demonstrates our ongoing commitment to promoting ethical conduct and maintaining the highest standards of integrity within the organisation.

Table 4.3.1 Our internal and external anti-corruption training at PTT.

Employee Category	Completion rate (%)		
	2022	2023	2024
Internal training			
Senior Management	100	100	100
Manager	100	100	100
Executive	100	100	100
Non-executive	100	100	100
External training (Plans in place for FY2025)			
Senior Management	0	0	0
Manager	0	0	0
Executive	0	0	0
Non-executive	0	0	0

4.3.2. Human Rights (GRI 406-1, GRI 408-1, GRI 409-1, GRI 411-1)

Why it Matters

As a responsible organisation, PTT prioritises the respect and protection of human rights in all our operations. We believe that strong human rights practices are essential for fostering a productive and healthy work environment. Our commitment to these principles aligns with our core values and enhances the well-being and morale of our workforce, driving sustainable success and integrity in all our endeavours.

Our Action

At PTT, we are committed to protecting human rights and ensuring ethical labour practices. We enforce a zero-tolerance policy for human rights violations, including child labour, forced labour, and discrimination. Our policies prohibit employing individuals below the legal working age, using forced or involuntary labour, and any form of discrimination.

To uphold these standards, we conduct regular audits and assessments, provide training, and offer resources to ensure compliance with our human rights and anti-discrimination policies. We also maintain open channels for reporting concerns and ensure prompt action on any issues.

Our dedication to human rights is integral to our business strategy, reflecting our commitment to ethical and sustainable practices. We aim to foster a culture of respect, transparency, and accountability, positively impacting the communities we serve and upholding the dignity of all individuals involved in our operations.

4. IMPACT: COMMON INDICATORS AND SUCCESS STORIES (CONT'D)

4.3.2. Human Rights (GRI 406-1, GRI 408-1, GRI 409-1, GRI 411-1) (Cont'd)

Performance Highlights

Table 4.3.2 Overview of human rights, child labour, forced labour, and discrimination incidents at PTT.

Financial year		2022	2023	2024
Human rights violations	Number of substantiated complaints concerning human rights violations	0	0	0
Child labour	Number of children aged below 17 years engaged in child labour	0	0	0
Forced labour	Number of substantiated complaints concerning forced labour	0	0	0
Discrimination	Number of substantiated complaints concerning discrimination	0	0	0

4.3.3. Data-protection and Privacy (GRI 418-1)

Why it Matters

Recent advancements in remote working, e-commerce, and automation have intensified the adoption of digital technologies, heightening cybersecurity risks. At PTT, we are dedicated to addressing these threats by prioritising the protection of our customers' sensitive information. Our focus is on preventing breaches, mitigating risks, and safeguarding against any potential data loss.

Our Action

At PTT, protecting our customers' data is central to our operations. We have established a robust data privacy and security strategy that complies with industry standards and best practices. Our approach includes stringent measures to prevent unauthorised access or misuse of customer information.

We regularly review and update our practices to stay aligned with evolving regulations and technological advancements, ensuring secure and transparent data handling. By fostering a culture of vigilance and accountability, we maintain customer trust and uphold our reputation as a responsible steward of data in a digital world.

Performance Highlights

As of 30 June 2024, PTT is pleased to report 0 substantiated complaints regarding breaches of customer privacy or data loss. This achievement highlights our steadfast commitment to the highest standards of data security and privacy. Our rigorous protocols and proactive measures have effectively protected our customers' sensitive information, reinforcing their trust in our services. This milestone reflects our dedication to robust cybersecurity practices and our ongoing efforts to enhance our data protection strategies. We remain vigilant in safeguarding customer data, continually updating our security measures to address potential threats and vulnerabilities.

Table 4.3.3 Overview of complaints and incidents of data privacy breaches.

Financial year	2022	2023	2024
Number of substantiated complaints concerning breaches in customer privacy or data loss	0	0	0

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

5. BURSA MALAYSIA COMMON INDICATORS SUMMARY

Table 5 Overview of all the common indicators from Bursa Malaysia Sustainability Reporting Framework (3rd edition) and the specific section they can be located from.

Indicator	Measurement Unit	2022	2023	2024
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Management	Percentage	100.00	100.00	100.00
Executive	Percentage	100.00	100.00	100.00
Non-executive/Technical	Percentage	100.00	100.00	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	0.00	0.00	20,000.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	0	0	1,123
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Senior Management Under 30	Percentage	0.00	0.00	0.00
Senior Management Between 30-50	Percentage	40.00	41.70	61.50
Senior Management Above 50	Percentage	60.00	58.30	38.50
Manager Under 30	Percentage	11.80	9.50	10.80
Manager Between 30-50	Percentage	76.50	81.00	75.70
Manager Above 50	Percentage	11.80	9.50	13.50
Executive Under 30	Percentage	21.10	27.90	29.90
Executive Between 30-50	Percentage	63.20	53.50	55.20
Executive Above 50	Percentage	15.80	18.60	14.90
Non-executive Under 30	Percentage	38.20	42.20	43.30
Non-executive Between 30-50	Percentage	55.90	48.40	53.70
Non-executive Above 50	Percentage	5.90	9.40	3.00
Gender Group by Employee Category				
Senior Management Male	Percentage	80.00	83.30	69.20
Senior Management Female	Percentage	20.00	16.70	30.80
Manager Male	Percentage	64.70	57.10	67.60
Manager Female	Percentage	35.30	42.90	32.40
Executive Male	Percentage	50.00	54.80	57.50
Executive Female	Percentage	50.00	45.20	42.50
Non-executive Male	Percentage	94.10	91.50	91.50
Non-executive Female	Percentage	5.90	8.50	8.50

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

Indicator	Measurement Unit	2022	2023	2024
Bursa (Diversity)				
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	100.00	88.90	77.80
Female	Percentage	0.00	11.10	22.20
Under 30	Percentage	0.00	0.00	0.00
Between 30-50	Percentage	25.00	33.30	33.30
Above 50	Percentage	75.00	66.70	66.70
Bursa (Energy management)				
Bursa C4(a) Total energy consumption	Megawatt	23,719.80	12,251.30	79,667.90
Bursa (Health and safety)				
Bursa C5(a) Number of	Number	0	1	0
Indicator	Measurement Unit	2022	2023	2024
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00	8.64	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	22	21	58
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Non-executive	Hours	296	288	784
Executive	Hours	328	204	863
Managerial	Hours	290	493	421
Senior Management	Hours	21	106	141
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	4.50	3.40	69.70
Bursa C6(c) Total number of employee turnover by employee category				
Total number of employee turnover	Number	34	73	23
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	99.00	99.00	99.00
Bursa (Data privacy and security)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	55.300000	153.500000	242.500000
Bursa (Waste management)				
Bursa C10(a) Total waste generated	Metric tonnes	38.30	34.90	106.10
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	0.50	0.50	0.80
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	37.90	34.50	105.30
Bursa (Emissions management)				
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	5,908.70	3,054.10	25,601.00
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	71.80	31.10	169.20
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	0.00	0.00	413.40

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6. GLOBAL REPORTING INITIATIVE (GRI) SUMMARY

Table 6 Overview of all the GRI requirements that we have complied with at PTT.

Statement of use	PTT Synergy Group Berhad has reported with reference to GRI Standards for the period from 1 July 2022 to 30 June 2024.
GRI 1 used	GRI 1: Foundation 2021

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Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

Appendix A: Physical and Transitional Risks (Detailed)

Appendix A: The detailed financial impacts and opportunities on PTT in the short-term, medium, and long-term across SSP1, SSP2, and SSP5. OPEX means Operational Expenditure and CAPEX is Capital Expenditure.

<table>
<tr><th colspan="2">Type of risks</th><th>Short-term (2024~2030)</th><th>Medium-term (2030~2040)</th><th>Long-term (2040~2050)</th></tr>
<tr><td colspan="5">Acute physical risks</td></tr>
<tr><td rowspan="3">Extreme rainfalls and flooding</td><td colspan="4">Risks: Across all SSP scenarios, PTT will face increasingly severe weather events, including storms and floods. In the short term, SSP1 will experience mild impacts, SSP2 will face moderate challenges with more frequent storms, and SSP5 will encounter significant and intense weather disruptions. By the medium term, these risks will escalate, with SSP1 still manageable, SSP2 dealing with frequent and severe storms, and SSP5 enduring extreme and prolonged weather events. In the long term, SSP1's impacts will remain relatively mild due to effective mitigation, SSP2 will see chronic and disruptive storms, and SSP5 will struggle with extreme, persistent weather conditions that severely challenge operational viability.</td></tr>
<tr><td>SSP1</td><td>• Rare operational disruptions
• Low increases in insurance premiums
• Low increase in OPEX from small-scale repairs</td><td>• Optimized OPEX through Preventative Maintenance:
• Steady CAPEX for Incremental Upgrades:
• Sustainable Insurance Cost Management:</td><td>• Sustained OPEX Efficiency from earlier investments in sustainable and resilient infrastructure
• Controlled CAPEX for Technological Integration
• Stable Insurance Costs with Potential Savings</td></tr>
<tr><td>SSP2</td><td>• Medium rise in OPEX due to more frequent downtime
• Medium supply chain contingency costs from using alternative logistic routes and emergency stockpiling
• Medium uplift in Insurance premium</td><td>• Elevated OPEX from Frequent Disruptions
• Substantial CAPEX Allocation for Resilient Infrastructure
• Insurance Premium Escalation</td><td>• Rising OPEX from Continuous Adaptation Efforts
• High CAPEX for Comprehensive Upgrades:
• Increased Financial Risk from Insurance Premiums</td></tr>
</table>

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

Type of risks		Short-term (2024~2030)	Medium-term (2030~2040)	Long-term (2040~2050)
Acute physical risks				
Extreme rainfalls and flooding	SSP5	• High CAPEX for infrastructure resilience • High OPEX from more frequent repairs, emergency response measures, and higher energy consumption • High Insurance Premium costs from high-risk environment	• High OPEX Due to Chronic Operational Challenges • Extensive CAPEX for Strategic Relocation: • Asset Write-Downs (early retirement) and Increased Depreciation:	• Exorbitant OPEX from Severe Climate Challenges • Massive CAPEX for Relocation and Reinforcement: • Severe Financial Strain from Asset Depreciation:
	Opportunities: PTT is exploring the opportunity develop and retrofit infrastructure and improve its operational procedures to withstand extreme weather events. Some examples of this could include adopting green, weather-resistant materials, adapting flexible and backup plans to ensure operational uptime, practising sustainable construction, and partnering with insurance companies to develop innovative insurance products that reward resilience efforts, potentially lowering premium costs over the long term.			
Heat waves	**Risks**: Across all SSP scenarios, PTT will face increasingly severe heatwaves and temperature fluctuations. In the short term, SSP1 will see mild impacts, SSP2 moderate, and SSP5 significant heat-related challenges. By the medium term, these risks will intensify, with SSP1 remaining manageable, SSP2 experiencing frequent and intense heatwaves, and SSP5 facing severe and prolonged heat stress. In the long term, SSP1 will maintain mild impacts, SSP2 will encounter chronic heatwaves, and SSP5 will struggle with extreme and persistent temperature challenges.			
	SSP1	• OPEX Increase from energy consumption of cooling systems Increased maintenance costs for HVAC Systems • Slight increase in insurance premium	• OPEX decrease as investment in green technologies mature • Incremental CAPEX Spending from continuous upgrade and retrofitting of buildings • Asset Depreciation from assets not fully optimised for sustainability	• Stable OPEX with minor increases for maintenance of sustainable systems • Medium CAPEX on maintenance and incremental upgrades rather than large-scale new investments. • Minimal depreciation due to consistent investment in resilient assets

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

Type of risks		Short-term (2024~2030)	Medium-term (2030~2040)	Long-term (2040~2050)
Acute physical risks				
Heat waves	SSP2	• OPEX Escalation Due to Increased Energy Demand • CAPEX for Thermal Insulation and deploying advanced cooling systems • Increased Equipment Wear and Tear from more frequent thermal stress	• Gradual OPEX rise more frequent heatwaves, despite some efficiency improvements • Continued CAPEX rise from investments in adaptive infrastructure • Accelerated depreciation for older assets not fully adapted to extreme conditions	• High OPEX from increasing heatwave frequency and severity • Significant CAPEX in retrofitting aging infrastructure • Increased depreciation rates due to delayed investment in resilient systems
	SSP5	• Massive OPEX for Energy and Cooling Systems • Low CAPEX from limited investments • High depreciation rates as existing infrastructure struggles to cope with extreme heat	• Escalating OPEX from frequent and severe heatwaves • Substantial CAPEX from belated investments in retrofitting failing infrastructure • Severe depreciation as infrastructure wears out rapidly	• Unsustainable OPEX due to persistent and extreme heatwaves, requiring constant maintenance and energy expenditures • Massive CAPEX required to replace/upgrade outdated infrastructure • Extremely high depreciation rates, with frequent asset replacements necessary
	Opportunities: As PTT considers the potential impacts of heatwaves across different scenarios, we recognize several strategic opportunities that could enhance our resilience and sustainability. By exploring early adoption of green technologies under SSP1, we may position ourselves as a leader in sustainability, potentially reducing long-term costs and improving our market reputation. In SSP2, there is an opportunity to balance investments in sustainability with cost-effectiveness, possibly through strategic partnerships that could drive innovation in adaptive solutions. Under SSP5, leveraging short-term gains from fossil fuels could provide the resources needed to transition towards more sustainable practices in the future, helping us to maintain resilience and competitiveness as the market evolves. These opportunities reflect our commitment to navigating the complexities of climate change with both foresight and flexibility.			

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

Type of risks		Short-term (2024~2030)	Medium-term (2030~2040)	Long-term (2040~2050)
Chronic physical risks				
Changing or unpredictable rainfall patterns	**Risks**: Changing rainfall patterns, including more frequent and intense rainfall events, pose significant chronic physical risks to PTT's operations, particularly in regions prone to flooding and water scarcity. These risks will vary in intensity under SSP1, SSP2, and SSP5 scenarios, with the most severe impacts expected in SSP5 due to less aggressive climate mitigation efforts. The risks include potential flooding of facilities, supply chains disruptions, and impacts on water availability.			
	SSP1	• Moderate OPEX increase due to early investments in water management systems and flood prevention measures • Significant CAPEX in sustainable infrastructure, including advanced drainage systems and water recycling technologies • Controlled depreciation with infrastructure designed to handle varying water levels and flooding	• Stable OPEX as water management investments reduce the frequency and impact of disruptions • Continued CAPEX in upgrading and maintaining water management infrastructure, with a focus on long-term resilience. • Slow depreciation as assets are built to withstand and adapt to changing rainfall patterns.	• Low OPEX with established systems in place to manage water variability efficiently. • Minimal CAPEX, focused on maintaining and optimising existing infrastructure. • Minimal depreciation due to robust and adaptive infrastructure.

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

Type of risks		Short-term (2024~2030)	Medium-term (2030~2040)	Long-term (2040~2050)
Chronic physical risks				
Changing or unpredictable rainfall patterns	SSP2	• Moderate OPEX increase due to initial investments in basic water management and flood prevention. • Gradual CAPEX in infrastructure adaptations, balancing immediate needs with cost considerations. • Moderate depreciation as infrastructure is partially adapted to cope with changing rainfall patterns	• Gradual OPEX increase due to the need for ongoing maintenance and additional flood mitigation efforts • Continued CAPEX investment in upgrading water management systems, though less extensive than in SSP1 • Accelerated depreciation for assets not fully adapted to increased variability in rainfall.	• Higher OPEX driven by more frequent and severe disruptions due to inadequate infrastructure. • Significant CAPEX required to retrofit and enhance existing systems to cope with worsening conditions. • Higher depreciation due to increased wear and tear on assets exposed to extreme weather events.
	SSP5	• Rapid OPEX increase due to frequent water-related disruptions and reactive adaptation measures. • Low CAPEX from Limited, short-term investments in basic flood prevention, with little focus on long-term sustainability • High depreciation rates as infrastructure is not designed to handle extreme variations in rainfall	• Escalating OPEX from frequent and severe heatwaves • Substantial CAPEX from belated investments in retrofitting failing infrastructure • Severe depreciation as infrastructure wears out rapidly	• Unsustainable OPEX due to persistent and extreme heatwaves, requiring constant maintenance and energy expenditures • Massive CAPEX required to replace/upgrade outdated infrastructure • Extremely high depreciation rates, with frequent asset replacements necessary

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

Type of risks		Short-term (2024~2030)	Medium-term (2030~2040)	Long-term (2040~2050)
Chronic physical risks				
Changing or unpredictable rainfall patterns	**Opportunities**: By exploring early investments in adaptive infrastructure under SSP1, we could potentially position ourselves as a leader in water management, reducing long-term operational costs and securing our assets. In SSP2, there is an opportunity to strategically balance investments in infrastructure with cost management, focusing on key areas where water-related risks are highest. Under SSP5, while the challenges are greater, leveraging short-term revenues could provide the necessary resources to fund critical infrast ructure upgrades, ensuring our operations remain viable in the face of increasingly variable weather patterns. These opportunities reflect our commitment to exploring forward-looking strategies that align with both immediate needs and long-term sustainability goals.			
Changing soil conditions	**Risks**: Changing soil conditions, including increased soil erosion, subsidence, and shifts in soil moisture content, pose significant chronic physical risks to PTT, particularly for operations reliant on stable ground and infrastructure. These risks will vary in intensity under SSP1, SSP2, and SSP5 scenarios, with the most severe impacts anticipated in SSP5 due to limited climate mitigation efforts. The risks include structural damage to buildings, compromised foundations, and disrupted agricultural activities that depend on soil quality.			
	SSP1	• Moderate OPEX increase due to early investments in soil stabilisation and erosion control measures. • Significant CAPEX in infrastructure adaptation, including reinforced foundations and sustainable land management practices • Controlled depreciation with proactive measures to prevent soil-related damage.	• Stable OPEX as early investments in soil management yield benefits • Continued investment in maintaining and enhancing soil stabilisation infrastructure, ensuring long-term resilience • Slow depreciation as assets is designed to withstand changes in soil conditions over the long term	• Low OPEX with established soil management systems reducing the risk of damage Minima CAPEX, focused on maintaining and optimizing existing soil stabilisation measures • Minimal depreciation due to robust and adaptive infrastructure.

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

Type of risks		Short-term (2024~2030)	Medium-term (2030~2040)	Long-term (2040~2050)
Chronic physical risks				
Changing soil conditions	SSP2	• Moderate OPEX due to initial investments in basic soil stabilisation and erosion control. • Gradual CAPEX in infrastructure adaptations, balancing immediate needs with cost considerations • Moderate depreciation as infrastructure is partially adapted to cope with changing soil conditions.	• Gradual OPEX rise due to ongoing maintenance and additional stabilization efforts. • Continued CAPEX in upgrading soil management systems • Accelerated depreciation for assets not fully adapted to soil changes.	• Higher OPEX driven by increased maintenance needs for infrastructure affected by soil conditions. • Significant CAPEX required to retrofit and enhance existing systems to cope with worsening conditions. • Higher depreciation as assets experiences more frequent damage from unstable soil
	SSP5	• Soaring OPEX due to frequent infrastructure issues and reactive adaptation measures. • Low CAPEX from Limited, short-term investments in basic soil stabilisation • High depreciation rates as infrastructure is not designed to cope with rapidly changing soil conditions.	• Escalating OPEX as soil conditions worsen, leading to frequent operational interruptions and repairs • Forced to increase CAPEX to retrofit and repair infrastructure, often in a reactive rather than proactive manner • More early retirement of assets from inadequate soil stabilisation	• Unsustainable OPEX from persistent infrastructure issues • Massive CAPEX required to overhaul failing systems, potentially threatening the financial viability of operations. • Extremely high depreciation rates, with frequent asset replacements necessary due to severe soil instability.

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

Type of risks		Short-term (2024~2030)	Medium-term (2030~2040)	Long-term (2040~2050)
Chronic physical risks				
Changing soil conditions	**Opportunities**: By exploring early investments in soil stabilisation and infrastructure adaptation under SSP1, we could position ourselves as a leader in land management, potentially reducing long-term operational costs and securing our assets. In SSP2, there is an opportunity to strategically balance investments in soil management with cost control, focusing on key areas where soil-related risks are highest. Under SSP5, while the challenges are greater, leveraging short-term revenues could provide the necessary resources to fund critical infrastructure upgrades, ensuring our operations remain viable despite increasingly unstable soil conditions. These opportunities reflect our commitment to exploring forward-looking strategies that align with both immediate needs and long-term sustainability goals.			
Transitional risks				
Policy	**Risks**: At PTT, we recognise the critical importance of understanding and navigating the transitional risks associated with policy and legal changes. This analysis explores these risks under three different scenarios—SSP1, SSP2, and SSP5—across short, medium, and long-term timelines. We have identified the top three most likely financial impacts for each scenario and timeline, ensuring that our analysis is specific to PTT and focused on the financial implications.			
	SSP1	• Increased compliance cost in adhering to new environmental regulations • Modifying existing processes to meet stricter environmental standards will require investments in energy efficiency and technology upgrades • Non-compliance could result in substantial financial liabilities, including potential litigation costs	• Rising carbon pricing will lead to higher operational expenses, directly affecting our profitability. • Ongoing capital expenditure will be required to meet progressively stricter regulations. • Legal liabilities from not meeting strict environmental regulations	• High compliance costs to comply with mandatory net-zero policies • Risk of significant financial write-offs as older, carbon-intensive assets become obsolete under new regulations • Increased exposure to legal challenges and reputational damage could occur if we fail to meet global regulatory standards

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

Type of risks		Short-term (2024~2030)	Medium-term (2030~2040)	Long-term (2040~2050)
Transitional risks				
Policy	SSP2	• Incremental increases in costs related to adapting to new environmental regulations, particularly in emissions control • Gradual investments will be necessary to improve energy efficiency and ensure compliance with emerging standards • While the risk is lower than in SSP1, there remains a financial risk from non-compliance	• Steady tightening of regulations will require ongoing financial commitments, leading to higher OPEX • Introduction or escalation of carbon pricing will affect our bottom line • Investment in sustainable technologies will be necessary to align with tightening regulations	• Substantial costs to adapt as global standards become more rigorous • Some assets may need to be written off if they cannot meet new regulatory requirements, leading to potential financial losses. • Increased exposure to litigation and associated financial costs if we struggle to adapt quickly to evolving legal standards
	SSP5	• Low compliance cost from relaxed environmental standards • Little regulatory changes, which maintain our current operations • Less likely to face fines and penalties due to less stringent regulatory environment	• We anticipate slowly rising expenses as governments introduce basic environmental regulations, leading to incremental financial impacts • Minor operational adjustment from few regulatory requirements • Slight increase in legal risks associated with not complying with regulatory changes	• Significant compliance cost from sudden shift to more stringent regulations • High financial risk exists from stranded assets as regulatory environments shift, making fossil-fuel-based operations untenable • Greater exposure to legal challenges and substantial financial liabilities will occur if we are unprepared for sudden regulatory shifts

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

Type of risks		Short-term (2024~2030)	Medium-term (2030~2040)	Long-term (2040~2050)
Transitional risks				
Policy	**Opportunities**: As we navigate these potential risks, we can turn challenges into strategic opportunities. By proactively adopting best practices in compliance and sustainability, particularly under SSP1 and SSP2 scenarios, we can enhance our reputation, attract green financing, and open new market opportunities. Even in the SSP5 scenario, where regulations are initially relaxed, we can prepare for eventual policy shifts by gradually integrating sustainability into our operations, ensuring our long-term resilience and competitiveness. Embracing these changes will position PTT as a leader in sustainable development, securing our future in an increasingly regulated global market.			
Technology	**Risks**: At PTT, we understand that the rapid pace of technological change presents both opportunities and risks. This analysis explores the transitional risks associated with technological advancements under SSP1, SSP2, and SSP5 scenarios across short, medium, and long-term timelines. We have identified the top three most likely financial impacts for each scenario and timeline, ensuring that our analysis is specific to PTT and focused on the financial implications.			
	SSP1	• High investment cost from cutting-edge, sustainable technologies to remain competitive and compliant with new environmental standards • Existing technologies become outpaced, requiring frequent upgrades or replacements, increasing CAPEX • High R&D Expenditure	• Fast pace of technological advancements will imply high CAPEX • Improved operational efficiency, but significant financial benefits may take time to materialize • High OPEX to adopt and use the latest technology	• Complete technology overhaul means a substantial capital investment is required • Old technology superseded by more advanced solutions • Continued high expenditure on innovation

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

Type of risks		Short-term (2024~2030)	Medium-term (2030~2040)	Long-term (2040~2050)
Transitional risks				
Technology	SSP2	• Gradual and stable CAPEX from investing sustainable technologies • A mix of old and new technologies, leading to operational inefficiencies and integration costs • Incremental R&D costs, but not as much as SSP1	• Ongoing technology integration implies moderate CAPEX • Efficiency improvement but need to continuous upgrade technology to enjoy the benefits • Moderate OPEX from maintaining technology	• Significant technological upgrades, leading to higher CAPEX in the long term • Old technology outdated • Continued investment in R&D will be required to stay competitive, with increasing costs impacting our long-term financial stability
	SSP5	• Low pressure and CAPEX to adopt new technologies • Risks of falling behind in technological innovation • Low R&D costs means resources can be spent elsewhere	• Moderate CAPEX increase from slow adoption of new technologies • Delaying upgrades may result in higher operational inefficiencies and eventual catch-up costs • A slow pace of technological change may place us at a competitive disadvantage, requiring eventual investment to close the competition gap	• If there is a sudden need to adopt new technologies due to environmental or market pressures, we will face significant catch-up costs • Delayed adoption may result in rapid early retirement of old technologies • High innovation costs from high R&D and CAPEX
	Opportunities: In the face of these technological risks, we can seize strategic opportunities by proactively investing in sustainable and advanced technologies, particularly under SSP1 and SSP2 scenarios. By leading in technological adoption, we can enhance operational efficiency, reduce long-term costs, and position ourselves as an industry leader in innovation. Even under SSP5, where technological changes are slower, we can prepare for future shifts by gradually integrating new technologies, ensuring our resilience and maintaining our competitive edge. Embracing technological advancements will not only mitigate risks but also unlock new revenue streams and growth opportunities for PTT in the evolving global market.			

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

Type of risks		Short-term (2024~2030)	Medium-term (2030~2040)	Long-term (2040~2050)
Transitional risks				
Market	**Risks**: At PTT, we are keenly aware of the transitional risks that arise from shifting market dynamics, including changes in consumer preferences, competition, and broader economic trends. This analysis explores these market-related risks under SSP1, SSP2, and SSP5 scenarios across short, medium, and long-term timelines. We have identified the top three most likely financial impacts for each scenario and timeline, ensuring our analysis is specific to PTT and focused on the financial implications.			
	SSP1	• Strong market shift towards sustainable products, requiring us to adapt our offerings quickly, leading to potential costs in product development and marketing • Increased competition in the green market • Failure to quickly align with sustainability trends may result in a loss of market share to more agile competitors	• Consumers may demand higher sustainability standards at lower costs, leading to increased pressure on our profit margins • Increasing expansion costs from expanding into new markets focused on sustainability • Ongoing expenses related to maintaining and strengthening our brand's sustainability image in a crowded marketplace could strain our marketing budget	• Market realignment cost from restructuring business model entirely • As the market fully transitions to sustainable products, our traditional offerings may become obsolete, requiring substantial investment to develop new products and services. • Heightened competition from international players, potentially impacting our market position and revenues

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

Type of risks		Short-term (2024~2030)	Medium-term (2030~2040)	Long-term (2040~2050)
Transitional risks				
Market	SSP2	• Slow transition to sustainability, with management development and marketing costs • Moderate competition implies we can balance innovation with cost-efficiency • Uncertain consumer demands, impacting short0term revenue stability	• Adapting to mixed market demand, catering to both traditional and sustainable markets, increasing OPEX • Moderate expansion costs from expanding into the green market • Brand differentiation costs form sustained marketing efforts	• Full market transition costs as the market fully embraces sustainability, leading to increased OPEX and CAPEX • Gradual phase out of traditional products and services • High costs to maintain competitive position from transitioning to the green market
	SSP5	• Stable market demand from strong demands for traditional products • Low competitive pressure from slow adoption of sustainability • Conservative consumer preference, leading to reduced R&D and market costs	• Slowly emerging niches for sustainable products may require us to make small-scale investments in R&D and marketing • Moderate investments to diversify our revenue streams into sustainable markets • The beginning of a shift towards sustainability may start to introduce new competitors, requiring us to consider early adaptation strategies	• Sudden market shift costs associated with the shift towards sustainability • Traditional products and services may become rapidly obsolete, causing early retirement • Difficult competition with competitors who fully embrace sustainability

Sustainability Statement
For The Year Ended 30 June 2024
(Cont'd)

Type of risks		Short-term (2024~2030)	Medium-term (2030~2040)	Long-term (2040~2050)
Transitional risks				
Market	**Opportunities**: As we navigate these market dynamics, we can turn potential risks into strategic opportunities by staying ahead of market trends and consumer preferences. By investing in sustainable product development and brand positioning, particularly under SSP1 and SSP2 scenarios, we can strengthen our market position and open up new revenue streams. Even under SSP5, where traditional markets remain strong, we can prepare for eventual shifts by gradually diversifying our product offerings and exploring emerging niches. This proactive approach will ensure that PTT remains competitive, resilient, and well-positioned for long-term growth in an evolving global market.			
Reputation	**Risks**: At PTT, we recognise that our reputation is one of our most valuable assets. The perception of our brand in the eyes of customers, investors, and other stakeholders can significantly impact our financial performance. This analysis explores the transitional risks associated with reputation under SSP1, SSP2, and SSP5 scenarios across short, medium, and long-term timelines. We have identified the top three most likely financial impacts for each scenario and timeline, ensuring our analysis is specific to PTT and focused on the financial implications.			
	SSP1	• Heavy brand image investment to align with market expectations, leading to high marketing and public relation costs • Stakeholders demand more transparency and accountability in our sustainability practices, implying high reporting costs • Losing customer trust and loyalty from not meeting high sustainability standards	• Continued investment in sustainable practices to maintain our reputation as a leader in sustainability • Any perceived shortcomings in our sustainability efforts could lead to reputational damage, requiring significant expenditure on crisis management and reputation repair • High ESG reporting costs to sustain investor confidence	• Ongoing global marketing and compliance costs to maintain reputation as a sustainable leader In the market • Failure to embrace sustainability could result in brand damage, impacting long-term financial stability • High brand evolution costs from sustained investment in branding and corporate communications

Sustainability Statement For The Year Ended 30 June 2024 (Cont'd)

Type of risks		Short-term (2024~2030)	Medium-term (2030~2040)	Long-term (2040~2050)
Transitional risks				
Reputation	SSP2	• Moderate brand management costs as the market expectation in sustainability is not as high as SSP1 • Complex brand messaging as we need to balance sustainability with our traditional operations • Steady investments in marketing and public relations	• Sustained reputation costs from incremental investment in sustainable practices and transparent reporting • Potential reputational risks from perceived inadequacies in our sustainability efforts may require crisis response measures • Ongoing expenses on investor communications and reporting	• Enhanced brand positioning costs to enter and adapt to a market that fully embraces sustainability • Reputation risks from slow phasing out of legacy operations, which could potentially lead to financial penalties or business loss • Ongoing investment to maintain strong reputation in the global markets
	SSP5	• Minimal reputation management cost as the society focuses less on sustainability • Stable brand perception from slower shift towards sustainability • Low stakeholder pressure implies lower costs required on reporting and transparency	• Gradual reputation adjustments as the market slow shifts towards sustainability • Emerging reputation risks by delaying adoption of sustainability practices • Rising investor expectations means more investment in ESG reporting is required	• Sudden reputational costs from rapid market shift towards sustainability • Reputation damage from lagging behind, causing the loss of customer loyalty and investor confidence • Costs associated with repositioning to maintain competitive position in a sustainability-focused market
	Opportunities: While the risks to our reputation vary across scenarios, we can turn these challenges into strategic opportunities. By leading in sustainability, particularly under SSP1 and SSP2, we can enhance our brand, build stronger customer loyalty, and attract sustainability-focused investors. Even under SSP5, where the focus on sustainability is slower, we can gradually evolve our brand to anticipate future shifts, ensuring that we remain resilient and competitive. Proactively managing our reputation will not only protect our brand but also position PTT as a trusted leader in an increasingly sustainability-driven global market.			

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("**Board**") of PTT Synergy Group Berhad ("**the Company**") is pleased to present this Corporate Governance Overview Statement ("**Statement**") to provide shareholders and investors with an overview of the corporate governance practices of the Company during the financial year ended 30 June 2024 ("**FYE 2024**"). This Statement takes guidance from the 3 key corporate governance principles and practices as set out in the Malaysian Code on Corporate Governance ("**MCCG**"), which are: -

(a) Principle A : Board Leadership and Effectiveness
(b) Principle B : Effective Audit and Risk Management
(c) Principle C : Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

This Statement is prepared in compliance with the Main Market Listing Requirements ("**Main LR**") of Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**"), and it is to be read together with the Company's Corporate Governance Report ("**CG Report**"), which is accessible at the Company's corporate website at https://ptt.com.my/.

Save for limited exceptions as explained within this Statement and the CG report, the Board is satisfied that the practices set out in the MCCG have, in all material aspects, been applied to achieve the intended outcomes, which are found to be suitable and appropriate to the Company and its subsidiaries ("**Group**").

A summary of the Company's corporate governance practices with reference to the MCCG is described below: -

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Board Roles and Responsibilities

The Board is responsible for the stewardship and oversight of management and operations of the Group by providing leadership and setting strategic aims of the Group that will ensure the necessary resources are in place for the Group to meet its objective and achieve long-term sustainability.

To ensure the effective discharge of its functions and responsibilities, the Board has delegated specific responsibilities to the Audit Committee ("**AC**"), Nomination Committee ("**NC**") and Remuneration Committee ("**RC**"). Each of the Board Committees is entrusted with specific responsibilities to oversee the Company's affairs according to their respective written Terms of Reference. The Chairman of the respective Board Committees shall report the outcome of their meetings to the Board. In addition, the minutes of all Board Committee meetings are circulated to the Board members so that they are kept abreast of proceedings and matters discussed at Board Committee meetings.

The Board is primarily entrusted with the responsibility of charting the direction of the Group and focuses mainly on strategies, financial performance and critical business issues.

Roles of the Chairman, Managing Director and Chief Executive Officer

The roles of the Chairman, Managing Director and Chief Executive Officer are held by different individuals, with each having distinct and clearly defined authority and responsibilities. This is to ensure an appropriate balance of roles, responsibilities and accountability at the Board level. The division of the responsibilities of the Chairman and Managing Director is clearly established and defined in the Board Charter.

Corporate Governance Overview Statement (Cont'd)

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

Roles of the Chairman, Managing Director and Chief Executive Officer (Cont'd)

The Board is helmed by the Executive Chairman, Dato' Abd Rahim bin Jaafar who strives to instil good corporate governance practices, demonstrates strong leadership and oversees the effectiveness of the Board whilst the day-to-day management of the Company will be in the hands of Ms. Tang Choi Peng, the Group Chief Executive Officer cum Executive Director and the Executive Directors, and under the stewardship of Mr. Teo Swee Phin, the Managing Director.

In addition, the Executive Chairman, Dato' Abd Rahim bin Jaafar is not a member of the Board Committees.

Company Secretary

The Board is supported by 2 qualified Company Secretaries in carrying out their roles and responsibilities. In addition, the Company Secretaries play an advisory role to the Board in relation to the Company's Constitution, adopted Board policies and procedures, and compliance with the relevant regulatory requirements, code of guidance and legislation.

The Company Secretaries attend and ensure the Board and the Board Committees meetings are properly convened and all deliberations and decisions are properly minuted and kept. The Company Secretaries also responsible for ensuring that accurate and proper records of the proceedings and resolutions passed are taken and maintained at the Company's registered office.

Access to Information and Advice

To ensure effective conduct of Board and/or Board Committees meetings, a structured formal agenda and Board meeting papers relating to the agenda are circulated to the Directors at least 7 days prior to each meeting. The Directors are thus given sufficient time to peruse the matters that will be tabled at the Board and/or Board Committees meetings to enable them to participate in the deliberations of the issues to be raised and make informed decisions.

Upon conclusion of the meetings, the minutes will be circulated to the Board and Board Committees to ensure that the deliberations and decisions are accurately recorded, including the abstention of the Director(s) from voting or deliberating on a particular matter, if any.

In exercising their duties, the Directors have full and unrestricted access to the Management and Company Secretaries for all information pertaining to the businesses and corporate affairs of the Group. If the need arises, the Directors may also obtain independent professional advice from the Company's External Auditors, Internal Auditors and/or any other professional parties at the Company's expense in furtherance of their duties.

Board Charter

The Company has adopted a Board Charter, which was last reviewed on 12 October 2022, which clearly defines the Board's and Board Committees' roles and responsibilities, composition, authorities, matters reserved for the Board and guidance on the Board's conduct.

The Board Charter would be periodically reviewed and updated in accordance with the needs of the Company and any new regulation that may have an impact on the discharge of the Board's and Board Committees' responsibilities.

The Board Charter is available at the Company's corporate website at https://ptt.com.my/.

Corporate Governance Overview Statement (Cont'd)

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

Code of Conduct and Ethics

The Board has formalised a Code of Conduct and Ethics, which was last reviewed on 12 October 2022, for the Directors, Management and employees of the Group, which set out the standards of business conduct and ethical behaviour for them in their performance and exercise of their responsibilities or when representing the Group.

The Code of Conduct and Ethics is available at the Company's corporate website at https://ptt.com.my/.

Whistleblowing Policy

The Group has established a Whistleblowing Policy, which was last reviewed on 12 October 2022, for the following purposes: -

(a) provide a mechanism to detect and address unacceptable conduct;
(b) ensure whistleblower can raise concerns without fear of suffering retribution and safeguard such person's confidentiality; and
(c) provide a transparent and confidential process for dealing with concerns.

The Group has not received any reports or concerns via the communication and feedback channels stipulated in the Whistleblowing Policy during the FYE 2024.

The Whistleblowing Policy is available at the Company's corporate website at https://ptt.com.my/.

Anti-Bribery and Anti-Corruption Manual

The Company has in place an Anti-Bribery and Anti-Corruption Manual in line with Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018) to prohibit bribery and corruption in the business conduct as well as provide measures within the Group.

The Anti-Bribery and Anti-Corruption Manual was last reviewed on 12 October 2022 and is available at the Company's corporate website at https://ptt.com.my/.

Sustainability

The Board takes into account sustainability considerations when overseeing the Group's planning, performance and long-term strategy. The Board has adopted a Sustainability Policy, which was last reviewed on 12 October 2022. The Company is committed to adopting and applying responsible practices from environmental, social and governance ("**ESG**") perspective, to minimise the risk and to enhance the long-term development impact of its corporate activities. The ESG priorities were incorporated into the business strategies of the Group and were presented to the Board by the Management.

The Group has also established a Sustainability Framework which has adopted the Global Reporting Initiative Standards and the United Nations Sustainable Development Goals.

In addition, the sustainability governance at the Group is anchored upon the structure of the Sustainability Working Committee, which is headed by Mr. Teo Swee Phin, the Managing Director, to ensure accountability across all identified sustainability initiatives in the operations of the Group.

The Group takes cognisant that the stakeholders are always the focal point of the Group's business. Therefore, the Group has engaged with the stakeholders through various methods in different frequencies during the FYE 2024. The details of the stakeholders' engagement are set out in the Sustainability Statement in this Annual Report.

Corporate Governance Overview Statement (Cont'd)

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

Sustainability (Cont'd)

The Board members will keep themselves appraised with contemporaneous and relevant sustainability developments including climate-related risks and opportunities by way of formal training including webinars, structured reading and discussions.

The Board recognises the importance of sustainability in all its operation of the Company and had included sustainability as one of the criteria in the performance evaluations of all the employees including its Board members.

The Board members and Senior Management are encouraged to assess and give feedbacks on how sustainability risks and opportunities are being managed within the Company. Based on annual performance carried out, the Board and Senior Management have performed their respective roles in addressing material sustainability risks and opportunities.

The Sustainability and ESG Policy is available at the Company's corporate website at https://ptt.com.my/.

Board Composition

The Board currently consists of 8 Directors, comprising 3 Independent Non-Executive Directors and 5 Executive Directors. The Board composition complies with Paragraph 15.02(1) of the Main LR of Bursa Malaysia Securities, which requires at least 2 Directors or 1/3 of the Board, whichever is higher, to be independent.

The NC has reviewed the present composition of the Board, and was satisfied that the current size and composition of the Board are adequate and they have adequately carried out their functions within their scope of work.

The profile of each Director is set out in the Profile of Directors in this Annual Report.

Tenure of Independent Directors

The Board takes cognisance that the tenure of an Independent Director should not exceed a cumulative term of 9 years. Upon completing 9 years, an Independent Director may continue to serve on the Board as a Non-Independent Director. In the event such Director is to be retained as an Independent Director, the Board must provide justification and seek annual shareholders' approval through a two-tier voting process.

The Board Charter has stipulated that the tenure for an Independent Director is capped at 9 years and the said Director shall be re-designated as a Non-Independent Director thereafter.

Based on the assessment carried out during the financial year, the NC and the Board are satisfied with the level of independence demonstrated by all the Independent Directors and their ability to act in the Company's best interests.

As of the date of this Statement, none of the Independent Directors has served more than 9 years on the Board.

Corporate Governance Overview Statement (Cont'd)

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

Board Appointment

The NC is responsible for making recommendations relating to any new appointment of Director to the Board and key senior management. The NC is guided by the following procedure of recruitment/ selection for directorship: -

1. Draw up specifications.
2. Search of candidates – with the assistance of external consultants, if necessary;
3. Meet with candidates.
4. Make the recruitment/selection.
5. Issue Letter of Appointment upon selection and approval from the Board.

The NC will not limit themselves by solely rely on the recommendations from the existing Board members, Management or major shareholders, but also will utilise independent sources to identify suitably qualified candidates.

The NC assesses the suitability of the candidates by taking into consideration the mix of skills, knowledge, expertise and experience, professionalism, integrity, competencies and time commitment ("**Criteria**").

During the FYE 2024, the NC has evaluated and satisfied that Ms. Tang Choi Peng has fulfilled the Criteria and recommended her proposed appointment as the Group Chief Executive Officer cum Executive Director to the Board. The Board has subsequently approved her appointment to take effect on 1 March 2024. The identification of the aforesaid candidate has been facilitated through recommendation from the Management and the Board upon evaluation of her vast experience as the Chief Financial Officer of the Company.

Board Diversity

The Board acknowledges the importance of boardroom diversity and supports the recommendation of the MCCG on the establishment of a gender diversity policy. The Board recognises the need for enhancing boardroom diversity, not only in terms of gender but also in terms of age, ethnicity and social background. The Board will strive to encourage a dynamic and diverse composition of the Board by nurturing suitable and potential candidates equipped with the competency, skills, experience, character, time commitment, integrity and other qualities in meeting the Company's future needs.

Currently, the Board has 2 female Directors out of 8 Directors.

Currently, the Board does not have any gender or ethnicity diversity policy.

As of the date of this Statement, the diversity of the Directors of the Company is as follows:-

	Male	Female
Age Group		
41-50	1	1
51-60	2	1
61-70	3	–
Ethnicity		
Malay	3	–
Chinese	3	2
Nationality		
Malaysian	6	2
Foreigner	–	-

Corporate Governance Overview Statement (Cont'd)

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

Board Meetings

The Board meets at least once every quarter, and additional meetings are convened as and when necessary. A total of 6 Board meetings were held during the financial year.

In the interval between Board meetings, any matter requiring urgent Board decisions and/or approvals will be sought via circular resolutions, which are supported with all the relevant information and explanations required for an informed decision to be made.

The record of attendance of each Director for FYE 2024 is as follows: -

Name of Directors	Attendance
Dato' Abd Rahim bin Jaafar	6/6
Teo Swee Leng	6/6
Teo Swee Phin	6/6
Tang Choi Peng *(appointed on 1 March 2024)*	1/1
Datin Ng Fong Shiang	6/6
Dato' Mahamed bin Hussain	6/6
Datuk Ir. Ruslan bin Abdul Aziz	3/6
Dato' Paul Lim Tau Ern *(resigned on 6 September 2024)*	5/6
Toh Seng Thong	6/6

All Directors have complied with the minimum requirement of 50% attendance at Board meetings as stipulated in the Main LR of Bursa Malaysia Securities.

Directors' Training

The Board acknowledges that continuous education is vital in keeping them abreast with corporate developments. Accordingly, the Directors have constantly been updated with relevant reading materials and technical updates, enhancing their knowledge and equipping themselves with the necessary skills to discharge their duties as Directors of the Company effectively.

All Directors have attended the Mandatory Accreditation Programme (MAP) Part I and Part II prescribed by Bursa Malaysia Securities. During the FYE 2024 and up to the date of this Statement, the Directors have attended the following seminars, conferences and programmes: -

No.	Names of Directors	Seminars, conferences and programmes
1.	Dato' Abd Rahim bin Jaafar	1. MAP Part II: Leading for Impact
2.	Teo Swee Leng	1. MAP Part II: Leading for Impact
3.	Teo Swee Phin	1. MAP Part II: Leading for Impact 2. International ESG Conference, Shaping Way for Tomorrow 3. ESG: Building the Foundation – Data Collection Execution & Implementation

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

Directors' Training (Cont'd)

No.	Names of Directors	Seminars, conferences and programmes
4.	Tang Choi Peng	1. MAP Part II: Leading for Impact 2. ESG: Building the Foundation – Data Collection Execution & Implementation 3. E-Invoice (Deloitte)
5.	Datin Ng Fong Shiang	1. MAP Part II: Leading for Impact 2. International ESG Conference, Shaping Way for Tomorrow 3. Rights and Liabilities of Members / Shareholders 4. FTSE4Good ESG Ratings for All PLCs 5. ESG: Building the Foundation – Data Collection Execution & Implementation
6.	Dato' Mahamed bin Hussain	1. MAP Part II: Leading for Impact
7.	Dato' Paul Lim Tau Ern	1. MAP Part II: Leading for Impact
8.	Datuk Ir. Ruslan bin Abdul Aziz	1. MAP Part II: Leading for Impact
9.	Toh Seng Thong	1. MAP Part II: Leading for Impact 2. SSM National Conference 2023

NC

As of the date of this Statement, the NC comprises 3 members, all of whom are Independent Non-Executive Directors. In respect of this, the Company has fulfilled the requirements under Paragraph 15.08A(1) of the Main LR of Bursa Malaysia Securities and Practice 5.8 of the MCCG.

The composition of the NC is as follows: -

Chairman : **Dato' Mahamed bin Hussain**
(Independent Non-Executive Director)

Members : **Datuk Ir. Ruslan bin Abdul Aziz**
(Independent Non-Executive Director)

Toh Seng Thong
(Independent Non-Executive Director)

Dato' Paul Lim Tau Ern
(Independent Non-Executive Director)
(resigned on 6 September 2024)

The NC shall meet at least once a calendar year. 1 NC meeting was held and all the NC members attended the NC meeting.

The Terms of Reference of NC was last reviewed on 12 October 2022 and is available at the Company's corporate website at https://ptt.com.my/.

Corporate Governance Overview Statement (Cont'd)

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

NC (Cont'd)

The summary of the NC's activities for the FYE 2024 and up to the date of this Statement are as follows: -

- Reviewed the revised Directors' Fit and Proper Policy and recommended to the Board for approval;
- Reviewed the appointment of Ms. Tang Choi Peng as Group Chief Executive Officer cum Executive Director and recommended to the Board for consideration and approval;
- Reviewed the current composition of the Board as well as the required mix of skills, experience and other qualities of the Board;
- Assessed the performance and effectiveness of the Board and Board Committees as well as each of its members;
- Reviewed the terms of office and performance of the AC and each of its members;
- Assessed the independence of the Independent Non-Executive Directors pursuant to the MCCG; and
- Reviewed and recommended to the Board the re-election of Directors who are due to retire pursuant to the Company's Constitution.

Annual Evaluation of the Board

The Board, through the NC, and facilitated by the Company Secretaries, has conducted an annual assessment of the Board's effectiveness as a whole and the contribution of each individual Director and independence of the Independent Non-Executive Directors. The Directors are provided with questionnaires to carry out the assessments and are based on their competencies, capabilities, time commitments, integrities, participation and contributions to the Board and Board Committees. The results are then tabulated and presented to the NC for review and recommendation to the Board for notation.

Based on the assessment carried out for the FYE 2024, the Board through the NC, is satisfied that each member of the Board and Board Committees had performed fairly well and had discharged their duties with care and diligence.

The Board is satisfied with the time commitment given by the Directors. All of the Directors do not hold more than 5 directorships in public listed companies as stipulated under the Main LR of Bursa Malaysia Securities. While there is no restriction on directorships in non-listed companies, the Directors are aware that they should avoid over-commitment in multiple directorships, which may affect their performance in carrying out their roles as Directors of the Company.

Re-election of Directors

In accordance with the Company's Constitution, 1/3 of the Directors for the time being or, if their number is not 3 or a multiple of 3, then the number nearest to 1/3 of the Directors shall retire from office and be eligible for re-election provided that all Directors including the Managing Director shall retire from office at least once every 3 years but shall be eligible for re-election. Newly appointed Director(s) shall hold office only until the next Annual General Meeting ("**AGM**") of the Company and be eligible for re-election.

The Board via the NC's annual assessment and fit and proper assessment, is satisfied with the performance of the Directors who are standing for re-election and has recommended to the shareholders their proposed re-election in accordance with the Constitution.

The profiles of the Directors who are due to retire are set out in the Profile of Directors in this Annual Report.

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

RC

As of the date of this Statement, the RC comprises 3 members, all of whom are Independent Non-Executive Directors. In respect of this, the Company has fulfilled the requirements under Guidance 7.2 of the MCCG.

The composition of the RC is as follows: -

Chairman	:	**Dato' Mahamed bin Hussain** (Independent Non-Executive Director)
Members	:	**Datuk Ir. Ruslan bin Abdul Aziz** (Independent Non-Executive Director)
		Toh Seng Thong (Independent Non-Executive Director)
		Dato' Paul Lim Tau Ern (Independent Non-Executive Director) *(resigned on 6 September 2024)*

The RC shall meet at least once a calendar year. 2 RC meetings were held and the record of attendance is as follows: -

Name of Directors	Attendance
Dato' Mahamed bin Hussain	2/2
Datuk Ir. Ruslan bin Abdul Aziz	1/2
Toh Seng Thong	2/2
Dato' Paul Lim Tau Ern *(resigned on 6 September 2024)*	2/2

The RC is established to assist the Board to review the matters relating to the remuneration of the Directors and Senior Management.

The summary of the RC's activities for the FYE 2024 and up to the date of this Statement is as follows: -

- Reviewed the remuneration package of the Managing Director and Executive Directors for the financial year ending 30 June 2025 ("**FYE 2025**") and recommended the same to the Board for consideration and approval;
- Reviewed the payment of Directors' fees and benefits from a day after the Fifty-Third AGM until the next AGM of the Company to be held in the year 2025 and recommended the same to the Board for consideration and approval for tabling for the shareholders' approval at the AGM; and
- Reviewed the remuneration packages for the senior management for the FYE 2025 and recommended the same to the Board for consideration and approval.

The Terms of Reference of RC which set out the authorities, duties and responsibilities of the RC was last reviewed on 12 October 2022 and is available at the Company's corporate website at https://ptt.com.my/.

Corporate Governance Overview Statement (Cont'd)

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

Remuneration Policy

The Board has adopted Remuneration Policies for both Executive Directors and Non-Executive Directors. For Executive Directors, the remuneration packages have been structured to link rewards to corporate and their individual performance. For Non-Executive Directors, the remuneration packages are based on their experience and level of responsibilities undertaken.

The remuneration of Senior Management is determined by the Executive Directors and recommended to the RC and Board for approval.The factors and criteria to be taken into account when determining the remuneration of the Senior Management, or any change to their existing remuneration, by the Executive Directors are, inter alia, as follows: -

- Number of years' working experience;
- Number of years' working experience in the Company/Group;
- Qualifications;
- Specific skillsets and areas of expertise, especially in the areas of the Company's specific business operations;
- Work ethic;
- Aptitude;
- Leadership skills;
- Ability to lead and motivate teams;
- The average salary of a similarly qualified manager in other companies of the same size and in the same industry; and
- Other ad-hoc criteria to be determined on a case-by-case basis.

The Policies governing the Board is available at the Company's corporate website at https://ptt.com.my/.

Directors' Remuneration

The remuneration of the Directors of the Company and Group who served during the FYE 2024 are as follows: -

Company

	RM'000						
Name	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
Executive Directors							
Dato' Abd Rahim bin Jaafar	–	–	–	–	–	–	–
Teo Swee Leng	–	–	–	–	–	–	–
Teo Swee Phin	–	–	–	–	–	–	–
Tang Choi Peng *(appointed on 1 March 2024)*	–	–	–	–	–	–	–
Datin Ng Fong Shiang	–	–	–	–	–	–	–
Tuan Sr. Hj. Mohd Farid bin Naim *(resigned on 1 October 2023)*	–	–	–	–	–	–	–

Corporate Governance Overview Statement (Cont'd)

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

Directors' Remuneration (Cont'd)

Company (Cont'd)

	RM'000						
Name	**Fee**	**Allowance**	**Salary**	**Bonus**	**Benefits-in-kind**	**Other emoluments**	**Total**
Non-Executive Directors							
Dato' Mahamed bin Hussain	48	3	–	–	–	–	51
Datuk Ir. Ruslan bin Abdul Aziz	48	2	–	–	–	–	50
Toh Seng Thong	48	3	–	–	–	–	51
Dato' Paul Lim Tau Ern *(resigned on 6 September 2024)*	48	2	–	–	–	–	50

Group

	RM'000						
Name	**Fee**	**Allowance**	**Salary**	**Bonus**	**Benefits-in-kind**	**Other emoluments**	**Total**
Executive Directors							
Dato' Abd Rahim bin Jaafar	–	–	300	25	24	–	349
Teo Swee Leng	8	20	730	65	9	–	832
Teo Swee Phin	148	86	1,208	108	–	–	1,550
Tang Choi Peng *(appointed on 1 March 2024)*	–	20	180	–	3	–	203
Datin Ng Fong Shiang	–	6	304	26	17	–	353
Tuan Sr. Hj. Mohd Farid bin Naim *(resigned on 1 October 2023)*	–	–	21	–	–	–	21
Non-Executive Directors							
Dato' Mahamed bin Hussain	48	3	–	–	–	–	51
Datuk Ir. Ruslan bin Abdul Aziz	48	2	–	–	–	–	50
Toh Seng Thong	48	3	–	–	–	–	51
Dato' Paul Lim Tau Ern *(resigned on 6 September 2024)*	48	2	–	–	–	–	50

During the FYE 2024, the Company only has 5 key senior management. The 5 key senior management remuneration during the FYE 2024 in bands of RM50,000 are as follows: -

Range of remuneration	Number of Key Senior Management
RM100,001-RM150,000	1
RM150,001-RM200,000	0
RM200,001-RM250,000	1
RM250,001-RM300,000	0
RM300,001-RM350,000	0
RM350,001-RM400,000	0
RM400,001-RM450,000	3

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

AC

The AC comprises exclusively of Independent Non-Executive Directors and is chaired by Dato' Mahamed bin Hussain, who is distinct from the Board Chairman. As such, the AC composition complies with Paragraphs 15.09 and 15.10 of the Main LR of Bursa Malaysia Securities and the Step Up Practice 9.4 of the MCCG. In addition, none of the Directors has appointed Alternate Directors.

None of the AC members were former partners of the Group's external audit firms and/or affiliate firms. Nevertheless, in order to maintain the highest level of independence, the Board has no intention of appointing any former audit partner to the AC. In line with the MCCG, the Board has adopted the Terms of Reference of AC that no former partner of the external audit firm of the Group (inclusive affiliate firm and/or those providing advisory services, tax consulting and etc) could be appointed as a member of the AC before observing a cooling-off period of at least 3 years.

Based on the outcome of the performance assessment on the AC by the NC, the NC and the Board regard the AC members collectively possess the accounting and related financial management expertise and experience required for the AC to discharge its responsibilities and assist the Board in its oversight over the financial reporting process.

The AC members received ongoing trainings and development as disclosed in this Statement to keep themselves updated on the relevant developments in accounting and auditing standards, practices and rules.

The AC is responsible for overseeing the financial statements reporting, risk management, internal control system, related party transactions, financial assistance support, internal audit function and the Company's relationship with Internal Auditors and External Auditors in relation to their scope of work and audit performance.

In presenting the annual financial statements and quarterly financial results announcements to shareholders, the Board aims to present a balanced assessment of the Group's financial position and prospects to ensure that the financial results are released to Bursa Malaysia Securities within the stipulated timeframe and that the financial statements comply with the regulatory reporting requirements. In this regard, the Board is assisted by the AC in overseeing and governing the Group's financial reporting processes and the quality of its financial reporting.

The financial statements are prepared on a going concern basis and give a true and fair view of the financial position of the Group as of 30 June 2024.

The AC's membership, responsibilities and works done in the FYE 2024 are set out in the AC Report in this Annual Report.

External Auditors

The AC maintains a transparent and professional relationship with the Group's External Auditors. The AC has evaluated the External Auditors' suitability, objectivity, independence and performance based on the criteria of competence, adequacy of experience, quality of services, sufficiency of resources, audit planning as well as communication and interaction.

Having regard to the outcome of the External Auditors' annual assessment for the FYE 2024, the Board had approved the recommendation of the AC and tabled the re-appointment of Moore Stephens Associates PLT as the Company's External Auditors to the shareholders for approval at the forthcoming Fifty-Third AGM.

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

Risk Management and Internal Control Framework

The Board acknowledges its responsibility for the Group's system of internal controls covering not only financial controls but also operational and compliance controls as well as risk management. The internal control system involves the business and key management of each business, including the AC, and is formulated to meet the Group's particular needs and to manage the risks to which it is exposed. The system, by its nature, can only provide reasonable but not absolute assurance against material misstatements, losses and fraud.

The Group has outsourced its internal audit function to an independent professional services firm, PKF Risk Management Sdn. Bhd., which reports directly to the AC. During the FYE 2024, the AC is satisfied with the Internal Auditors' competencies, experience and adequate resources to carry out their function effectively and independently.

The details of the Company's risk management and internal control framework are set out in the Statement on Risk Management and Internal Control in this Annual Report.

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

Engagement with Stakeholders

The Board recognises the importance of timely and high-quality disclosure as a key component to uphold the principles and best practices of corporate governance for the Group. In addition, it is critical to maintaining an effective communication policy between the Company and its public members to build trust and understanding between the Company and its various stakeholders.

The various channels of communication with the shareholders are as follows: -

- Annual Report;
- AGM;
- Quarterly announcements on financial results to Bursa Malaysia Securities;
- Various corporate disclosures, circulars and announcements made to Bursa Malaysia Securities; and
- Corporate website at https://ptt.com.my/.

Corporate Disclosure Policy

The Group has established a Corporate Disclosure Policy, which was last reviewed on 12 October 2022, to ensure the communications to the investing public regarding the business, operations and financial performance of the Company are accurate, timely, factual, informative, consistent, broadly disseminated and where necessary, information filed with regulators is in accordance with applicable legal and regulatory requirements.

The Corporate Disclosure Policy applies to all Directors, officers and employees of the Company and its subsidiaries and those authorised to speak on their behalf.

The Corporate Disclosure Policy is available at the Company's corporate website at https://ptt.com.my/.

Corporate Governance Overview Statement (Cont'd)

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

Conduct of General Meetings

The AGM is the principal forum for dialogue and interaction with all shareholders for which due notice is given. In addition, the AGM provides an opportunity to the shareholders to seek and clarify any issues pertaining to the Group and better understand the Group's activities and performance.

The notice of the Fifty-Second AGM together with the Annual Report are despatched to the shareholders at least 28 days prior to the meeting date.

In addition, to ensure effective participation and engagement, the Board encourages the shareholders to participate in the question-and-answer session in the Company's Extraordinary General Meetings ("**EGMs**") held on 20 July 2023 and 15 December 2023 as well as Fifty-Second AGM, whereby the Directors, Chair of the AC, NC and RC, Management, and External Auditors/advisors in attendance will respond to the shareholders' queries.

In line with Paragraph 8.29A of the Main LR of Bursa Malaysia Securities, all resolutions set out in the notice of the EGMs and Fifty-Second AGM were carried out by poll voting. An independent scrutineer was also appointed to scrutinise the polling process.

Although the Board recognises the importance of leveraging on technology to facilitate remote shareholders' participation and voting on all resolutions via remote participation and voting facilities, but after due consideration of the affordability of technology and infrastructure as well as sufficient number of shareholders residing at particular remote location(s), the Board is of the view that physical general meetings support more meaningful engagement and interaction between Directors, senior management and shareholders. The shareholders are allowed to vote in absentia by appointing proxy to vote on their behalf by submitting their proxy form with pre-determined voting instructions for the proxy to vote for and on their behalf. The shareholders and proxies were provided with sufficient opportunity to pose questions during the EGMs and AGM. There were no questions posed during the EGMs held on 20 July 2023 and 15 December 2023 as well as Fifty-Second AGM held on 28 December 2023.

The Minutes of the EGMs held on 20 July 2023 and 15 December 2023 as well as Fifty-Second AGM were made available to the shareholders within 30 business days after the general meetings at the Company's corporate website at https://ptt.com.my/.

KEY FOCUS AREAS AND FUTURE PRIORITIES

The Board is fully committed to ensuring good governance practices and compliance with regulatory requirements under the MCCG and relevant rules and regulations.

The Board has identified environmental, social and governance as a key focus area for the future. Accordingly, the Board will provide the appropriate guidance and oversight to the Senior Management team to develop a more robust sustainability agenda for the Group.

Apart from the above, the Board will continue to operationalise and improve the Company's corporate governance practices and instil a risk and governance awareness culture and mindset throughout the organisation in the best interests of all stakeholders.

This Statement and the CG Report were approved by the resolution passed at the Board Meeting held on 17 October 2024.

AUDIT COMMITTEE REPORT

The Board of Directors of PTT Synergy Group Berhad is pleased to present the Audit Committee Report for the financial year ended 30 June 2024 ("**FYE 2024**") in accordance with Paragraph 15.15 of the Main Market Listing Requirements ("**Main LR**") of Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**").

A. COMPOSITION

The Audit Committee ("**AC**") is appointed by the Board of Directors amongst its members, which comprise solely of Independent Directors. The AC members have elected a Chairman from among themselves, who is an Independent Non-Executive Director. In respect of this, the Company has fulfilled the requirements under Paragraphs 15.09(1)(a), 15.09(1)(b) and 15.10 of the Main LR of Bursa Malaysia Securities and the Step-Up Practice 9.4 of the Malaysian Code on Corporate Governance.

The AC members comprises: -

Chairman : **Dato' Mahamed bin Hussain**
(Independent Non-Executive Director)

Members : **Datuk Ir. Ruslan bin Abdul Aziz**
(Independent Non-Executive Director)
Toh Seng Thong
(Independent Non-Executive Director)
Dato' Paul Lim Tau Ern
(Independent Non-Executive Director)
(Resigned on 6 September 2024)

Mr. Toh Seng Thong is a member of the Malaysian Institute of Accountants ("**MIA**"). Accordingly, the Company complied with Paragraph 15.09(1)(c)(i) of the Main LR of Bursa Malaysia Securities, which requires at least 1 member of the AC must be a member of the MIA.

B. TERMS OF REFERENCE

The Terms of Reference of the AC, which sets out the composition, proceedings of the meeting, authority, duties and responsibilities of the AC, is available on the Company's corporate website at https://ptt.com.my/.

C. AC MEETINGS

A total of 5 AC meetings were held during the FYE 2024. The details of attendance of each member are as follows: -

	Meeting Dates					
Name of Members	**29.08.2023**	**19.10.2023**	**30.11.2023**	**28.02.2024**	**30.05.2024**	**Total**
Dato' Mahamed bin Hussain	√	√	√	√	√	5/5
Datuk Ir. Ruslan bin Abdul Aziz	√	X	√	X	√	3/5
Toh Seng Thong	√	√	√	√	√	5/5
Dato' Paul Lim Tau Ern	√	√	X	√	√	4/5

The Deputy Chairman, Managing Director and Executive Director(s) were invited to attend all AC meetings to facilitate direct communications and to provide clarification on the financial reports. Minutes of each meeting were recorded and tabled for confirmation at the next AC meeting and subsequently presented to the Board of Directors for notation.

Audit Committee Report (Cont'd)

D. SUMMARY OF THE WORKS OF THE AC

The works undertaken by the AC in the discharge of its functions and duties for the FYE 2024 are summarised as follows: -

Financial Reporting

The AC reviewed and discussed the quarterly results and annual audited financial statements of the Company and the Group prior to recommendations to the Board of Directors for consideration and approval.

The dates on which the AC meetings were convened during the financial year to deliberate on financial reporting matters are detailed below: -

Date of Meetings	Activities
29 August 2023	• Unaudited quarterly report on consolidated results of the Company and Group for the fourth quarter ended 30 June 2023.
19 October 2023	• Audited financial statements of the Company and Group for the financial year ended 30 June 2023.
30 November 2023	• Unaudited quarterly report on consolidated results of the Company and Group for the first quarter ended 30 September 2023.
28 February 2024	• Unaudited quarterly report on consolidated results of the Company and Group for the second quarter ended 31 December 2023.
30 May 2024	• Unaudited quarterly report on consolidated results of the Company and Group for the third quarter ended 31 March 2024.

The AC carried out the review of the quarterly results and annual audited financial statements to ensure that they were prepared in accordance with the applicable Malaysian Financial Reporting Standards, International Financial Reporting Standards, the requirements of the Companies Act 2016 and the Main LR of Bursa Malaysia Securities.

External Audit

(i) Reviewed the AC Closing Memorandum for the financial year ended 30 June 2023, outlining the status of audit, significant audit findings, key audit matters, internal control and internal audit, unadjusted audit differences and independence of the External Auditors.

(ii) Evaluated the suitability, objectivity, independence and performance of the External Auditors, and recommended to the Board of Directors on the re-appointment of the External Auditors.

(iii) Reviewed the Audit Planning Memorandum for the FYE 2024, outlining the responsibilities of Directors and Management, External Auditors' responsibilities, External Auditors' independence, fraud considerations, audit approach and timeline, key audit matters, areas of audit emphasis, accounting standards update and proposed audit fees.

(iv) Reviewed the audit and non-audit fees for the FYE 2024 prior to its approval by the Board of Directors.

(v) Conducted 3 private sessions on 29 August 2023, 19 October 2023 and 30 May 2024 with the External Auditors, without the presence of the Executive Board members and Management staff, to discuss their observations and areas for improvements.

Audit Committee Report (Cont'd)

D. SUMMARY OF THE WORKS OF THE AC (CONT'D)

Internal Audit

(i) Reviewed the Internal Audit Reports which covered the Project Management process of PTT Infra Sdn. Bhd. and Pembinaan Tetap Teguh Sdn. Bhd.

(ii) Reviewed the adequacy of the scope, functions, competency and resources of the internal audit functions and that it has the necessary authority to carry out its work.

(iii) Reviewed the Internal Audit Planning Memorandum tabled by the Internal Auditors and agreed on the timing and frequency of the proposed audit area.

Related Party Transactions and Conflict of Interest

(i) Reviewed the quarterly report on recurrent related party transactions for compliance with both in-house procedures and the Main LR of Bursa Malaysia Securities.

(ii) Reviewed the Circular to Shareholders in relation to the proposed new and renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature prior to its approval by the Board of Directors.

(iii) Reviewed the conflict of interest ("**COI**") situation that arise, persist or may arise within the Group on quarterly basis, including any transactions, procedures or course of conduct that raises questions on Management's integrity. To manage COIs effectively, measures have been put in place, including assessing COIs during quarterly meetings or whenever they are reported by Board members. Board members are also required to declare any actual or potential COIs during Board meetings.

Other Matters

(i) Reviewed and confirmed the minutes of the AC meetings.

(ii) Reviewed the quarterly updates on the financial assistance status presented by the Management.

(iii) Reviewed the revised Terms of Reference of AC prior to submission to the Board of Directors for consideration and approval.

(iv) Reviewed the AC Report and Statement on Risk Management and Internal Control pursuant to Paragraph 15.26(b) of the Main LR of Bursa Malaysia Securities prior to submission to the Board of Directors for consideration and approval and inclusion in the Annual Report of the Company.

E. INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to an independent professional services firm, PKF Risk Management Sdn. Bhd., which reports directly to the AC.

The AC has full access to the outsourced Internal Auditors and reports on all internal audits performed. The main role of the internal audit function is to carry out independent assessments of the adequacy and effectiveness of the Group's internal control systems in anticipation of any potential risk areas within key business processes of the Group.

Audit Committee Report (Cont'd)

E. INTERNAL AUDIT FUNCTION (CONT'D)

The engagement team from PKF Risk Management Sdn. Bhd. is headed by Dr. Wong Ka Fee, who has over 17 years of experience in internal audit, risk management, compliance review and business advisory. Dr. Wong Ka Fee has a Doctoral Degree in Behavioral Finance from Universiti Utara Malaysia and double Master degrees from 2 different prestigious Universities from United Kingdom, i.e., Master of Science in Management Consultancy from Liverpool John Moores University and Master of Business Administration from University of Wales. All the personnel deployed by PKF Risk Management Sdn. Bhd. are free from any relationships or conflict of interest, which could impair their objectivity and independence during the course of work. The internal audits carried out by the Internal Auditors are guided by the International Professional Practices Framework issued by the Institute of Internal Auditors Inc., a globally recognised professional body for internal auditors. The number of staff deployed for the internal audit reviews of the Group ranges from 2 to 4 staff per visit.

The AC had evaluated and reviewed the internal audit function in terms of scope, competency, resources and independence. The AC was also satisfied that the Internal Auditors performed their work in accordance with the principles of the international internal auditing standards covering the conduct of the audit planning, execution, documentation, communication of findings and consultation with key stakeholders on the audit concerns.

The AC and Board of Directors were satisfied with the performance of the outsourced Internal Auditors and had, in the interest of greater independence and continuity in the internal audit function, decided to continue to outsource the internal audit function.

The Internal Auditors assisted the AC in discharging their duties and responsibilities by executing independent reviews, objective assurance and consulting activities within the Group's operations through audits of the Group's key operations and also to ensure consistency in the control environment and compliance with established policies and procedures, rules, regulations, guidelines, directives and relevant laws. The activities performed by the outsourced Internal Auditors include: -

(i) Performed reviews of the key processes to examine and evaluate the adequacy and efficiency of the operations' internal controls and highlighted any significant risks and non-compliance matters that have an impact on the Group;

(ii) Developed Internal Audit Planning Memorandum for the FYE 2024, setting out the implementation of the internal audit scope for the Group based on agreed communication, timelines and reporting protocols; and

(iii) Conducted internal audit which has covered the Project Management process of Pembinaan Tetap Teguh Sdn. Bhd.

The total cost incurred for the internal audit function of the Group for the FYE 2024 amounted to RM15,000,000/-.

BOARD'S CONCLUSION

For the FYE 2024, the terms of office and performance of the AC and each of its members were reviewed by the Nomination Committee. Having reviewed the results of the AC's and individual AC members' performance, the Board of Directors is satisfied that the AC and its members have carried out their functions, duties and responsibilities according to the Terms of Reference of the AC. There were no material misstatements, frauds and deficiencies in the internal control systems not addressed by the Management.

The AC Report was approved by the resolution passed at the Board of Directors' Meeting held on 17 October 2024.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

1. INTRODUCTION

Pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements ("**Main LR**") of Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**"), the Board of Directors ("**Board**") of listed issuers is required to include in their Annual Report a "statement on the state of its risk management and internal controls". Accordingly, this Statement on Risk Management and Internal Control ("**Statement**") has been prepared in accordance with Paragraph 15.26(b) of the Main LR of Bursa Malaysia Securities and as guided by the "Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers" issued by the Institute of Internal Auditors Malaysia and adopted by Bursa Malaysia Securities.

2. BOARD RESPONSIBILITY

The Board acknowledges its overall responsibility to establish a sound system of internal control and risk management in order for the Company and its subsidiaries ("**Group**") to safeguard shareholders' investment and the Group's assets. Notwithstanding that, in view of the inherent limitations in any system of internal control, the Board recognises that reviewing the Group's system of internal control is a concerted and continuing process, designed to manage rather than eliminate the risk of failure to achieve business objectives. Accordingly, the system can only provide reasonable and not absolute assurance against material misstatement of management, loss or fraud and failure to achieve business objectives.

During the financial year ended 30 June 2024 ("**FYE 2024**"), the Board reviewed the adequacy and effectiveness of the risk management and internal control systems and concluded that the Group's risk management and internal control systems have been operating adequately and effectively. The Board has also received assurance from the Managing Director, Group Chief Executive Officer cum Executive Director and Group Chief Financial Officer that the Group's risk management and internal control systems have been operating adequately and effectively, in all material aspects, during the FYE 2024 and up to the date of this Statement.

The Board has extended the responsibilities of the Audit Committee ("**AC**") to include the role of reviewing and monitoring the effectiveness of the Group's internal control system. The AC reviews and deliberates reports from the Internal Auditors on findings from audits carried out at operating subsidiaries, and the External Auditors on areas for improvement identified during the course of the statutory audit.

The AC Report is set out on pages 121 to 124 of the Annual Report for the FYE 2024.

3. INTERNAL CONTROL AND RISK MANAGEMENT FRAMEWORK

The Board confirms that there are reasonable sound internal control frameworks and an on-going process for identifying, evaluating, monitoring and managing the significant risks faced by the Group in achieving its objectives. The Board regularly reviews the regulatory and business environment to ensure reasonable, adequate and effective systems of risk management and internal control.

The Board recognises that the systems of internal control and risk management are designed to identify, manage and minimise the risks of failure rather than eliminate the risks involved. Therefore, the Board is aware that the system has been implemented to provide only reasonable and not absolute assurance against the occurrence of any material misstatement and loss. The Board recognises that there should be a balance of reasonable cost and benefit in implementing the internal control and risk management systems.

Statement On Risk Management And Internal Control (Cont'd)

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

In addition, the Group's internal control system includes the following key elements: -

- The Group has a defined delegation of authority with clear lines of responsibility. It sets out the appropriate approving authority at various levels of Management for decisions to be taken including matters that require Board approvals. The relevant policies are reviewed regularly and updated when necessary.

- The Group has ensured that the financial and operational policies and procedures are in place, such as the Standard Operating Procedure Manual ("**Manual**") for the property and construction division which sets out standard procedures for its major divisions, for example, Contract and Project Division and Purchasing Division. The Manual is subject to review and update from time to time.

- The internal control mechanism is embedded in various work processes at appropriate levels of the Group, such as credit control and aging review of debtors and creditors.

- Regular performance reports provide the Management and the Board with comprehensive financial information on the Group's performance.

- The Group has implemented budgetary controls for its projects.

4. MONITORING AND REVIEW

The Board recognises that the Managing Director and Group Chief Executive Officer cum Executive Director oversee the Group's strategies and business direction, including the Group's operation, development, finance and treasury functions.

The Board places importance on risk management and internal control to safeguard the stakeholders' interest in order to ensure the Group's internal control functions effectively. Accordingly, the internal audit function has been outsourced to an independent professional services firm, PKF Risk Management Sdn. Bhd., who will review the internal controls of the selected activities of the Group's business units based on an internal audit plan presented to the AC for approval.

The Internal Auditors will present their findings in internal audit reports to the AC for review. The AC Chairman will then report to the Board on the matter. The Board places the reliance on the internal audit function to identify the state of internal control system of the Group.

The engagement team from PKF Risk Management Sdn. Bhd. is headed by Dr. Wong Ka Fee, who has over 17 years of experience in internal audit, risk management, compliance review and business advisory. Dr. Wong Ka Fee has a Doctoral Degree in Behavioral Finance from Universiti Utara Malaysia and double Master degrees from 2 different prestigious Universities from United Kingdom, i.e., Master of Science in Management Consultancy from Liverpool John Moores University and Master of Business Administration from University of Wales. The internal audits carried out by the Internal Auditors are guided by the International Professional Practices Framework issued by the Institute of Internal Auditors Inc., a globally recognised professional body for internal auditors. Upon conduct a review on the internal audit function, the AC concluded that the internal audit function is independent and PKF Risk Management Sdn. Bhd. has performed their audit assignments with impartiality, proficiency and due professional care for the FYE 2024.

During the FYE 2024, the AC, with the assistance of the external professional consulting firm, PKF Risk Management Sdn. Bhd., has conducted an internal audit on the Project Management process of Pembinaan Tetap Teguh Sdn. Bhd.

The Group paid the Internal Auditors a professional fee of RM15,000.00 to carry out the internal audit functions of the Group for the FYE 2024.

Statement On Risk Management And Internal Control (Cont'd)

5. REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors have reviewed this Statement for the inclusion in the Annual Report for the FYE 2024 in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagement other than Audits or Reviews of Historical Financial Information and Audit and Assurance Practice Guide 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Controls. Their work performed is restricted to the requirements by Paragraph 15.23 of the Main LR of Bursa Malaysia Securities.

Based on their review, the External Auditors have reported that nothing has come to their attention that cause them to believe that this Statement intended to be included in the Annual Report of the Company is not prepared, in all material respects, in accordance with the disclosures required by Paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is factually inaccurate.

6. CONCLUSION

The Group has in place an ongoing process for identifying, evaluating, monitoring and managing the significant risks affecting the achievement of its business objectives, and this process has operated during the FYE 2024 and up to the date of approval of the Annual Report for the FYE 2024. As a result, no significant control deficiencies were noted during the FYE 2024, which has a material impact on the Group's performance or operations.

This Statement was approved by the resolution passed at the Board Meeting held on 17 October 2024.

ADDITIONAL COMPLIANCE INFORMATION

The following information is provided in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**"):-

1. UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

The Company had at its Extraordinary General Meeting held on 15 December 2023 obtained approval from its shareholders on the proposed private placement of up to 36,000,000 new ordinary shares in PTT Synergy Group Berhad ("**the Company**") representing approximately 20% of the total number of issued shares in the Company ("**Private Placement**").

As at 30 October 2024, the gross proceeds of RM51,873,575/- raised from the Private Placement was utilised in the following manner: -

Details of Utilisation	Actual Utilisation (RM'000)	Unutilisation (RM'000)
Working capital for construction and development projects	51,121	–
Estimated expenses for the corporate proposals	753	–
Total	**51,874**	**–**

2. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees incurred and payable to the External Auditors and/or its affiliates by the Company and the Group for the financial year ended 30 June 2024 are as follows:-

	Company RM	Group RM
Audit Fees	60,000	255,500
Non-Audit Fees	26,500	33,500

3. MATERIAL CONTRACTS

There were no material contracts entered into by the Company and its subsidiaries involving the interests of Directors, chief executive (who is not a Director) and major shareholders, either still subsisting at the end of the financial year or entered into since the end of the previous financial year.

Additional Compliance Information (Cont'd)

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

The Company had obtained a mandate from its shareholders for the RRPTs at its Fifty-Second Annual General Meeting ("**Shareholders' Mandate**").

In compliance with Paragraph 10.09(2)(b) and Paragraph 3.1.5 of Practice Note 12 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the details of RRPTs conducted during the financial year ended 30 June 2024 pursuant to the Shareholders' Mandate are set out below:-

<table>
<tr><th>Related parties</th><th>Interested Directors and/or interested major shareholders</th><th>Nature of Transactions</th><th>Aggregate Value of RRPTs from 1 July 2023 to 30 June 2024 (RM'000)</th></tr>
<tr><td>PTT Jentera Sdn. Bhd. ("PTTJ")</td><td rowspan="5">Teo Swee Phin
(He is a Director and shareholder in PTTJ)

Dato' Abd Rahim bin Jaafar
Teo Swee Leng
Aim Tetap Teguh Group Sdn. Bhd.
(They are person connected to Teo Swee Phin)</td><td>Receipt of services of repair and maintenance of machinery including spare parts from PTTJ</td><td>–</td></tr>
<tr><td>PTTJ</td><td>Purchasing and/or leasing of machinery for the undertaking of construction/ infrastructure from PTTJ</td><td>19,079</td></tr>
<tr><td>PTTJ</td><td>Purchasing of concrete from PTTJ</td><td>–</td></tr>
<tr><td>Aim Concept Sdn. Bhd. ("ACSB")</td><td>Sale of building materials for construction/ infrastructure, and water related products and systems to ACSB</td><td>149</td></tr>
<tr><td>Teo Swee Phin</td><td>Rental of office spaces located at Unit Nos. B1-1-1, B2-23A-1, B2-25-1, B2-25-2, Space U8 Mall, No. 6 Persiaran Pasak Bumi, Taman Bukit Jelutong, Seksyen U8, 40150 Shah Alam, Selangor measuring approximately 236 square metres each unit from Teo Swee Phin</td><td>18</td></tr>
</table>

5. EMPLOYEES' SHARE SCHEME ("ESS")

The Company had obtained an approval from its shareholders at the Extraordinary General Meeting held on 15 December 2023 to establish an ESS of up to 15% of the total number of issued shares of the Company (excluding treasury shares, if any) at any point in time during the duration of the ESS, comprising a share option scheme and a share grant plan, for the eligible directors and executive/employees of the Company and its subsidiaries which are not dormant.

There were no options or shares granted under the ESS during the financial year ended 30 June 2024.

STATEMENT ON DIRECTORS' RESPONSIBILITY

STATEMENT ON DIRECTORS' RESPONSIBILITY

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

In preparing the annual financial statements, the Directors also have: -

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

The Directors are also responsible for: -

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

The Statement on Directors' Responsibility is made in accordance with a resolution passed at the Board of Directors' Meeting held on 17 October 2024.

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DIRECTORS' REPORT

DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2024.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment and property holding. The principal activities of its subsidiaries are set out in Note 11 to the financial statements.

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

RESULTS

	Group RM	Company RM
Net profit for the financial year	21,228,901	7,699,506
Attributable to		
Owners of the Company	20,618,065	
Non-controlling interests	610,836	
	21,228,901	

RESERVES AND PROVISIONS

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

DIVIDENDS

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

Directors' Report (Cont'd)

ISSUANCE OF SHARES OR DEBENTURES

During the financial year, the Company has increased its issued ordinary shares from RM83,196,408 to RM215,733,084 by the issuance and allotment of the following:

- 81,081,081 new ordinary shares at an issue price of RM1.00 per share for the purpose of acquisition of a subsidiary; and
- 36,000,000 new ordinary shares through private placement via first tranche of 3,054,200 new ordinary shares at an issue price of RM1.015 per share, second tranche of 2,300,000 new ordinary shares at an issue price of RM1.11 per share, third tranche of 15,000,000 new ordinary shares at an issue price of RM1.11 per share and fourth tranche of 15,645,800 new ordinary shares at an issue price of RM1.89 per share for working capital purpose and net off with incurred placement fee of RM417,980.

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company.

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

OPTIONS GRANTED OVER UNISSUED SHARES

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

DIRECTORS OF THE COMPANY

The Directors in office since the beginning of the financial year to the date of this report are: -

Dato' Abd Rahim Bin Jaafar *	
Datuk Ir. Ruslan Bin Abdul Aziz	
Dato' Mahamed Bin Hussain	
Teo Swee Leng *	
Teo Swee Phin *	
Toh Seng Thong	
Datin Ng Fong Shiang *	
Tang Choi Peng	Appointed on 1 March 2024
Tuan Sr. Hj. Mohd Farid Bin Naim *	Resigned on 1 October 2023
Dato' Paul Lim Tau Ern *	Resigned on 6 September 2024

* *These Directors are also Directors of subsidiaries included in the financial statements of the Group for the financial year.*

Directors' Report (Cont'd)

DIRECTORS OF THE SUBSIDIARIES OF THE COMPANY

Pursuant to Section 253(2) of the Companies Act 2016, the Directors who served in the subsidiaries (excluding Directors who are also Directors of the Company) since the beginning of the financial year to the date of this report are as follows:

Faddly Bin Nordin	
Lum Pek Yoke	
Muhamad Mu'azzam Bin Ahmadin	
Syed Mohammad Zaki Bin Baain	
Then Ikh Choo	Appointed on 5 September 2023

DIRECTORS' INTERESTS

According to the register of Directors' shareholdings, the interest of Directors in office at the end of financial year in shares of the Company and its related corporations during the financial year were as follows: -

	Number of Ordinary Shares			
	At 01.07.2023 Unit	Bought Unit	Sold Unit	At 30.06.2024 Unit
Name of Directors				
Ordinary shares in the Company				
Direct Interest:				
- Teo Swee Phin	112,500	25,932,812	–	26,045,312
- Teo Swee Leng	–	7,524,620	–	7,524,620
Indirect Interest:				
- Dato' Abd Rahim Bin Jaafar *	52,117,400	48,648,649	–	100,766,049
- Teo Swee Leng *	52,117,400	48,648,649	–	100,766,049
- Teo Swee Phin *	52,117,400	48,648,649	–	100,766,049

* *Indirect interest pursuant to Section 8 of the Companies Act 2016 via Aim Tetap Teguh Group Sdn. Bhd.*

Dato' Abd Rahim Bin Jaafar, Teo Swee Leng and Teo Swee Phin are deemed to have interest in the shares held by the Company and its subsidiaries by virtue of their substantial interest in shares via Aim Tetap Teguh Group Sdn. Bhd.

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

DIRECTORS' REMUNERATION AND BENEFITS

The amounts of fees and other benefits paid to or receivable by the Directors or past Directors of the Company and the estimated money value of any other benefits received or receivable by them otherwise than in cash from the Company and its subsidiaries for their services to the Company and its subsidiaries were as follows: -

	Company RM	Subsidiaries RM
Fees	192,000	156,000
Salaries, bonus and other emoluments	9,600	3,098,108
Contribution to defined contribution plan	–	354,532
Social security contribution	–	9,998
	201,600	3,618,638
Estimated money value of benefits-in-kind	–	53,358
Total fees and other benefits	201,600	3,671,996

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than Directors' emoluments received or due and receivable as disclosed in Note 5(a) to the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, other than those as disclosed in Note 32 to the financial statements.

There were no arrangements during or at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

OTHER STATUTORY INFORMATION

(a) Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:

   (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no known bad debts and that adequate provision had been made for doubtful debts; and

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

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

   (i) which would necessitate the writing off of bad debts or render the amount of the provision for doubtful debts inadequate to any substantial extent;

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

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

   (iv) not otherwise dealt with in the report or financial statements which would render any amount stated in the financial statements misleading.

Directors' Report (Cont'd)

OTHER STATUTORY INFORMATION (CONT'D)

(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 and of the Company which has arisen since the end of the financial year.

(d) In the opinion of the Directors:

(i) no contingent or other liability has become enforceable, or 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 Group and of the Company to meet their obligations as and when they fall due;

(ii) the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature; and

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

(e) The fees paid to or receivables by the auditors of the Company and its subsidiaries as remuneration for their services as auditor as set out in Note 5 to the financial statements.

(f) There was no amount paid to or receivable by any third party in respect of the services provided to the Company or any of its subsidiaries by any Director or past Director of the Company.

(g) The total amount of indemnity given to or insurance effected for the Directors and officers of the Group and of the Company is RM17,984,858 and RM7,460,891 respectively, with insurance premium of RM4,961,912 and RM2,000,000 respectively. No indemnity was given to or insurance effected for auditors of the Group and of the Company.

Directors' Report (Cont'd)

HOLDING COMPANY

The Directors regard Aim Tetap Teguh Group Sdn. Bhd., a private limited company incorporated in Malaysia as the holding company.

EVENTS SUBSEQUENT TO THE END OF FINANCIAL YEAR

Details of events subsequent to the end of the financial year are disclosed in Note 39 to the financial statements.

AUDITORS

The auditors, Messrs. Moore Stephens Associates PLT, have expressed their willingness to continue in office.

Approved and signed on behalf of the Board in accordance with a resolution of the Directors dated 17 October 2024.

DATO' ABD RAHIM BIN JAAFAR **TEO SWEE PHIN**

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF PTT SYNERGY GROUP BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of PTT Synergy Group Berhad, which comprise the statements of financial position as at 30 June 2024 and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 144 to 241.

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 30 June 2024, 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 for Opinion

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

Independence and Other Ethical Requirements

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 IESBA Code.

Key Audit Matters

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

Recoverability Assessment of Trade Receivables

As at 30 June 2024, as shown in Note 14 to the financial statements, the Group has net trade receivables balance of RM82,397,089, representing approximately 8% of the Group's total assets. As at the end of the financial year, the Group has recognised an accumulated impairment losses of RM5,075,650 on gross trade receivables.

Independent Auditors' Report (Cont'd)

Key Audit Matters (Cont'd)

Recoverability Assessment of Trade Receivables (Cont'd)

The impairment losses have been determined in accordance with the Expected Credit Loss (''ECL'') model which requires significant judgement and estimation to determine the recoverability of the trade receivables. The management applied assumptions in assessing the allowance for impairment losses on trade receivables based on the following: -

- customers' payment profiles of past sales and corresponding historical credit losses;
- specific known facts or circumstances on customers' ability to repay; and
- by reference to past default experience.

We have identified recoverability on trade receivables as a key audit matter because of the significance of trade receivables in the financial statements both in amount and the inherent subjectivity that is involved in making judgement in relation to the recoverability of trade receivables as mentioned above.

Our audit performed and responses thereon

In addressing the matters above, we have performed the following audit procedures to evaluate management's assessment about the recoverability assessment of trade receivables:

- Obtained an understanding of: -
    - the Group's control over the receivable collection process;
    - how the Group identifies and assesses the impairment of trade receivable; and
    - how the Group makes the accounting estimates for impairment;
- Reviewed the ageing analysis of receivables and testing the reliability thereof;
- Made inquiries of management regarding the action plans to recover overdue amounts;
- Examined other evidence including customers' correspondences, proposed or existing settlement plans, repayment schedules, etc;
- Reviewed subsequent settlement of trade receivables after the financial year end on a sample basis and for those trade receivables with settlement plans, and evaluated management's explanation on recoverability with significant past due balances; and
- Reviewed management's assessment on the recoverability of past due debts to assess the sufficiency of allowance for impairment through specific and collective provisions with reference to historical payment pattern of the respective customers and/or customer profiles, historical trend of bad debts or impairment provided for and forward-looking information as well as its correlation with macroeconomic factors.

Independent Auditors' Report (Cont'd)

Key Audit Matters (Cont'd)

Construction revenue recognition and measurement of contract assets

The consolidated financial statements as at 30 June 2024 include revenue from construction segment recognised of RM266,388,552 and contract assets of RM239,012,460 as disclosed in Note 3 and 16 to financial statements respectively.

Construction contract revenue is recognised over the period of the project by reference to the progress towards complete satisfaction of the performance obligation. The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation (i.e.: by reference to the construction costs incurred to date as a percentage of the estimated total costs of construction of the project).

Judgement is required in determining the progress of construction towards the complete satisfaction of the performance obligation, which include relying on past experience and continuous monitoring of the budgeting process. The management's estimates and judgements affect the cost-to-cost input method computations and the amount of revenue and corresponding contract assets recognised during the year.

These judgements, therefore, require a high level of Directors' judgement that may significantly affect the magnitude of recognition of construction revenue and the measurement of contract assets.

Accordingly, we believe that the construction revenue recognition and measurement of contract assets are key audit matter.

Our audit performed and responses thereon

In addressing the matters above, we have performed the following audit procedures to assess the construction contract revenue recognition and measurement of contract assets: -

- Tested the operating effectiveness of the key controls in respect of the review and approval of project cost budgets to assess the reliability of these budgets and the determination of the extent of costs incurred to date;
- Verified the costs incurred to supporting documentation such as the sub-contractors' claim certificates and invoices from vendors;
- Checked reasonableness of the stage of completion based on actual costs incurred to date over the estimated total construction costs with project progress report which being verified by the customers;
- Performed reasonableness test on accrued contractor costs to be incurred by the Group of which invoice/progress claim has yet to be received;
- Assessed the accuracy of the calculation of percentage of completion and the consequent recognition of construction revenue and contract assets;
- Checked to variation order obtained from respective customers to substantiate the revised construction contract sum;

Independent Auditors' Report (Cont'd)

Key Audit Matters (Cont'd)

Construction revenue recognition and measurement of contract assets (Cont'd)

Our audit performed and responses thereon (Cont'd)

In addressing the matters above, we have performed the following audit procedures to assess the construction contract revenue recognition and measurement of contract assets: - (Cont'd)

- Analysed the turnaround gap between submission of progress billing and certification from customers for respective construction projects and held discussions with Group management and individual project managers to support the information obtained including correspondence with customers for the delay in certification of progress billing by customers;

- Reviewed the events after the reporting date that provide information useful for an assessment of management representation on measurement of contract assets such as subsequent certification of progress billing from customers.

We have determined that there are no key audit matters to communicate in our report which arose from the audit of the financial statements of the Company.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the Annual Report 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 Annual Report 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 Annual Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, 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 also 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.

Independent Auditors' Report (Cont'd)

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 judgment and maintain professional scepticism throughout the audit. We also:

(a) 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.

(b) 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.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

(d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and 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 and the Company to cease to continue as a going concern.

(e) 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 represent the underlying transactions and events in a manner that achieves fair presentation.

(f) 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.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Auditors' Report (Cont'd)

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

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, related safeguards.

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

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.

MOORE STEPHENS ASSOCIATES PLT
201304000972 (LLP0000963-LCA)
Chartered Accountants (AF002096)

STEPHEN WAN YENG LEONG
02963/07/2025 J
Chartered Accountant

Petaling Jaya, Selangor
Date: 17 October 2024

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

		Group		Company	
	Note	2024 RM	Restated 2023 RM	2024 RM	Restated 2023 RM
Revenue	3	325,105,596	163,414,599	20,500,000	700,000
Cost of sales	4	(257,591,928)	(131,945,560)	(9,188,405)	–
Gross profit		67,513,668	31,469,039	11,311,595	700,000
Other income	5(i)	28,162,165	4,300,779	6,107,568	6,014,990
Administrative expenses		(32,856,794)	(17,335,921)	(3,491,168)	(2,607,798)
Selling and distribution expenses		(1,655,724)	(844,937)	–	–
Other expenses		(6,025,715)	(3,701,090)	(45,293)	(46,210)
Profit from operations		55,137,600	13,887,870	13,882,702	4,060,982
Finance costs	5(ii)	(22,812,194)	(4,836,747)	(4,937,196)	(306,580)
Profit before tax	5	32,325,406	9,051,123	8,945,506	3,754,402
Income tax expense	6	(11,096,505)	(6,850,292)	(1,246,000)	(400,248)
Profit net of tax		21,228,901	2,200,831	7,699,506	3,354,154
Other comprehensive income, net of tax					
Item that will not be reclassified subsequently to profit or loss					
Revaluation surplus, net of tax		376,385	–	–	–
Total comprehensive income for the financial year		21,605,286	2,200,831	7,699,506	3,354,154
Profit attributable to:					
Owners of the Company		20,618,065	1,592,368	7,699,506	3,354,154
Non-controlling interests	11(b)	610,836	608,463	–	–
		21,228,901	2,200,831	7,699,506	3,354,154
Total comprehensive income attributable to:					
Owners of the Company		20,881,533	1,592,368	7,699,506	3,354,154
Non-controlling interests	11(b)	723,753	608,463	–	–
		21,605,286	2,200,831	7,699,506	3,354,154
Basic earnings per ordinary share attributable to Owners of the Company (sen):	7	11.75	1.71		

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2024

		Group		Company	
			Restated		
	Note	2024 RM	2023 RM	2024 RM	2023 RM
ASSETS					
Non-current Assets					
Property, plant and equipment	8	132,949,595	44,557,420	23,096	68,389
Investment properties	9	283,362,500	19,311,276	6,190,000	6,190,000
Inventories	10	54,588,512	33,966,683	–	9,152,606
Investments in subsidiaries	11	–	–	215,406,288	21,879,521
Other investments	12	3,556,361	232,841	1,486,310	–
Goodwill	13	43,527,757	1,132,770	–	–
		517,984,725	99,200,990	223,105,694	37,290,516
Current Assets					
Inventories	10	139,054,814	164,098,766	–	–
Trade receivables	14	82,397,089	45,630,199	–	–
Other receivables	15	17,602,735	4,622,782	655,413	163,292
Contract assets	16	239,012,460	90,413,682	–	–
Amounts due from subsidiaries	17	–	–	140,008,001	34,135,387
Tax recoverable		–	–	–	23,205
Short-term investment	18	–	700,000	–	–
Fixed deposits with licensed banks	19	63,401,821	6,285,679	–	–
Cash and bank balances	20	18,709,435	4,320,132	2,701,930	6,920
		560,178,354	316,071,240	143,365,344	34,328,804
Non-current assets held for sale	21	1,151,921	1,151,921	–	–
		561,330,275	317,223,161	143,365,344	34,328,804
TOTAL ASSETS		1,079,315,000	416,424,151	366,471,038	71,619,320

Statements of Financial Position (Cont'd)

	Note	Group 2024 RM	Group Restated 2023 RM	Company 2024 RM	Company 2023 RM
EQUITY AND LIABILITIES					
Equity					
Share capital	22	215,733,084	83,196,408	215,733,084	83,196,408
Retained earnings/ (Accumulated losses)		24,670,340	4,052,275	(9,397,194)	(17,096,700)
Assets revaluation reserve	23	2,571,634	2,308,166	–	–
		242,975,058	89,556,849	206,335,890	66,099,708
Non-controlling interests	11(b)	11,741,192	12,517,439	–	–
Total Equity		254,716,250	102,074,288	206,335,890	66,099,708
Non-current Liabilities					
Trade payables	24	140,292,624	140,805,223	–	–
Other payables	25	7,447,141	–	–	–
Borrowings	26	257,419,211	30,576,988	61,352,685	2,112,414
Lease liabilities	27	62,810,625	17,213,377	–	–
Deferred tax liabilities	28	14,932,253	4,004,252	361,452	757,452
		482,901,854	192,599,840	61,714,137	2,869,866
Current Liabilities					
Trade payables	24	177,785,251	83,138,220	–	–
Other payables	25	21,646,206	14,584,948	453,853	285,022
Amounts due to Directors	29	11,621,431	–	6,500,000	–
Amount due to a subsidiary	30	–	–	79,228,680	–
Borrowings	26	91,547,236	17,654,543	10,620,583	2,320,678
Lease liabilities	27	35,615,655	5,580,332	-	44,046
Tax payable		3,481,117	791,980	1,617,895	-
		341,696,896	121,750,023	98,421,011	2,649,746
Total Liabilities		824,598,750	314,349,863	160,135,148	5,519,612
TOTAL EQUITY AND LIABILITIES		1,079,315,000	416,424,151	366,471,038	71,619,320

The annexed notes form an integral part of,and should be read in conjunction with, these financial statements

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	← Attributable to Owners of the Company →					
		← Non-distributable →		Distributable			
		Share Capital RM	Assets Revaluation Reserve RM	Retained Earnings RM	Total RM	Non-controlling Interests RM	Total Equity RM
Group							
2024							
At 1 July 2023		83,196,408	2,308,166	4,052,275	89,556,849	12,517,439	102,074,288
Profit for the financial year		–	–	20,618,065	20,618,065	610,836	21,228,901
Other comprehensive income							
Revaluation surplus, net of tax		–	263,468	–	263,468	112,917	376,385
Total comprehensive income for the financial year		–	263,468	20,618,065	20,881,533	723,753	21,605,286
Transactions with Owners of the Company:							
Issuance of shares pursuant to: -							
- acquisition of a subsidiary	22	81,081,081	–	–	81,081,081	–	81,081,081
- private placement net with related expenses	22	51,455,595	–	–	51,455,595	–	51,455,595
Dividend paid to non-controlling interests by a subsidiary	31	–	–	–	–	(1,500,000)	(1,500,000)
		132,536,676	–	–	132,536,676	(1,500,000)	131,036,676
At 30 June 2024		215,733,084	2,571,634	24,670,340	242,975,058	11,741,192	254,716,250

Statements of Changes In Equity (Cont'd)

	Note	Share Capital RM	Assets Revaluation Reserve RM	Distributable Retained Earning /(Accumulated Losses) RM	Total RM	Non-controlling Interests RM	Total Total Equity RM
		← Attributable to Owners of the Company					
		← Non-distributable →					
Group (Cont'd)							
2023							
At 1 July 2022		73,704,998	8,634,764	(3,866,691)	78,473,071	12,178,976	90,652,047
Profit for the financial year		–	–	1,592,368	1,592,368	608,463	2,200,831
Other comprehensive income							
Disposal and derecognition of property, plant and equipment		–	(6,326,598)	6,326,598	–	–	–
Total comprehensive income for the financial year		–	(6,326,598)	7,918,966	1,592,368	608,463	2,200,831
Transactions with Owners of the Company:							
Issuance of shares pursuant to: -							
- private placement net with related expenses	22	9,491,410	–	–	9,491,410	–	9,491,410
Subscription of shares in a subsidiary by non-controlling interest	11	–	–	–	–	30,000	30,000
Dividend paid to non-controlling interests by a subsidiary	31	–	–	–	–	(300,000)	(300,000)
		9,491,410	–	–	9,491,410	(270,000)	9,221,410
At 30 June 2023		83,196,408	2,308,166	4,052,275	89,556,849	12,517,439	102,074,288

Statements of Changes In Equity (Cont'd)

	Note	Share Capital RM	Accumulated Losses RM	Total Equity RM
Company				
2024				
At 1 July 2023		83,196,408	(17,096,700)	66,099,708
Profit net of tax, representing total comprehensive income for the financial year		–	7,699,506	7,699,506
Transactions with Owners of the Company:				
Issuance of shares pursuant to: -				
- direct acquisition of a subsidiary	22	81,081,081	–	81,081,081
- private placement net with related expenses	22	51,455,595	–	51,455,595
Total transactions with Owners of the Company		132,536,676	–	132,536,676
At 30 June 2024		215,733,084	(9,397,194)	206,335,890
2023				
At 1 July 2022		73,704,998	(20,450,854)	53,254,144
Profit net of tax, representing total comprehensive income for the financial year		–	3,354,154	3,354,154
Transaction with Owners of the Company:				
Issuance of shares pursuant to: -				
- private placement net with related expenses	22	9,491,410	–	9,491,410
At 30 June 2023		83,196,408	(17,096,700)	66,099,708

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	Group 2024 RM	Group Restated 2023 RM	Company 2024 RM	Company Restated 2023 RM
Cash Flows from Operating Activities					
Profit before tax		32,325,406	9,051,123	8,945,506	3,754,402
Adjustments for:-					
Accretion of transaction costs		53,460	–	38,048	–
Bad debts written off		-	11,880	–	–
Depreciation of property, plant and equipment		20,060,004	5,540,571	45,293	46,210
Fair value adjustment on investment properties		(18,971,595)	(15,000)	–	–
Fair value adjustment on other investments		(14,901)	–	–	–
Gain on derecognition of lease contract upon completion of acquisition of a subsidiary					
- derecognition of right-of-use assets		379,122	–	–	–
- derecognition of lease liabilities		(404,828)	–	–	–
Gain on disposal of property, plant and equipment		(1,143,448)	(119,497)	–	–
Gain on disposal of investment properties		(1,200,000)	(32,000)	–	(55,000)
Gain on remeasurement of deferred other payables		(2,185,372)	–	–	–
Gain on termination of lease contract					
- derecognition of right-of-use assets		223,534	24,876	–	–
- derecognition of lease liabilities		(223,534)	(26,390)	–	–
Impairment loss on trade receivables		2,486,880	1,631,972	–	–
Interest expense		22,812,194	4,836,747	4,937,196	306,580
Interest income		(684,160)	(345,008)	–	–
Reversal of impairment loss on trade receivables		(2,259,825)	(3,703,032)	–	–
Balance carried forward		51,252,937	16,856,242	13,966,043	4,052,192

Statements of Cash Flows (Cont'd)

	Note	Group 2024 RM	Group Restated 2023 RM	Company 2024 RM	Company Restated 2023 RM
Cash Flows from Operating Activities (Cont'd)					
Balance brought forward		51,252,937	16,856,242	13,966,043	4,052,192
Adjustments for:- (Cont'd)					
Reversal of impairment loss on investments in subsidiaries		–	–	(6,046,686)	(5,959,567)
Reversal of written off on due from a subsidiary		–	–	–	(423)
Operating profit/(loss) before changes in working capital		51,252,937	16,856,242	7,919,357	(1,907,798)
Changes in working capital:					
Inventories		(55,901,001)	(165,313,700)	9,152,606	–
Receivables		4,544,896	(15,211,786)	(492,121)	(2,999)
Contract assets		(29,695,857)	(48,123,338)	–	–
Payables		1,175,270	190,254,343	168,831	50,215
		(79,876,692)	(38,394,481)	8,829,316	47,216
Cash (used in)/generated from operations		(28,623,755)	(21,538,239)	16,748,673	(1,860,582)
Interest received		684,160	345,008	–	–
Interest paid		(19,035,803)	(1,771,511)	(4,937,196)	(306,580)
Real property gains tax paid		(804,620)	(403,248)	–	(400,248)
Tax paid		(9,139,159)	(3,743,490)	(900)	–
Tax refund		12,881	837,300	–	–
Net cash (used in)/from operating activities		(56,906,296)	(26,274,180)	11,810,577	(2,567,410)
Cash Flows from Investing Activities					
Net advances to subsidiaries		–	–	(147,271,614)	(6,494,288)
Acquisition of a subsidiary, net cash and cash equivalents acquired	11(a)	(59,620,143)	–	(62,000,000)	–
Additional investments in subsidiaries	11(a)	–	–	(3,000,000)	(69,900)
Additional investments in a subsidiary from non-controlling interest		–	30,000	–	–
Balance carried forward		(59,620,143)	30,000	(212,271,614)	(6,564,188)

Statements of Cash Flows (Cont'd)

	Note	Group 2024 RM	Group Restated 2023 RM	Company 2024 RM	Company Restated 2023 RM
Cash Flows from Investing Activities (Cont'd)					
Balance brought forward		(59,620,143)	30,000	(212,271,614)	(6,564,188)
Investment in unquoted instruments		(2,474,381)	(232,841)	(1,486,310)	–
Placement of pledged deposits		(5,436,215)	(4,714,696)	–	–
Proceeds from disposal of investment properties		17,385,000	1,180,000	–	–
Acquisition of investment properties		(91,081,505)	(5,791,276)	–	–
Proceeds from disposal of property, plant and equipment		2,863,449	119,500	–	–
Purchase of property, plant equipment	8(a)	(4,624,969)	(4,134,569)	–	–
Net cash used in investing activities		(142,988,764)	(13,543,882)	(213,757,924)	(6,564,188)
Cash Flows from Financing Activities					
Dividend paid to non-controlling interests by a subsidiary	31	(1,500,000)	(300,000)	–	–
Advances from Directors	(iii)	7,926,431	–	6,500,000	–
Advances from a subsidiary	(iii)	–	–	79,228,680	–
Drawdown of borrowings	(iii)	245,606,971	25,266,577	71,865,000	–
Drawdown of revolving credit	(iii)	3,000,000	–	–	–
Proceeds from bankers' acceptance	(iii)	3,127,866	6,020,109	–	–
Proceeds from domestic recourse factoring	(iii)	362,465,235	18,900,638	–	–
Repayment of bankers' acceptance	(iii)	(5,380,345)	(3,780,000)	–	–
Repayment of domestic recourse factoring	(iii)	(368,568,448)	(12,591,117)	–	–
Repayment of borrowings	(iii)	(31,693,605)	(841,301)	(2,854,396)	(433,902)
(Repayment to)/Advances from a Directors' related company	(iii)	(38,121)	38,121	–	–
Payment for the principal portion of lease liabilities	(ii)(iii)	(15,605,024)	(3,232,949)	(44,046)	(41,302)
Proceeds from private placement	22	51,455,595	9,491,410	51,455,595	9,491,410
Net cash from financing activities		250,796,555	38,971,488	206,150,833	9,016,206

Statements of Cash Flows (Cont'd)

	Note	Group 2024 RM	Group Restated 2023 RM	Company 2024 RM	Company Restated 2023 RM
Net increase/(decrease) in cash and cash equivalents		50,901,495	(846,574)	4,203,486	(115,392)
Cash and cash equivalents at beginning of the financial year		987,892	1,834,466	(1,868,869)	(1,753,477)
Cash and cash equivalents at end of the financial year	(i)	51,889,387	987,892	2,334,617	(1,868,869)

Note:

(i) Cash and cash equivalents comprise of the following: -

	Note	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Short-term investment	18	–	700,000	–	–
Fixed deposits placed with licensed banks	19	63,401,821	6,285,679	–	–
Cash and bank balances	20	18,709,435	4,320,132	2,701,930	6,920
		82,111,256	11,305,811	2,701,930	6,920
Less: Fixed deposit pledged	19	(28,401,821)	(6,285,679)	–	–
Bank overdrafts	26	(1,820,048)	(4,032,240)	(367,313)	(1,875,789)
		51,889,387	987,892	2,334,617	(1,868,869)

(ii) Cash outflows for leases as a lessee are as follows: -

	Note	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Included in net cash from operating activities:					
Interest paid in relation to lease liabilities		(5,695,859)	(992,135)	(1,554)	(4,298)
Payment related to short term lease rental		(18,716,895)	(5,672,589)	–	–
Included in net cash from financing activities:					
Payment for the principal portion of lease liabilities		(15,605,024)	(3,232,949)	(44,046)	(41,302)
		(40,017,778)	(9,897,673)	(45,600)	(45,600)

Statements of Cash Flows (Cont'd)

Note: (Cont'd)

(iii) Reconciliation of movements of liabilities to cash flows arising from financing activities: -

	At beginning of the financial year RM	Drawdowns/ Advances from RM	Repayment RM	Net changes from financing cash flows RM	Accretion of transaction costs RM	Addition through acquisition of subsidiary [Note 11(a)] RM	Derecognition of lease liabilities RM	Addition of new lease [Note 8(a)] RM	Net changes from operating cash flows RM	At end of the financial year RM
Group										
2024										
Borrowings: *										
- Bankers' acceptance	3,093,109	3,127,866	(5,380,345)	(2,252,479)	-	-	-	-	-	840,630
- Domestic recourse factoring and invoice financing	9,627,952	362,465,235	(368,568,448)	(6,103,213)	-	68,006,152	-	-	-	71,530,891
- Revolving credit	-	3,000,000	-	3,000,000	-	-	-	-	-	3,000,000
- Short term loan	-	20,000,000	(20,000,000)	-	-	-	-	-	-	-
- Term loans	31,478,230	225,606,971	(11,693,605)	213,913,366	53,460	26,329,822	-	-	-	271,774,878
Lease liabilities	22,793,709	-	(15,605,024)	(15,605,024)	-	54,386,365	(628,362)	34,689,592	2,790,000	98,426,280
Amount due to a Directors' related company	38,121	-	(38,121)	(38,121)	-	-	-	-	-	-
Amounts due to Directors	-	7,926,431	-	7,926,431	-	3,695,000	-	-	-	11,621,431
Total liabilities from financing activities	67,031,121	622,126,503	(421,285,543)	200,840,960	53,460	152,417,339	(628,362)	34,689,592	2,790,000	457,194,110

Note: (Cont'd)

(iii) Reconciliation of movements of liabilities to cash flows arising from financing activities: - (Cont'd)

	At beginning of the financial year RM	Drawdown/ Advances from RM	Repayment RM	Net changes from financing cash flows RM	Derecognition of lease liabilities RM	Addition of new lease [Note 8(a)] RM	At end of the financial year RM
Group							
2023							
Borrowings: *							
- Bankers' acceptance	853,000	6,020,109	(3,780,000)	2,240,109	–	–	3,093,109
- Domestic recourse factoring and invoice financing	3,318,431	18,900,638	(12,591,117)	6,309,521	–	–	9,627,952
- Term loans	7,052,954	25,266,577	(841,301)	24,425,276	–	–	31,478,230
Lease liabilities	4,653,735	–	(3,232,949)	(3,232,949)	(26,390)	21,399,313	22,793,709
Amount due to a Directors' related company	–	38,121	–	38,121	–	–	38,121
Total liabilities from financing activities	15,878,120	50,225,445	(20,445,367)	29,780,078	(26,390)	21,399,313	67,031,121

* For reconciliation of liabilities arising from financing activities purpose, the bank overdraft has been excluded from the borrowings as it is part of the cash and cash equivalents.

Statements of Cash Flows (Cont'd)

Note: (Cont'd)

(iii) Reconciliation of movements of liabilities to cash flows arising from financing activities: - (Cont'd)

	Term loans RM	Lease liabilities RM	Amounts due to Directors RM	Amount due to a subsidiary RM
Company				
2024				
At beginning of the financial year	2,557,303	44,046	–	–
Advances from	–	–	6,500,000	79,228,680
Drawdown	71,865,000	–	–	–
Payment for the principal portion of lease liabilities	–	(44,046)	–	–
Repayment to	(2,854,396)	–	–	–
Net changes in cash flows from financing activities	69,010,604	(44,046)	6,500,000	79,228,680
Accretion of transaction costs	38,048	–	–	–
At end of the financial year	71,605,955	–	6,500,000	79,228,680
2023				
At beginning of the financial year	2,991,205	85,348	–	–
Payment for the principal portion of lease liabilities	–	(41,302)	–	–
Repayment to	(433,902)	–	–	–
Net changes in cash flows from financing activities	(433,902)	(41,302)	–	–
At end of the financial year	2,557,303	44,046	–	–

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
- 30 JUNE 2024

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and was listed on the Main Market of the Bursa Malaysia Securities Berhad.

The registered office of the Company is located at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur Wilayah Persekutuan.

The principal place of business of the Company is located at 2A-1-1(B), Space U8, No.6, Persiaran Pasak Bumi, Taman Bukit Jelutong, Seksyen U8, 40150 Shah Alam, Selangor Darul Ehsan.

The Company is principally engaged in investment and property holding. The principal activities of its subsidiaries are set out in Note 11. There have been no significant changes in the nature of these activities of the Group and of the Company during the financial year.

The Directors regard Aim Tetap Teguh Group Sdn. Bhd., a private limited company incorporated in Malaysia as the holding company.

The financial statements were authorised for issue in accordance with Board of Directors' resolution dated 17 October 2024.

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 Group and the Company have also considered the new accounting pronouncements in the preparation of the financial statements.

(i) Accounting pronouncements that are effective and adopted during the financial year

The Group and the Company have adopted the following new accounting pronouncements that are mandatory for the current financial year:

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 – Comparative Information
Amendments to MFRS 101 and MFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to MFRS 112	International Tax Reform – Pillar Two Model Rules

Notes to the Financial Statements (Cont'd)

2. BASIS OF PREPARATION (CONT'D)

(a) Statement of compliance (Cont'd)

(i) Accounting pronouncements that are effective and adopted during the financial year (Cont'd)

The adoption of the above accounting pronouncements did not have any significant effect on the financial statements of the Group and of the Company except as described below.

The Group and the Company adopted amendments to MFRS 101 Presentation of Financial Statements and MFRS Practice Statement 2 Disclosures of Accounting Policies from 1 July 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Although the amendments did not result in any changes to the Group's and the Company's accounting policies, it impacted the accounting policy information disclosed in the financial statements. The material accounting policy information is disclosed in the respective notes to the financial statements where relevant.

(ii) Accounting pronouncements that are issued but not yet effective and have not been early adopted

The Group and the Company have not adopted the following accounting pronouncements that have been issued as at the date of authorisation of these financial statements but are not yet effective for the Group and for the Company:

Effective for financial periods beginning on or after 1 January 2024

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current
Amendments to MFRS 101	Non-Current Liabilities with Covenants
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements

Effective for financial periods beginning on or after 1 January 2025

Amendments to MFRS 121	Lack of Exchangeability

Effective for financial periods beginning on or after 1 January 2026

Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107	Annual Improvements to MFRS Accounting Standards – Volume 11

Effective for financial periods beginning on or after 1 January 2027

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19	Subsidiaries without Public Accountability Disclosures

2. BASIS OF PREPARATION (CONT'D)

(a) Statement of compliance (Cont'd)

(ii) Accounting pronouncements that are issued but not yet effective and have not been early adopted (Cont'd)

The Group and the Company have not adopted the following accounting pronouncements that have been issued as at the date of authorisation of these financial statements but are not yet effective for the Group and for the Company: (Cont'd)

Effective date to be announced

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Group and the Company will adopt the above accounting pronouncements when they become effective in the respective financial periods. These accounting pronouncements are not expected to have any effect to the financial statements of the Group and of the Company upon their initial applications.

(b) Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost convention except for those as disclosed in the notes.

(c) Functional and presentation currency

The financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's and the Company's functional currency.

(d) Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's and of the Company's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

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

(i) Impairment of financial assets

The Group and the Company assess on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Notes to the Financial Statements (Cont'd)

2. BASIS OF PREPARATION (CONT'D)

(d) Significant accounting estimates and judgements (Cont'd)

(i) Impairment of financial assets (Cont'd)

For trade receivables, the Group applies the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses and adjusts for qualitative and quantitative reasonable and supportable forward-looking information (if any). If the expectation is different from the estimation, such difference will impact the carrying value of trade receivables. The carrying amount of trade receivables as at the reporting date is disclosed in Note 14.

For other receivables, the Group and the Company apply the approach permitted by MFRS 9, which requires the Group and the Company to measure the allowance for impairment loss for that financial asset at an amount based on the probability of default occurring within the next 12 months considering the loss given default of that financial asset.

For amounts due from subsidiaries, the Company determines the recoverability of its amounts due from subsidiaries based on the future discounted cash flows of the respective subsidiaries, for which significant judgment is required in the estimation of the present value of future cash flows generated by respective subsidiaries' operations. This involves uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The net carrying amount of amounts due from subsidiaries as at the reporting date is disclosed in Note 17.

(ii) Construction contracts revenue

The Group measured the performance of construction work done by comparing the actual costs incurred with the estimated total costs required to complete the construction. Significant judgements are required to estimate the total costs to complete. In making estimates, management relied on professionals' estimates and also on past experience of completed projects. A change in the estimates will directly affect the revenue to be recognised.

(iii) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis and at other times when such indication exists. This requires management to estimate the expected future cash flows of the cash-generating unit to which goodwill is allocated and to apply a suitable discount rate in order to determine the present value of those cash flows. The future cash flows are most sensitive to budgeted gross margins, growth rates estimated and discount rate used. If the expectation is different from the estimation, such difference will impact the carrying value of goodwill.

(iv) Impairment of investments in subsidiaries

The Company determines whether its investments in subsidiaries is impaired by evaluating the extent to which the recoverable amount of the investments in subsidiaries is less than its carrying amount. Discounted cash flows are used to determine the recoverable amount of which significant judgement is required in the estimation of the present value of future cash flows generated by respective subsidiaries which are regarded as stand-alone. Cash-generating Unit ("CGU"), which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amount of investments in subsidiaries as at the reporting date is disclosed in Note 11.

Notes to the Financial Statements (Cont'd)

3. REVENUE

	Note	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Revenue from contracts with customers					
Sale of completed properties		–	1,168,200	–	–
Sale of lands		–	–	17,000,000	–
Construction contract	(i)	266,388,552	114,999,599	–	–
Sales of building materials and hardware		57,269,399	47,228,800	–	–
Lease revenue	(ii)	1,447,645	18,000	–	–
Dividend income		–	–	3,500,000	700,000
		325,105,596	163,414,599	20,500,000	700,000
Timing of revenue recognition:					
Point in time		57,269,399	48,397,000	20,500,000	700,000
Over time		267,836,197	115,017,599	–	–
		325,105,596	163,414,599	20,500,000	700,000

The disaggregation of revenue by segment and geographical market is disclosed in Note 34.

Unsatisfied long-term contracts

The following table shows unsatisfied performance obligations resulting from construction contract revenue and lease revenue:

(i) Construction contract revenue

	Group 2024 RM	Group 2023 RM
Total contracted revenue	1,411,233,124	608,223,824
Less: Construction revenue recognised prior to completion of acquisition of a subsidiary	(318,755,905)	–
Construction revenue recognised	(251,594,992)	(189,896,747)
Completed during the financial year	(204,690,307)	(1,154,290)
Aggregate amount of the transaction price allocated to construction revenue that are partially or fully unsatisfied as at 30 June, net	636,191,920	417,172,787

Notes to the Financial Statements (Cont'd)

3. REVENUE (CONT'D)

Unsatisfied long-term contracts (Cont'd)

The following table shows unsatisfied performance obligations resulting from construction contract revenue and lease revenue: (Cont'd)

(ii) Lease revenue

	Group 2024 RM	Group 2023 RM
Total contracted revenue	10,469,903	648,000
Less: Lease revenue recognised prior to completion of acquisition of a subsidiary	(8,235,998)	–
Less: Lease revenue recognised	(1,465,645)	(18,000)
Aggregate amount of the transaction price allocated to lease revenue that are partially or fully unsatisfied as at 30 June, net	768,260	630,000

The remaining unsatisfied performance obligations are expected to be recognised as below:

(i) Construction contract revenue

	Group 2024 RM	Group 2023 RM
Within 1 year	358,936,353	277,231,684
Between 1 to 3 years	277,255,567	139,941,103
	636,191,920	417,172,787

(ii) Lease revenue

	Group 2024 RM	Group 2023 RM
Within 1 year	652,140	216,000
Between 1 to 3 years	116,120	414,000
	768,260	630,000

Notes to the Financial Statements (Cont'd)

3. REVENUE (CONT'D)

The Group and the Company have identified its Performance Obligation ("PO") towards its customers as follows:

Sale of completed properties

Sales of completed units is satisfied upon delivery of properties when the control of the properties had been transferred to purchasers. Payment is generally due 90 days after Sales and Purchase Agreement signed. Revenue is recognised at point in time when the customer takes vacant possession of the properties.

Sale of lands

Revenue from the sale of lands is measured at fair value of the consideration received or receivable, net of returns and allowances and trade discounts. Revenue is recognised upon signing of the sales and purchase agreement when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the land.

Construction contracts revenue

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work and claims. Under the terms of the contracts, the Group has an enforceable right to payment for performance completed to date and that the customer controls the assets during the course of construction by the Group and that the construction services performed does not create an asset with an alternative use to the Group.

Revenue from construction contracts is recognised progressively over time based on the percentage of completion by using the cost-to-cost method ("input method"), based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. The Directors consider that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under MFRS 15. Work done is measured based on actual and expected cost incurred for project activities.

There is no significant financing component in construction contracts with customers as the period between the recognition of revenue under the percentage of completion and the milestone payment is generally within the normal business operating cycle. Payment is generally due 60 days from date when PO is satisfied.

Sales of building materials and hardware

Sales of building materials and hardware is satisfied upon delivery of goods where the control of the goods has been transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods, net of indirect taxes and discounts. Payment is generally due within 60 to 90 days from the date when PO is satisfied. Revenue is recognised at point in time when customers have acknowledged the receipt of goods sold.

Lease revenue

Revenue from lease of investment properties is recognised over the period of the tenancy agreement by reference to the agreements entered. The aggregate cost of incentives provided to lessee is recognised as a reduction of lease revenue.

Dividend income

Dividend income is recognised in profit or loss on the date that the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Notes to the Financial Statements (Cont'd)

4. COST OF SALES

	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Cost of sale of completed properties	–	741,674	–	–
Sale of lands cost	–	–	9,188,405	–
Construction costs	209,212,016	92,013,879	–	–
Costs of building materials and hardware	47,368,692	39,179,349	–	–
Lease expenses	1,011,220	10,658	–	–
	257,591,928	131,945,560	9,188,405	–

5. PROFIT BEFORE TAX

Profit before tax is derived after charging/(crediting): -

	Group 2024 RM	Group Restated 2023 RM	Company 2024 RM	Company 2023 RM
Auditors' remuneration				
- statutory audit	255,500	186,500	60,000	55,000
- overprovision in prior year	–	(2,000)	–	–
- non statutory audit	33,500	8,500	26,500	8,500
Accretion of transaction costs	53,460	–	38,048	–
Bad debts written off	–	11,880	–	–
Depreciation of property, plant and equipment	20,060,004	5,540,571	45,293	46,210
Directors' remuneration [Note (a)]	5,469,257	2,414,215	201,600	199,500
Employee benefit expenses [Note (b)]	39,112,803	12,213,524	–	–
Impairment loss on trade receivables	2,486,880	1,631,972	–	–
Incorporation expenses	9,426	7,000	–	–
Short term lease	18,716,895	5,672,589	–	–

5. PROFIT BEFORE TAX (CONT'D)

Profit before tax is derived after charging/(crediting): (Cont'd)

(a) Directors' remuneration:

	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Directors of the Company:				
Executive Directors:				
Fees	156,000	–	–	–
Salaries, bonus and other emoluments	3,107,708	1,317,300	9,600	7,500
Contribution to defined contribution plan	354,532	156,936	–	–
Social security contribution	9,998	6,813	–	–
	3,628,238	1,481,049	9,600	7,500
Non-executive Directors:				
Fees	192,000	192,000	192,000	192,000
	3,820,238	1,673,049	201,600	199,500
Estimated money value of benefits-in-kind ("BIK")	53,358	35,408	–	–
Total including estimated money value of BIK	3,873,596	1,708,457	201,600	199,500
Directors of the subsidiaries:				
Fees	121,000	36,000	–	–
Salaries, bonus and other emoluments	1,358,652	633,076	–	–
Contribution to defined contribution plan	164,540	69,852	–	–
Social security contribution	4,827	2,238	–	–
	1,649,019	741,166	–	–
Estimated money value of BIK	22,733	6,759	–	–
Total including estimated money value of BIK	1,671,752	747,925	–	–
Total Directors' remuneration of the Group excluding estimated money value of BIK	5,469,257	2,414,215	201,600	199,500

Notes to the Financial Statements (Cont'd)

5. PROFIT BEFORE TAX (CONT'D)

Profit before tax is derived after charging/(crediting): (Cont'd)

(b) Employee benefit expenses:

	Group 2024 RM	Group Restated 2023 RM
Salaries, allowances and bonus	35,243,863	10,678,974
Contribution to defined contribution plan	2,023,541	1,048,101
Social security contribution	261,219	134,834
Other benefits	1,584,180	351,615
	39,112,803	12,213,524

(i) Other income:

	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Fair value adjustment on investment properties	18,971,595	15,000	–	–
Fair value adjustment on other investments	14,901	–	–	–
Gain on derecognition of lease contract upon completion of acquisition of a subsidiary				
- derecognition of right-of-use assets	(379,122)	–	–	–
- derecognition of lease liabilities	404,828	–	–	–
Gain on disposal of property, plant and equipment	1,143,448	119,497	–	–
Gain on disposal of investment properties	1,200,000	32,000	–	55,000
Balance carried forward	21,355,650	166,497	–	55,000

5. PROFIT BEFORE TAX (CONT'D)

Profit before tax is derived after charging/(crediting): (Cont'd)

(i) Other income: (Cont'd)

	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Balance brought forward	21,355,650	166,497	–	55,000
Gain on remeasurement of deferred other payables	2,185,372	–	–	–
Gain on termination of lease contract				
- derecognition of right-of-use assets	(223,534)	(24,876)	–	–
- derecognition of lease liabilities	223,534	26,390	–	–
Interest income:				
- fixed deposits with licensed banks	493,398	92,714	–	–
- Housing Development Account	5,762	3,103	–	–
- late payment interest	106,806	173,141	–	–
- other interest income	78,194	76,050	–	–
Realised gain on foreign exchange	662	–	–	–
Reversal of impairment loss on trade receivables	2,259,825	3,703,032	–	–
Reversal of impairment loss on investments in subsidiaries	–	–	6,046,686	5,959,567
Rental income	708,027	64,900	–	–
Reversal of written off on amount due from a subsidiary	–	–	–	423
Other income	968,469	19,828	60,882	–
	28,162,165	4,300,779	6,107,568	6,014,990

Notes to the Financial Statements (Cont'd)

5. PROFIT BEFORE TAX (CONT'D)

Profit before tax is derived after charging/(crediting): (Cont'd)

(ii) Finance costs: -

	Group 2024 RM	Group Restated 2023 RM	Company 2024 RM	Company 2023 RM
- accretion of interest on deferred payables	3,772,637	3,065,236	–	–
- bank overdrafts	898,592	181,413	134,283	116,785
- bankers' acceptance	38,530	105,706	–	–
- domestic recourse factoring and invoice financing	5,130,883	182,440	–	–
- revolving credit	84,548	–	–	–
- short term loan	895,963	–	129,699	–
- term loans	6,295,182	309,817	4,671,660	185,497
- lease liabilities	5,695,859	992,135	1,554	4,298
	22,812,194	4,836,747	4,937,196	306,580

Material accounting policy information

(i) Interest income

Interest income is recognised on a time proportion basis that reflects the effective yield on asset.

6. INCOME TAX EXPENSE

	Group 2024 RM	Group Restated 2023 RM	Company 2024 RM	Company Restated 2023 RM
Income tax:				
- Current year	10,018,412	4,337,860	1,642,000	–
- Underprovision in prior year	303,489	96,244	–	–
	10,321,901	4,434,104	1,642,000	–

6. INCOME TAX EXPENSE (CONT'D)

	Group		Company	
	2024 RM	Restated 2023 RM	2024 RM	Restated 2023 RM
Deferred tax (Note 28):				
Relating to origination/ (reversal) of temporary differences				
- Current year	1,998,409	460,713	(396,000)	–
- (Over)/Underprovision in prior year	(1,530,259)	1,584,203	–	–
Realisation of deferred tax liability arising from depreciable revaluation reserve	(197,719)	(31,976)	–	–
	270,431	2,012,940	(396,000)	–
Real property gains tax ("RPGT")	504,173	403,248	–	400,248
Total income tax expense for the financial year	11,096,505	6,850,292	1,246,000	400,248

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2023: 24%) of the estimated assessable profit for the year.

Notes to the Financial Statements (Cont'd)

6. INCOME TAX EXPENSE (CONT'D)

The reconciliations from the tax amount at statutory income tax rate to the Group's and to the Company's tax expense are as follows:

	Group		Company	
	2024 RM	Restated 2023 RM	2024 RM	Restated 2023 RM
Profit before tax	32,325,406	9,051,123	8,945,506	3,754,402
Tax at Malaysian statutory tax rate of 24% (2023: 24%)	7,758,097	2,172,270	2,146,921	901,056
Expenses not deductible for tax purposes	7,105,198	2,414,812	1,799,277	710,542
Income not subject to tax	(3,792,321)	(13,200)	(2,304,198)	(1,611,598)
Deferred tax assets not recognised	357,288	224,691	–	–
Realisation of deferred tax liability arising from depreciable revaluation reserve	(197,719)	(31,976)	–	–
Deferred tax liabilities arising from fair value adjustment on investment properties	588,559	–	(396,000)	–
Under/(Over)provision in prior year:				
- Income tax expense	303,489	96,244	–	–
- Deferred tax	(1,530,259)	1,584,203	–	–
Real property gains tax	504,173	403,248	–	400,248
Income tax expense for the financial year	11,096,505	6,850,292	1,246,000	400,248

Notes to the Financial Statements (Cont'd)

6. INCOME TAX EXPENSE (CONT'D)

The Group has the following estimated unutilised tax losses and unabsorbed capital allowances respectively, available for set-off against future taxable profit as follows:

	Group	
		Restated
	2024	2023
	RM	RM
Unutilised tax losses	17,272,838	17,075,572
Unabsorbed capital allowances	518,415	272,309
	17,791,253	17,347,881

The comparative figures have been restated to reflect the actual tax losses and capital allowances carried forward. The availability of the tax losses will be subject to Inland Revenue Board discretion and approval to offset against future taxable profit.

With effect from Year of Assessment ("YA") 2019, the unutilised tax losses in a year of assessment of its subsidiaries can only be carried forward for a maximum period of 10 consecutive YAs to be utilised against income from any business source.

7. EARNINGS PER ORDINARY SHARE

(a) Basic

Basic earnings per ordinary share for the financial year is calculated by dividing profit after tax attributable to Owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

	Group	
	2024	2023
Basic earnings per share:		
Profit after tax attributable to the Owners of the Company (RM)	20,618,065	1,592,368
Weighted average number of ordinary shares:		
Number of ordinary shares at beginning of the financial year	99,000,000	90,000,000
Effect of weighted average number of ordinary shares issued during the financial year	76,427,757	2,860,274
	175,427,757	92,860,274
Basic earnings per share (sen)	11.75	1.71

(b) Diluted

Diluted loss per share is not presented as there were no potential dilutive ordinary shares outstanding as at 30 June 2024 and 30 June 2023.

Notes to the Financial Statements (Cont'd)

8. PROPERTY, PLANT AND EQUIPMENT

	At valuation		At cost					
	Leasehold lands RM	**Buildings RM**	**Office equipment, furniture and fittings, and renovation RM**	**Plant, machinery, tools and equipment RM**	**Motor vehicles RM**	**Leased properties RM**	**Capital work-in-progress RM**	**Total RM**
Group								
2024								
Cost/Valuation								
At 1 July 2023	6,800,197	3,408,399	2,713,896	32,426,720	5,569,517	3,395,488	253,521	54,567,738
Additions [Note (a)]	–	32,700	1,803,270	37,221,000	3,245,706	848,266	507,619	43,658,561
Addition through acquisition of a subsidiary [Note 11(a)(i)]	–	1,256,250	2,872,510	90,285,404	8,262,456	–	–	102,676,620
Disposals	–	–	(11,090)	(5,998,278)	(643,583)	–	–	(6,652,951)
Derecognition of lease contract upon completion of acquisition of a subsidiary	–	–	–	–	–	(1,240,766)	–	(1,240,766)
Termination or expiry of lease contracts	–	–	–	–	–	(264,880)	–	(264,880)
Revaluation surplus	362,713	132,531	–	–	–	–	–	495,244
Written off	–	–	(19,209)	–	–	–	–	(19,209)
At 30 June 2024	7,162,910	4,829,880	7,359,377	153,934,846	16,434,096	2,738,108	761,140	193,220,357

Notes to the Financial Statements (Cont'd)

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

	At valuation		At cost					
	Leasehold lands RM	Buildings RM	Office equipment, furniture and fittings, and renovation RM	Plant, machinery, tools and equipment RM	Motor vehicles RM	Leased properties RM	Capital work-in-progress RM	Total RM
Group (Cont'd)								
Accumulated depreciation								
At 1 July 2023	442,045	184,673	1,683,181	4,130,219	2,241,380	1,328,820	–	10,010,318
Charge for the financial year	103,638	75,558	475,986	17,162,870	1,689,709	552,243	–	20,060,004
Addition through acquisition of a subsidiary [Note 11(a)(i)]	–	158,345	2,240,917	26,913,619	6,742,708	–	–	36,055,589
Disposals	–	–	(11,090)	(4,278,280)	(643,580)	–	–	(4,932,950)
Derecognition of lease contract upon completion of acquisition of a subsidiary	–	–	–	–	–	(861,644)	–	(861,644)
Termination or expiry of lease contracts	–	–	–	–	–	(41,346)	–	(41,346)
Written off	–	–	(19,209)	–	–	–	–	(19,209)
At 30 June 2024	545,683	418,576	4,369,785	43,928,428	10,030,217	978,073	–	60,270,762
Net carrying amount								
At 30 June 2024	6,617,227	4,411,304	2,989,592	110,006,418	6,403,879	1,760,035	761,140	132,949,595

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

	At valuation		At cost					
	Leasehold lands RM	Buildings RM	Office equipment, furniture and fittings, and renovation RM	Plant, machinery, tools and equipment RM	Motor vehicles RM	Leased properties RM	Capital work-in-progress RM	Total RM
Group								
2023								
Cost/Valuation								
At 1 July 2022	7,348,316	4,084,499	2,129,929	8,087,720	4,457,698	2,877,709	–	28,985,871
Additions [Note (a)]	–	–	583,967	24,339,000	1,602,682	1,358,712	253,521	28,137,882
Transfer to non-current asset held for sale (Note 21)	(548,119)	(676,100)	–	–	–	–	–	(1,224,219)
Disposals	–	–	–	–	(490,863)	–	–	(490,863)
Termination or expiry of lease contracts	–	–	–	–	–	(840,933)	–	(840,933)
At 30 June 2023	6,800,197	3,408,399	2,713,896	32,426,720	5,569,517	3,395,488	253,521	54,567,738

Notes to the Financial Statements (Cont'd)

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

	At valuation		At cost					
	Leasehold lands RM	Buildings RM	Office equipment, furniture and fittings, and renovation RM	Plant, machinery, tools and equipment RM	Motor vehicles RM	Leased properties RM	Capital work-in-progress RM	Total RM
Group (Cont'd)								
Accumulated depreciation								
At 1 July 2022	361,641	156,060	1,536,802	646,886	1,901,448	1,246,125	-	5,848,962
Charge for the financial year	113,614	67,701	146,379	3,483,333	830,792	898,752	-	5,540,571
Transfer to non-current asset held for sale (Note 21)	(33,210)	(39,088)	-	-	-	-	-	(72,298)
Disposals	-	-	-	-	(490,860)	-	-	(490,860)
Termination or expiry of lease contracts	-	-	-	-	-	(816,057)	-	(816,057)
At 30 June 2023	442,045	184,673	1,683,181	4,130,219	2,241,380	1,328,820	-	10,010,318
Net carrying amount								
At 30 June 2023	6,358,152	3,223,726	1,030,715	28,296,501	3,328,137	2,066,668	253,521	44,557,420

Notes to the Financial Statements (Cont'd)

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

	Office equipment, furniture and fittings and renovation RM	Leased property RM	Total RM
Company			
2024			
Cost			
At 1 July 2023	702,578	124,077	826,655
Expiry of lease contract	–	(124,077)	(124,077)
At 30 June 2024	702,578	–	702,578
Accumulated depreciation			
At 1 July 2023	675,548	82,718	758,266
Charge for the financial year	3,934	41,359	45,293
Expiry of lease contract	-	(124,077)	(124,077)
At 30 June 2024	679,482	–	679,482
Net carrying amount			
At 30 June 2024	23,096	–	23,096
2023			
Cost			
At 1 July 2022/30 June 2023	702,578	124,077	826,655
Accumulated depreciation			
At 1 July 2022	670,697	41,359	712,056
Charge for the financial year	4,851	41,359	46,210
At 30 June 2023	675,548	82,718	758,266
Net carrying amount			
At 30 June 2023	27,030	41,359	68,389

(a) Acquisition of property, plant and equipment are satisfied as follows:

	Group 2024 RM	Group 2023 RM
Cash purchase	4,624,969	4,134,569
Financed through lease arrangement	34,689,592	21,399,313
Financed through third parties	4,344,000	2,604,000
Total acquisition of property, plant and equipment	43,658,561	28,137,882

Notes to the Financial Statements (Cont'd)

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

(b) Remaining leasehold period

The leasehold lands and buildings have remaining unexpired lease period range from 62 to 97 years (2023: 63 to 98 years).

(c) Assets pledged as security

The net carrying amount of properties of the Group pledged to financial institutions as securities for borrowings (Note 26) granted to the Group as at reporting date is as follows:

	Group	
	2024 RM	**2023 RM**
Leasehold lands	6,617,227	5,724,393
Buildings	4,411,304	2,992,125
	11,028,531	8,716,518

(d) Assets classified as right-of-use assets

The net carrying amount of right-of-use assets recognised by the Group and the Company are as follows:

	Group		**Company**	
	2024 RM	**2023 RM**	**2024 RM**	**2023 RM**
Leasehold lands	6,617,227	6,358,152	–	–
Buildings	3,303,746	3,223,726	–	–
Machinery	97,331,388	22,714,313	–	–
Motor vehicles	6,157,636	3,271,817	–	–
Leased properties	1,760,035	2,066,668	–	41,359

The expenses charged to profit or loss during the financial year are as follows:

	Group		**Company**	
	2024 RM	**2023 RM**	**2024 RM**	**2023 RM**
Depreciation of right-of-use assets	17,305,462	4,497,868	41,359	41,359
Interest expenses of lease liabilities	5,695,859	992,135	1,554	4,298
Short term lease rental	18,716,895	5,672,589	–	–
	41,718,216	11,162,592	42,913	45,657

Notes to the Financial Statements (Cont'd)

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

(e) Revaluation of leasehold lands and buildings

Their values were arrived at by reference to market evidence of transaction prices for similar properties and were performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued. Leasehold lands were revalued on 30 June 2024 and buildings were revalued on 30 June 2024 and 30 June 2023 respectively by different independent valuers.

The valuation of the leasehold lands and buildings were determined based on comparison method with similar lands and buildings that have been sold recently and those that are currently being offered for sale in the vicinity with appropriate adjustments made to reflect improvements and other dissimilarities and to arrive at the value of the subject lands and buildings.

If the leasehold lands and buildings currently carried at valuation were measured using the cost model, the carrying amounts would have been as follows:

	Group Net carrying amount	
	2024 RM	**2023 RM**
At historical cost:		
Leasehold lands	3,739,646	3,421,782
Buildings	3,329,590	2,297,063
	7,069,236	5,718,845

Material accounting policy information

(a) Recognition and measurement

Items of property, plant and equipment are measured at cost/valuation less accumulated depreciation and accumulated impairment losses.

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss.

The Group revalues its properties comprising lands and buildings every 5 years and at a shorter interval whenever the fair value of the revalued assets is expected to differ materially from their carrying value. Surplus arising from valuation are dealt with in the revaluation reserve account. Any deficit arising is offset against the revaluation reserve the extent of a previous increase for the same property. In all other cases, a decrease in carrying amount is recognised in profit or loss. When revalued assets are sold, the amounts included in the revaluation surplus reserve are transferred to retained earnings.

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

Material accounting policy information (Cont'd)

(b) Depreciation

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

Leasehold lands and buildings	Over remaining leasehold period
Office equipment, furniture and fittings and renovation	5 to 10 years
Plant and machineries, tools and equipment	5 to 10 years
Motor vehicles	5 years
Leased properties	2 to 10 years

Capital work-in-progress are not depreciated but are tested for impairment annually and whenever there is an indication that they may be impaired.

Depreciation methods, useful lives and residual values are reviewed at end of the reporting period and adjusted as appropriate.

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these property, plant and equipment.

(c) Recognition exemption – Right-of-use assets

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low- value assets. The Group and the Company recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Notes to the Financial Statements (Cont'd)

9. INVESTMENT PROPERTIES

	At fair value			At cost	
	Freehold lands RM	Leasehold lands RM	Buildings RM	Capital work-in-progress RM	Total RM
Group					
2024					
At fair value/cost					
At 1 July 2023	3,995,000	145,000	9,615,000	5,556,276	19,311,276
Additions	75,903,120	–	330,000	14,848,385	91,081,505
Additions through acquisition of a subsidiary [Note 11(a)(i)]	3,000,000	–	106,860,000	–	109,860,000
Disposals	(3,300,000)	–	(12,885,000)	–	(16,185,000)
Transfer from inventories (Note 10)	9,188,405	–	–	51,134,719	60,323,124
Fair value adjustment	8,071,595	–	10,900,000	–	18,971,595
At 30 June 2024	96,858,120	145,000	114,820,000	71,539,380	283,362,500
2023					
At fair value/cost					
At 1 July 2022	9,678,000	145,000	9,335,000	250,000	19,408,000
Additions	–	–	485,000	5,306,276	5,791,276
Disposals	(5,683,000)	–	(220,000)	–	(5,903,000)
Fair value adjustment	–	–	15,000	–	15,000
At 30 June 2023	3,995,000	145,000	9,615,000	5,556,276	19,311,276

	Freehold land RM	Buildings RM	Total RM
Company			
2024			
At fair value			
At 1 July 2023/30 June 2024	–	6,190,000	6,190,000
2023			
At fair value			
At 1 July 2022	4,700,000	6,190,000	10,890,000
Disposals	(4,700,000)	–	(4,700,000)
At 30 June 2023	–	6,190,000	6,190,000

9. INVESTMENT PROPERTIES (CONT'D)

The fair values were arrived by reference to market evidence of transaction prices for similar properties and were performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued.

Fair values were determined using both the comparison method and the income approach. The Group's and the Company's investment properties of RM93,820,000 and RM6,190,000 (2023: RM9,615,000 and RM6,190,000) are valued based on similar lands and buildings that have been sold recently and those that are currently being offered for sale in the vicinity with appropriate adjustments made to reflect improvements and other dissimilarities and to arrive at the value.

The Group's investment properties of RM21,000,000 (2023: Nil) are valued based on income approach by way of "Term and Reversion Method", which involves capitalisation of the net annual income stream that is expected to be received from the property after deducting the annual outgoings and other operating expenses incidental to the property with allowance for void by using an appropriate market derived capitalisation rate.

Changes in fair value are recognised in the profit or loss during the period in which they are reviewed.

The fair value of the freehold lands, leasehold land and buildings are categorised at Level 3 of the fair value hierarchy as certain inputs for the properties were unobservable, of which the most significant inputs into this valuation approach using comparable method are location, size, age and condition of tenure and title restriction, and income approach are allowance for void, term yield rates, discount rate and reversionary yield rate.

The significant unobservable inputs for comparable method is price per square foot ranging from RM3.17 – RM660.50 (2023: RM16.00 – RM1,121.48). The significant unobservable inputs for income approach are void rate of 30% (2023: Nil), term yield of 4.50% (2023: Nil), discount rate of 4.50% (2023: Nil) and reversionary yield of 4.50% (2023: Nil).

Group

The long-term leasehold lands and buildings of the Group have unexpired lease periods range from 52 to 80 years (2023: 51 to 81 years).

The capital work-in-progress represents:

(i) acquisition of 2 units of 2-storey detached factory, of which the vendor's obligation has yet to be satisfied as at reporting date and the remaining capital commitments have been disclosed in Note 33;
(ii) ongoing self-development of a single storey industrial warehouse; and
(iii) self-construction work for freehold land.

Included in investment properties is an amount of RM2,647,423 (2023: RM42,424) arising from capitalisation of interest expenses.

Rental income earned by the Group amounted to RM1,569,632 (2023: RM82,900) is recognised in profit or loss in respect of the investment properties.

Direct expenses incurred by the Group amounted to RM1,015,754 (2023: RM13,040) is recognised in profit or loss in respect of the investment properties.

The titles of the lands and buildings of the Group at fair values of RM1,535,000 (2023: RM1,205,000) are in the process of being registered in the name of a subsidiary.

Investment properties of the Group at carrying amount of RM200,930,243 (2023: RM14,921,285) are charged to licensed banks as security for borrowings as disclosed in Note 26.

Notes to the Financial Statements (Cont'd)

9. INVESTMENT PROPERTIES (CONT'D)

Company

Investment properties of the Company at carrying amount of RM6,190,000 (2023: RM6,190,000) are charged to a licensed bank as security for borrowings granted to the Company as disclosed in Note 26.

Material accounting policy information

(a) Recognition and measurement

Investment properties are measured initially at its cost. Cost includes expenditure that is directly attributable to the acquisition of the investment properties. The cost of self-constructed investment properties includes the cost of materials and direct labour, any other cost directly attributable to bringing the investment properties to a working condition for their intended use.

Investment properties are subsequently measured at fair value with any change therein recognised in profit or loss for the period in which they arise.

Fair value gain or loss arising from the reclassification from inventories to investment property is recognised in profit or loss.

The investment properties are derecognised on its disposal, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the net disposal proceeds and the carrying amount is recognised in profit or loss in the period in which the items in derecognised.

(b) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific investment properties to which it relates. All other expenditure is recognised in profit or loss as incurred.

Capital work-in-progress is tested for impairment annually and whenever there is an indication that they may be impaired.

Notes to the Financial Statements (Cont'd)

10. INVENTORIES

	Note	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Non-current asset:					
At cost:					
Land held for property development	(i)	54,588,512	33,966,683	–	9,152,606
Current assets:					
At cost:					
Property development costs	(ii)	119,570,853	143,910,872	–	–
Unsold completed units		543,732	543,732	–	–
Building materials and hardware		18,940,229	19,644,162	–	–
		139,054,814	164,098,766	–	–
Recognised in profit or loss as cost of sales		48,045,163	46,849,774	9,188,405	–

Included in inventories of the Group is an amount of RM8,544,395 (2023: RM1,797,288) arising from capitalisation of interest expenses.

(i) Land held for property development

	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
At beginning of the financial year	33,966,683	13,184,380	9,152,606	9,152,606
Additions	29,810,234	20,782,303	35,799	–
Disposals	–	–	(9,188,405)	–
Transfer to investment properties (Note 9)	(9,188,405)	–	–	–
At end of the financial year	54,588,512	33,966,683	–	9,152,606

Notes to the Financial Statements (Cont'd)

10. INVENTORIES (CONT'D)

(i) Land held for property development (Cont'd)

Lands held for property development of the Group with the net carrying amount of RM24,814,077 (2023: RM24,814,077) represent partial payment of the ten individual land plots, of which the full amount is to be paid based on the milestones over 3 years, and the remaining capital commitments have been disclosed in Note 33.

All the land titles have been transferred and registered in the name of the Group and of the Company, except for the freehold land of the Group amounting to RM54,588,512 (2023: RM24,814,077) were in the midst of being transferred to the Group.

(ii) Property development costs

	Group	
	2024 RM	**2023 RM**
At beginning of the financial year	143,910,872	–
Additions		
- Land cost	3,739,299	143,609,480
- Development cost	23,055,401	301,392
	26,794,700	143,910,872
Transfer to investment properties (Note 9)		
- Land cost	(29,044,174)	–
- Development cost	(22,090,545)	–
	(51,134,719)	–
At end of the financial year	119,570,853	143,910,872

The titles to on-going property development are in the name of a third party ("Landowner") with full power of attorney obtained by the Group.

Material accounting policy information

Land held for property development

Land held for property development consists of land on which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle. Such land is classified as non-current asset and is stated at lower of cost and net realisable value.

Costs associated with the acquisition of land include the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies. Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its net realisable value.

Land held for property development is transferred to property development costs (under current assets) when significant development work has been undertaken and is expected to be completed within the normal operating cycle of the Company or the developers.

10. INVENTORIES (CONT'D)

Material accounting policy information (Cont'd)

Property development costs

The property development costs of the Group are made up of relevant cost of land and development expenditure. Land costs comprise cost incurred via acquisition or business arrangement. Any consideration payable for the land with deferred payment will be determined based on the present value of the deferred payment.

Property development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

Property development costs not recognised as an expense are recognised as an asset, which is measured at the lower of cost and net realisable value.

Unsold completed units

The cost of unsold completed properties is stated at the lower of cost and net realisable value. Cost includes the relevant cost of land and development expenditure.

Finished goods (building materials and hardware)

Inventories are measured at the lower of cost and net realisable value.

The cost of inventories is measured based on weighted average cost formula, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

Net realisable value

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

11. INVESTMENTS IN SUBSIDIARIES

	Company	
		Restated
	2024	2023
	RM	RM
Unquoted shares, at cost		
At beginning of the financial year	30,202,985	30,133,085
Addition	146,081,081	69,900
At end of the financial year	176,284,066	30,202,985

Notes to the Financial Statements (Cont'd)

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

	Company 2024 RM	Company Restated 2023 RM
Capital contribution to subsidiaries		
At beginning of the financial year	–	–
Addition	41,399,000	–
At end of the financial year	41,399,000	–
	217,683,066	30,202,985
Less: Allowance for impairment losses	(2,276,778)	(8,323,464)
Net carrying amount		
At end of the financial year	215,406,288	21,879,521

Capital contribution to subsidiaries represents amounts due from subsidiaries which is non-trade in nature, unsecured and interest-free and the settlement of the amount is neither planned nor likely to occur in the foreseeable future. As this amount is in substance, representing additional investments in the subsidiaries, it is stated at cost less accumulated impairment losses.

Movement in allowance for impairment losses in respect of investments in subsidiaries is as follows:

	Company 2024 RM	Company 2023 RM
At beginning of the financial year	8,323,464	14,283,031
Reversal	(6,046,686)	(5,959,567)
At end of the financial year	2,276,778	8,323,464

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows:

Name of Subsidiaries	Country of Incorporation	Principal activities	Effective Equity Interest 2024 %	Effective Equity Interest 2023 %
PTT Property Sdn. Bhd. ("PTTP")	Malaysia	Property development and investment holding	100	100
PTT Development Sdn. Bhd. ("PTTD")	Malaysia	Property development, building and civil contractors	100	100
Hoover Management Sdn. Bhd. ("HMSB")	Malaysia	Provision of management services	100	100
PTT Machineries Sdn. Bhd. ("PTTM")	Malaysia	Letting of machineries and providing maintenance services	100	100
PTT Infra Sdn. Bhd. ("PTTI")	Malaysia	Building, earthworks and civil contractors	100	100
Heap Wah Barakah Sdn. Bhd. ("HWB")	Malaysia	Manufacturing, trading and supply of sanitary wares, tapwares and related products	70	70
PTT Logistics Sdn. Bhd. ("PTTL")	Malaysia	Involved in the warehousing and storage services and other transportation support activities	70	70
Pembinaan Tetap Teguh Sdn. Bhd. ("PTTSB") *	Malaysia	Construction contractors and property investment	100	–
PTT Logistics Hub 1 Sdn. Bhd. ("Hub 1")	Malaysia	Engaged in renting and operational leasing of automated storage and retrieval system together with warehouse	100	–
Held through PTT Infra Sdn. Bhd. PTT Assets Sdn. Bhd. ("PTTA")	Malaysia	Engaged in asset management and property investment holding	100	100

Notes to the Financial Statements (Cont'd)

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

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

Name of Subsidiaries	Country of Incorporation	Principal activities	Effective Equity Interest 2024 %	2023 %
Held through PTT Development Sdn. Bhd.				
PTT E Energy Sdn. Bhd. ("PTTE")	Malaysia	Involved in the operation of transmission, distribution and sales of electricity, other transportation support activities and operation of generation facilities that produce electric energy	100	100
Held through Heap Wah Barakah Sdn. Bhd.				
Anggun Tegas Merak Sdn. Bhd. ("ATM") ^	Malaysia	Engaged in trading of building materials and remained dormant	70	70
Held through Anggun Tegas Merak Sdn. Bhd.				
PTS Dura Marketing Sdn. Bhd. ("PTS") ^	Malaysia	Trading of building materials and hardware (ceased operation)	70	70
Held through Pembinaan Tetap Teguh Sdn. Bhd. and PTT Development Sdn. Bhd.				
Projek Tetap Teguh Sdn. Bhd. ("Pro TT")	Malaysia	Develop and lease of warehouse	100	–

^ *The management accounts are reviewed by Moore Stephens Associates PLT for consolidation purposes. PTS has been struck off from the Registrar pursuant to Section 551 of the Companies Act 2016 and was accordingly dissolved on 26 July 2024, whereas second strike-off notice has been issued for ATM on 14 August 2024 and shall be dissolved upon publication of the name in the Gazette.*

* *Ordinary shares of this subsidiary have been pledged to a licensed bank as securities for credit facilities granted to the Group and to the Company as disclosed in Note 26.*

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(a) Additions to investments in subsidiaries

2024

(i) Acquisition of a subsidiary

Pembinaan Tetap Teguh Sdn. Bhd. ("PTTSB")

On 30 March 2023, the Company had entered into a Share Sale Agreement ("SSA") with the Vendors (i.e., Teo Swee Phin, Teo Swee Leng and Faddly bin Nordin) for the proposed acquisition of 25,000,000 ordinary shares in Pembinaan Tetap Teguh Sdn. Bhd. ("PTTSB"), representing 100% equity interest in PTTSB for a total purchase consideration of RM143.08 million.

The purchase consideration of RM143.08 million in relation to the proposed acquisition will be satisfied by a combination of the following: -

- Cash consideration of RM62.00 million; and

- New ordinary share to be issued by the Company at an issue price of RM1.00 ("consideration shares") amounting to RM81.08 million, of which consideration shares of RM30.63 million ("profit guarantee shares") shall be pledged to a trustee to be appointed by the Company as security for the performance of the Vendors' obligation in respect of profit guarantee (being profit after tax collectively not less than RM34 million) and to be released to the Vendors upon meeting the Profit Guarantee over the Guaranteed Period (being financial period ended 31 December 2023 and 31 December 2024).

On 10 August 2023, the above-mentioned proposed acquisition has been completed. For accounting purposes, the cut-off was taken on 31 July 2023.

The fair value of the identifiable assets and liabilities arising from the purchase price allocation ("PPA") of PTTSB as at the date of completion was:

	As at 31.07.2023 RM
Property, plant and equipment	66,621,031
Investment properties	109,860,000
Other investments	834,238
Trade receivables	43,734,027
Other receivables	10,263,407
Contract assets	118,902,921
Fixed deposits with licensed banks	16,679,927
Cash and cash equivalents	2,379,857
Trade payables	(72,969,235)
Other payables	(31,391,428)
Borrowings	(94,335,974)
Lease liabilities	(54,386,365)
Deferred tax liabilities	(10,538,711)
Amount due to a Director	(3,695,000)
Tax payable	(1,793,961)
Fair value of net identifiable assets acquired	100,164,734

Notes to the Financial Statements (Cont'd)

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(a) Additions to investments in subsidiaries (Cont'd)

2024 (Cont'd)

(i) Acquisition of a subsidiary (Cont'd)

Pembinaan Tetap Teguh Sdn. Bhd. ("PTTSB") (Cont'd)

The effect of the acquisition on cash flows is as follows:

	RM
Net cash flows arising from acquisition of a subsidiary	
Cash consideration	62,000,000
Less: Cash and cash equivalents from acquisition of a subsidiary	(2,379,857)
Net cash outflows on completion of acquisition	59,620,143

The goodwill arising from the acquisition is as follows:

	RM
Goodwill arising from acquisition	
Purchase consideration	
- cash consideration	62,000,000
- equity instruments issued (81,081,081 ordinary shares)	81,081,081
Total consideration	143,081,081
Less: Fair value of net identified assets acquired	(100,164,734)
Less: Fair value of identified contract cost	(521,360)
Goodwill on consolidation	42,394,987

Purchase price allocation ("PPA")

During the financial year ended 30 June 2024, the Group completed the purchase price allocation to determine goodwill arising from the acquisition of PTTSB. The Group has recognised a contract cost of RM521,360 arising from the acquisition of PTTSB which contributed from its residual value of existing on-going construction projects. The amortisation of contract cost has been recognised in the statements of comprehensive income under the line item "Cost of sales" as the construction projects have been completed subsequent to completion of acquisition of PTTSB.

(ii) Incorporation of subsidiaries

On 7 September 2023, the Company via PTTSB and PTTD subscribed for 100 ordinary shares representing an equity interest of 100% in Pro TT for a cash consideration of RM100.

On 6 October 2023, the Company subscribed for 100 ordinary shares representing an equity interest of 100% in Hub 1 for a cash consideration of RM100.

(iii) Additional investments in subsidiaries

On 18 October 2023, the Company via PTTSB and PTTD had further subscribed 2,999,900 ordinary shares in Pro TT for a cash consideration of RM2,999,900. No changes to the Company's effective equity interest of 100% in Pro TT.

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(a) Additions to investments in subsidiaries (Cont'd)

2024 (Cont'd)

(iii) Additional investments in subsidiaries (Cont'd)

On 23 May 2024, the Company had further subscribed 2,999,900 ordinary shares in Hub 1 for a cash consideration of RM2,999,900. No changes to the Company's effective equity interest of 100% in Hub 1.

2023

(i) Incorporation of subsidiaries

On 20 February 2023, the Company via PTTD subscribed for 100 ordinary shares representing an equity interest of 100% in PTTL for a cash consideration of RM100.

On 7 February 2023, the Company via PTTD subscribed for 100 ordinary shares representing an equity interest of 100% in PTTE for a cash consideration of RM100.

(ii) Additional investments in subsidiaries

On 29 November 2022, the Company via PTTI had subscribed additional 500,000 ordinary shares in PTTA for a cash consideration of RM250,000 and by way of capitalisation of debts of RM250,000. No changes to the Company's effective equity interest of 100% in PTTA.

On 27 February 2023, the Company via PTTI had further subscribed 100,000 ordinary shares in PTTA for a cash consideration of RM100,000. No changes to the Company's effective equity interest of 100% in PTTA.

On 17 May 2023, the Company subscribed for 69,900 ordinary shares representing an equity interest of 70% in PTTL for a cash consideration of RM69,900.

Notes to the Financial Statements (Cont'd)

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(b) Non-controlling interests in subsidiaries

The non-controlling interests ("NCI") of the Group is as follows:

	PTTL	Heap Wah Barakah Sdn. Bhd. and subsidiaries ("Heap Wah Group")	Total
2024			
NCI percentage of ownership and voting interest (%)	30%	30%	
Carrying amount of NCI (RM)	(131,089)	11,872,281	11,741,192
(Loss)/Profit allocated to NCI (RM)	(139,850)	750,686	610,836
Total comprehensive income allocated to NCI (RM)	(139,850)	863,603	723,753
2023			
NCI percentage of ownership and voting interest (%)	30%	30%	
Carrying amount of NCI (RM)	8,761	12,508,678	12,517,439
(Loss)/Profit allocated to NCI (RM)	(21,239)	629,702	608,463
Total comprehensive income allocated to NCI (RM)	(21,239)	629,702	608,463

Notes to the Financial Statements (Cont'd)

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(b) Non-controlling interests in subsidiaries (Cont'd)

The summarised financial information before intra-group elimination of subsidiaries that has NCI as at the end of each reporting period is as follows:

	PTTL RM	Heap Wah Barakah Sdn. Bhd. and subsidiaries ("Heap Wah Group") RM	Total RM
2024			
Assets and liabilities:			
Non-current assets	4,157	16,215,536	16,219,693
Current assets	14,147,470	45,668,240	59,815,710
Non-current asset held for sale	–	1,151,921	1,151,921
Non-current liabilities	–	(5,113,588)	(5,113,588)
Current liabilities	(14,588,589)	(18,347,839)	(32,936,428)
Net assets	(436,962)	39,574,270	39,137,308
Results:			
Revenue	13,012,109	57,993,051	71,005,160
(Loss)/Profit for the financial year	(466,165)	2,502,288	2,036,123
Total comprehensive income	(466,165)	2,878,673	2,412,508
Cash flows:			
Net cash (used in)/from operating activities	(11,135,559)	7,685,020	(3,450,539)
Net cash used in investing activities	(4,300)	(456,035)	(460,335)
Net cash from/(used in) financing activities	11,088,864	(8,171,222)	2,917,642
Net increase/(decrease) in cash and cash equivalents	34,011	(958,979)	(924,968)
Dividend paid to non-controlling interests	–	(1,500,000)	(1,500,000)

Notes to the Financial Statements (Cont'd)

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(b) Non-controlling interests in subsidiaries (Cont'd)

The summarised financial information before intra-group elimination of subsidiaries that has NCI as at the end of each reporting period is as follows: (Cont'd)

	PTTL RM	Heap Wah Barakah Sdn. Bhd. and subsidiaries ("Heap Wah Group") RM	Total RM
2023			
Assets and liabilities:			
Non-current assets	–	15,579,514	15,579,514
Current assets	85,006	45,897,267	45,982,273
Non-current asset held for sale	–	1,151,921	1,151,921
Non-current liabilities	–	(5,705,275)	(5,705,275)
Current liabilities	(55,803)	(15,227,831)	(15,283,634)
Net assets	29,203	41,695,596	41,724,799
Results:			
Revenue	–	54,561,259	54,561,259
(Loss)/Profit for the financial year	(70,797)	2,099,008	2,028,211
Total comprehensive income	(70,797)	2,099,008	2,028,211
Cash flows:			
Net cash used in operating activities	(55,130)	(538,709)	(593,839)
Net cash from investing activities	–	274,997	274,997
Net cash from financing activities	140,136	289,793	429,929
Net increase in cash and cash equivalents	85,006	26,082	111,088
Dividend paid to non-controlling interests	–	(300,000)	(300,000)

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(c) Reversal of impairment loss on investments in subsidiaries

2024

During the financial year, the management has reassessed its recoverable amount of its investments in subsidiaries based on fair value less cost of disposal method and reversed part of its initially recognised impairment loss of RM6,046,686. The fair value less costs of disposal was measured based on adjusted net assets of the subsidiary.

The reversal of impairment loss has been recognised in the statements of comprehensive income of the Company under the line item "other income" for the financial year ended 30 June 2024.

2023

In the prior financial year, the management has reassessed its recoverable amount of its investments in subsidiaries based on fair value less cost of disposal method and reversed part of its initially recognised impairment loss of RM5,959,567. The fair value less costs of disposal was measured based on adjusted net assets of the subsidiary.

The reversal of impairment loss has been recognised in the statements of comprehensive income of the Company under the line item "other income" for the financial year ended 30 June 2023.

Material accounting policy information

In the Company's separate financial statements, investments in subsidiaries are measured at cost less any accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in the profit or loss.

Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances. The Company controls an investee if and only if the Company has all the following:

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
(ii) Exposure, or rights, to variable returns from its investment with the investee; and
(iii) The ability to use its power over the investee to affect its returns.

When the Company has less than a majority of the voting rights of an investee, the Company considers the following in assessing whether or not the Company's voting rights in an investee are sufficient to give it power over the investee:

(i) The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
(ii) Potential voting rights held by the Company, other vote holders or other parties;
(iii) Rights arising from other contractual arrangements; and
(iv) Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary.

Notes to the Financial Statements (Cont'd)

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Material accounting policy information (Cont'd)

Changes in the Company's ownership interests in subsidiaries that do not result in the Company losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Company's interest and the non-controlling interests are adjusted to reflect the changes in their relative interest in the subsidiaries. The resulting difference is recognised directly in equity and attributed to Owners of the Company.

When control ceases, the disposal proceeds and the fair value of any retained investment are compared to the Group's share of the net assets disposed. The difference together with the carrying amount of allocated goodwill and the exchange reserve that relate to the subsidiary is recognised as gain or loss on disposal.

Non-controlling interests

Non-controlling interests represent the equity in subsidiaries not attributable directly or indirectly, to Owners of the Company, and is presented separately in the Group's statements of comprehensive income and within equity in the Group's statements of financial position, separately from equity attributable to Owners of the Company. Non-controlling interest is initially measured at acquisition-date share of net assets other than goodwill as of the acquisition after and is subsequently adjusted for the changes in the net assets of the subsidiary after the acquisition date.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to Owners of the Company.

Losses within a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

12. OTHER INVESTMENTS

	Group		Company	
		Restated		
	2024	2023	2024	2023
	RM	RM	RM	RM
At fair value through profit or loss				
At beginning of the financial year	232,841	–	–	–
Additions	2,474,381	232,841	1,486,310	–
Addition through acquisition of a subsidiary [Note 11(a)(i)]	834,238	–	–	–
Fair value adjustments	14,901	–	–	–
At end of the financial year	3,556,361	232,841	1,486,310	–

12. OTHER INVESTMENTS (CONT'D)

This represents the insurance premium invested with financial institutions for the banking facilities granted by the financial institutions.

Material accounting policy information

At initial recognition, the Group and the Company irrevocably elect to present subsequent changes in the fair value of the investment through profit or loss. This election is made as an investment-by-investment basis.

13. GOODWILL

	Group 2024 RM	Group 2023 RM
At beginning of the financial year	1,132,770	1,132,770
Addition [Note 11(a)(i)]	42,394,987	–
At end of the financial year	43,527,757	1,132,770

Goodwill acquired in a business combination is allocated, at acquisition date, to the cash-generating units ("CGUs") that are expected to benefit from the business combinations.

Impairment testing for goodwill

Goodwill arising from business combinations has been allocated to two (2023: one) individual cash-generating units ("CGUs") for impairment testing and the breakdown of goodwill allocated to each CGU is as follows:

	Group 2024 RM	Group 2023 RM
Heap Wah Barakah Sdn. Bhd. ("HWB")	1,132,770	1,132,770
Pembinaan Tetap Teguh Sdn. Bhd. ("PTTSB")	42,394,987	–
	43,527,757	1,132,770

Trading of building materials and hardware segment (HWB)

The recoverable amount was determined based on fair value less costs of disposal calculations using cash flow projections from financial forecasts and projections approved by Board of Directors covering a five-year period.

The calculations of recoverable amounts for the CGU are most sensitive to the following assumptions: -

(i) Revenue growth rate

Projected revenue growth rate of 6% (2023: 8%) per annum based on historical experience and terminal value without growth rate.

Notes to the Financial Statements (Cont'd)

13. GOODWILL (CONT'D)

Impairment testing for goodwill (Cont'd)

Trading of building materials and hardware segment (HWB) (Cont'd)

The calculations of recoverable amounts for the CGU are most sensitive to the following assumptions: - (Cont'd)

(ii) Industry discount rate

Industry discount rate of 9.78% (2023: 8.57%) was applied in determining the recoverable amounts of the CGU. The discount rate used is based on the comparable trading segment.

The sensitivity analysis is presented as follows: -

- A decrease of 2 percentage point in the revenue growth rate would have reduced the recoverable amount by approximately RM2.28 million.

- An increase of 1 percentage point in the discount rate would have reduced the recoverable amount by approximately RM1.03 million.

Construction segment (PTTSB)

The recoverable amount was determined based on fair value less costs of disposal calculations using cash flow projections from financial forecasts and projections approved by Board of Directors covering a four-year period.

The calculations of recoverable amounts for the CGU are most sensitive to the following assumptions: -

(i) Construction costs

There will not be any significant changes in the contracted sum and supply of raw materials, wages and other related costs, resulting from industrial dispute, adverse changes in economic conditions or other abnormal factors, which will adversely affect the operations of the CGU.

(ii) Industry discount rate

Industry discount rate of 8.17% (2023: Nil) was applied in determining the recoverable amounts of the CGU. The discount rate used is based on the comparable construction segment.

The sensitivity analysis is presented as follows: -

- An increase of 2 percentage point in the construction costs would have reduced the recoverable amount by approximately RM8.16 million.

- An increase of 1 percentage point in the discount rate would have reduced the recoverable amount by approximately RM1.44 million.

Based on the above sensitivity analyses, the adverse situations contemplated would not cause the carrying values of the remaining CGUs to materially exceed their recoverable amounts, other than changes in prevailing operating environments, of which the impact is not ascertainable.

13. GOODWILL (CONT'D)

Material accounting policy information

Goodwill is allocated to cash generating units and is stated at cost less accumulated impairment losses, if any. Goodwill is not amortised but is tested for impairment annually and whenever there is an indication that they may be impaired. Impairment losses recognised are not reversed in subsequent periods.

Upon the disposal of investment in the subsidiary, the related goodwill will be included in the computation of gain or loss on disposal of investment in the subsidiary in the profit or loss.

14. TRADE RECEIVABLES

		Group	
	Note	**2024 RM**	**2023 RM**
Trade receivables, gross			
- third parties		48,773,302	27,635,810
- Directors' related company		148,768	15,406,945
		48,922,070	43,042,755
Retention sum			
- third parties	(i)	38,516,542	5,404,198
- Directors' related company		34,127	2,798,507
		38,550,669	8,202,705
Grand total of trade receivables, gross		87,472,739	51,245,460
Less: Allowance for impairment loss		(5,075,650)	(5,615,261)
Trade receivables, net		82,397,089	45,630,199

The normal credit terms extended to customers ranges from 7 to 90 days (2023: 30 to 90 days). Other credit terms are assessed and approved on a case-by-case basis.

Movements in the allowance for impairment losses on trade receivables during the financial year are as follows:

	Group	
	2024 RM	**2023 RM**
Balance at beginning of the financial year	5,615,261	7,737,054
Additions	2,486,880	1,631,972
Reversal	(2,259,825)	(3,703,032)
Written off	(766,666)	(50,733)
Balance at end of the financial year	5,075,650	5,615,261

(i) Half of the retention sum held by contract customers are due upon issuance of Certificate of Practical Completion, and another half of the retention sum are due upon expiry of retention periods ranging from 12 months to 24 months (2023: 12 months to 24 months) after issuance of Certificate of Making Good Defect.

Notes to the Financial Statements (Cont'd)

15. OTHER RECEIVABLES

		Group		Company	
			Restated		
		2024	2023	2024	2023
	Note	RM	RM	RM	RM
Third parties		10,909,644	1,582,884	–	–
Deposits	(i)	1,536,016	1,615,312	163,292	163,292
Prepayments		5,157,075	1,424,586	492,121	–
		17,602,735	4,622,782	655,413	163,292

(i) In the prior financial year, included in the deposits is an amount of RM705,554 as earnest deposit paid by the Group to perform preliminary assessment over 2 lot of lands and is refundable after 2 months of due diligence period. During the financial year, the Group has collected the earnest deposit and the acquisition of 2 lot of lands had been entered by a subsidiary.

16. CONTRACT ASSETS

Contract assets represent the timing differences in construction revenue recognition and the milestone billings. The milestone billings are structured and/or negotiated with customers to reflect physical completion of the contracts.

Contract assets are transferred to trade receivables when the rights to economic benefit become unconditional. This usually occurs when the Group issues billing to the customer.

	Group	
	2024	2023
	RM	RM
At beginning of the financial year	90,413,682	42,290,344
Addition through acquisition of subsidiary [Note 11(a)(i)]	118,902,921	–
Revenue recognised during the financial year (Note 3)	266,388,552	114,999,599
Less: Progress billing during the financial year	(236,692,695)	(66,876,261)
At end of the financial year	239,012,460	90,413,682

17. AMOUNTS DUE FROM SUBSIDIARIES

	Company	
	2024	2023
	RM	RM
Amounts due from subsidiaries	140,008,001	34,135,387

These amounts are non-trade in nature, unsecured, interest free advances which are collectible on demand.

17. AMOUNTS DUE FROM SUBSIDIARIES (CONT'D)

During the financial year, the Company has capitalised RM41,399,000 due from two (2) subsidiaries to investments in subsidiaries of the Company as disclosed in Note 11.

18. SHORT-TERM INVESTMENT

This refers to investment in a short to medium-term fixed income fund of which the fund will be invested in money market investments and short to medium term fixed income instruments. The distribution income from this fund is tax exempted and is being treated as interest income by the Group.

19. FIXED DEPOSITS WITH LICENSED BANKS

Included in deposits with licensed banks of the Group are as follows:

(i) an amount of RM21,978,155 (2023: RM6,127,353) pledged as security for bank credit facilities granted to subsidiaries as disclosed in Note 26; and

(ii) an amount of RM6,423,666 (2023: RM158,326) pledged to licensed banks as securities for performance bank guarantee issued in favour of third parties.

The effective interest rates of the fixed deposits placed with licensed banks ranges from 2.00% to 2.70% (2023: 1.75% to 2.93%) per annum. The deposits have maturity periods ranging from 1 month to 12 months (2023: 1 month to 12 months).

20. CASH AND BANK BALANCES

Included in the bank balances of the Group is an amount of RM776,556 (2023: RM765,226) placed in Housing Development Accounts ("HDA") in accordance with Section 7(A) of the Housing Development (Control and Licensing) Act, 1966 (Amended 2002). These HDA accounts, which consist of monies received from purchasers, are for the payment of property development costs incurred. The surplus monies in these accounts, if any, will be released to the subsidiary of the Company in accordance with the provisions of the Act.

21. NON-CURRENT ASSET HELD FOR SALE

	Long-term leasehold land RM	Leasehold building RM	Total RM
Group			
2024			
Cost			
At 1 July 2023/30 June 2024	548,119	676,100	1,224,219
Accumulated depreciation			
At 1 July 2023/30 June 2024	33,210	39,088	72,298
Net carrying amount			
At 30 June 2024	514,909	637,012	1,151,921

Notes to the Financial Statements (Cont'd)

21. NON-CURRENT ASSET HELD FOR SALE (CONT'D)

	Long-term leasehold land RM	Leasehold building RM	Total RM
Group (Cont'd)			
2023			
Cost			
At 1 July 2022	–	–	–
Transfer from property, plant and equipment (Note 8)	548,119	676,100	1,224,219
At 30 June 2023	548,119	676,100	1,224,219
Accumulated depreciation			
At 1 July 2022	–	–	–
Transfer from property, plant and equipment (Note 8)	33,210	39,088	72,298
At 30 June 2023	33,210	39,088	72,298
Net carrying amount			
At 30 June 2023	514,909	637,012	1,151,921

In the previous financial year, the Group entered into a Sale and Purchase Agreement to dispose a leasehold commercial land and building for a cash consideration of RM1,800,000. The disposal was expected to be completed in the current financial year. However, one of the condition precedents required the Group to apply and file for a change of the vendor's name at the Land Office and obtain the amended title.

On 9 August 2024, the application was rejected by the Land Office as the vendor is required to first apply for the approval to transfer the ownership from Bumiputera to non-Bumiputera. As the necessary approvals have not yet been obtained, the Group continues to classify the asset as held for sale. The disposal is expected to be completed upon securing the necessary approvals.

Material accounting policy information

Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs of disposal.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject to terms that are usual and customary for sales of such asset. Management must be committed to sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Properties are not depreciated once classified as held for sale.

22. SHARE CAPITAL

	Group and Company			
	Number of shares		Amount	
	2024 Units	2023 Units	2024 RM	2023 RM
Issued and fully paid:				
At beginning of the financial year	99,000,000	90,000,000	83,196,408	73,704,998
Issuance pursuant to: -				
- acquisition of a subsidiary [Note 11(a)(i)]	81,081,081	–	81,081,081	–
- private placement net with related expenses	36,000,000	9,000,000	51,455,595	9,491,410
At end of the financial year	216,081,081	99,000,000	215,733,084	83,196,408

2024

During the financial year, the Company has increased its issued ordinary shares from RM83,196,408 to RM215,733,084 by the issuance and allotment of the following:

- 81,081,081 new ordinary shares at an issue price of RM1.00 per share for the purpose of acquisition of a subsidiary; and

- 36,000,000 new ordinary shares through private placement via first tranche of 3,054,200 new ordinary shares at an issue price of RM1.015 per share, second tranche of 2,300,000 new ordinary shares at an issue price of RM1.11 per share, third tranche of 15,000,000 new ordinary shares at an issue price of RM1.11 per share and fourth tranche of 15,645,800 new ordinary shares at an issue price of RM1.89 per share for working capital purpose and net off with incurred placement fee of RM417,980.

2023

During the financial year, the Company has increased its issued ordinary shares from RM73,704,998 to RM83,196,408 by way of the issuance of 9,000,000 new ordinary shares through private placement at an issue price of RM1.07 per share for working capital purpose and net off with incurred placement fee of RM138,590.

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company.

The holder of ordinary shares is entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regards to the Company's residual assets.

23. ASSETS REVALUATION RESERVE

The assets revaluation reserve represents upward/downward in fair value of freehold land and leasehold lands and buildings, net of deferred tax.

Notes to the Financial Statements (Cont'd)

24. TRADE PAYABLES

	Note	Group 2024 RM	Group 2023 RM
Non-current liabilities			
Landowner's entitlement	(i)	140,292,624	140,805,223
Current liabilities			
Landowner's entitlement	(i)	8,542,919	5,869,493
Directors' related companies		5,838,788	700,000
Third parties		70,303,720	25,185,909
Retention sum on contracts	(ii)	6,624,207	610,679
Accrued contractor works	(iii)	86,475,617	50,772,139
		177,785,251	83,138,220

The normal trade credit terms granted to the Group range from 30 to 90 days (2023: 30 to 90 days). Other credit terms are assessed and approved on a case-by-case basis.

(i) Landowner's entitlement

These are in respect of payable for landowner's entitlement under deferred payment term pursuant to the property development agreements entered into with a landowner. Pursuant to the said agreement, the entitlement shall be paid based on a mutually agreed schedule of payment. These deferred payables are measured at amortised cost at imputed interest rate of 6.01% per annum.

	Group 2024 RM	Group 2023 RM
Future minimum payments:		
- Repayable within 1 year	8,817,395	14,346,927
- Repayable later than 1 year but not later than 5 years	165,278,763	164,467,827
	174,096,158	178,814,754
Less: Future accretion interest	(25,260,615)	(32,140,038)
	148,835,543	146,674,716
Present value of deferred payable:		
- Repayable within 1 year	8,542,919	5,869,493
- Repayable later than 1 year but not later than 5 years	140,292,624	140,805,223
	148,835,543	146,674,716

(i) Half of the retention sum for contract works are due upon issuance of Certificate of Practical Completion, and another half of the retention sum are due upon expiry of retention periods ranging from 12 months to 24 months (2023: 12 months to 24 months) after issuance of Certificate of Making Good Defects.

(ii) These amounts represent accrued construction costs for on-going construction works which pending billings from its sub-contractors.

Notes to the Financial Statements (Cont'd)

25. OTHER PAYABLES

	Note	Group 2024 RM	Group Restated 2023 RM	Company 2024 RM	Company 2023 RM
Non-current liabilities					
Other payables	(i)	7,447,141	–	–	–
Current liabilities					
Other payables	(i)	18,525,249	13,973,835	332,153	169,522
Accruals		1,169,110	307,857	121,700	115,500
Amount due to a Directors' related company	(ii)	–	38,121	–	–
Rental deposits	(iii)	630,136	–	–	–
Other deposits	(iv)	1,321,711	265,135	–	–
		21,646,206	14,584,948	453,853	285,022

(i) Included in Group's current other payables is an advance of RM4,042,838 (2023: RM4,055,567) from a third-party contract customer, which resulted from a back-to-back arrangement on the construction contract and will be offset with upfront payment made by the Group.

Included in Group's non-current other payables is an advance of RM7,447,141 (2023: RM9,000,000) from a landowner for pre-development expenses purposes. These amounts are under deferred payment term pursuant to the development rights agreement entered into with a third party and measured at amortised cost at imputed interest rate of 6.01% per annum.

	Group 2024 RM
Future minimum payments:	
- Repayable later than 1 year but not later than 5 years	9,000,000
Less: Future accretion interest	(1,552,859)
	7,447,141
Present value of deferred payable:	
- Repayable later than 1 year but not later than 5 years	7,447,141

During the financial year, the Group recognised a gain on remeasurement of deferred other payables of RM2,185,372 in the statements of comprehensive income.

(ii) These amounts are non-trade in nature, unsecured, interest free advances which are repayable on demand.

(iii) Rental deposits represent security deposits received from the tenants of the units on the investment properties which are refundable upon termination of the lease arrangements.

(iv) Included in other deposits is an amount of RM1,006,864 (2023: RM Nil) which represent security and utilities deposit received from a lessee which is refundable upon termination of the lease arrangement.

Notes to the Financial Statements (Cont'd)

26. BORROWINGS (SECURED)

		Group		Company	
			Restated		
	Note	2024 RM	2023 RM	2024 RM	2023 RM
Non-current:					
Term loans	(a)	257,419,211	30,576,988	61,352,685	2,112,414
Current:					
Bank overdrafts		1,820,048	4,032,240	367,313	1,875,789
Bankers' acceptance		840,630	3,093,109	–	–
Domestic recourse factoring and invoice financing		71,530,891	9,627,952	–	–
Revolving credit		3,000,000	–	–	–
Term loans	(a)	14,355,667	901,242	10,253,270	444,889
		91,547,236	17,654,543	10,620,583	2,320,678
Total borrowings:					
Bank overdrafts		1,820,048	4,032,240	367,313	1,875,789
Bankers' acceptance		840,630	3,093,109	–	–
Domestic recourse factoring and invoice financing		71,530,891	9,627,952	–	–
Revolving credit		3,000,000	–	–	–
Term loans	(a)	271,774,878	31,478,230	71,605,955	2,557,303
		348,966,447	48,231,531	71,973,268	4,433,092

Notes to the Financial Statements (Cont'd)

26. BORROWINGS (SECURED) (CONT'D)

The effective interest rates per annum of the borrowings are as follows: -

	Group		Company	
	2024 %	Restated 2023 %	2024 %	2023 %
Bank overdrafts	7.20 - 8.07	6.95 - 7.95	7.95	6.95 - 7.95
Bankers' acceptance	4.10 - 5.20	4.57 - 6.41	–	–
Domestic recourse factoring and invoice financing	4.42 - 4.72	7.45 - 8.20	–	–
Revolving credit	5.67 - 5.75	–	–	–
Term loans	4.42 - 8.20	3.17 - 7.70	5.70 - 7.70	6.70 - 7.70

(a) Term loans

	Group	
	2024 RM	Restated 2023 RM
Repayable:		
Within one year (current)	14,355,667	901,242
Between 1 to 2 years	20,456,298	1,830,560
Between 2 to 5 years	90,309,287	13,298,903
More than 5 years	146,653,626	15,447,525
After one year (non-current)	257,419,211	30,576,988
	271,774,878	31,478,230

The repayment of term loan principal of RM19,621,576 (2023: RM19,621,576) shall be commenced from 30th months onward after disbursement and interest expense incurred during the financial year has been capitalised into inventories as disclosed in Note 10.

Notes to the Financial Statements (Cont'd)

26. BORROWINGS (SECURED) (CONT'D)

(b) Term loans (Cont'd)

The repayment of term loan principal of RM78,720,736 (2023: RM Nil) shall be commenced from 25th months onward after disbursement and interest expense incurred during the financial year has been capitalised into inventories as disclosed in Note 10.

	Company 2024 RM	Company 2023 RM
Repayable:		
Within one year (current)	10,253,270	444,889
Between 1 to 2 years	13,123,031	479,213
Between 2 to 5 years	45,593,732	1,633,201
More than 5 years	2,635,922	–
After one year (non-current)	61,352,685	2,112,414
	71,605,955	2,557,303

The banking facilities of the Group and of the Company are secured by the following:

Bank overdrafts

The Group's bank overdrafts are secured by the following:

(i) First party first legal charge over freehold lands and leasehold building as disclosed in Note 9;

(ii) Third party fourth legal charge over a freehold land and building of a subsidiary as disclosed in Note 9. The Group has disposed the said property and the security has been discharged during the financial year;

(iii) Short term deposits pledged as disclosed in Note 19;

(iv) Legal charge over the ordinary shares of a subsidiary owned by the Company as disclosed in Note 11;

(v) Guarantee from the Company; and

(vi) Joint and several guarantees by Directors of the Company and its subsidiary.

The Company's bank overdrafts are secured by the following:

(i) First party first legal charge over a freehold building of the Company as disclosed in Note 9;

(ii) First party first legal charge over freehold lands of a subsidiary as disclosed in Note 9;

(iii) Third party fourth legal charge over a freehold land and building of a subsidiary as disclosed in Note 9. The Group has disposed the said property and the security has been discharged during the financial year;

26. BORROWINGS (SECURED) (CONT'D)

The banking facilities of the Group and of the Company are secured by the following: (Cont'd)

Bank overdrafts (Cont'd)

The Company's bank overdrafts are secured by the following: (Cont'd)

(iv) Legal charge over the ordinary shares of a subsidiary owned by the Company as disclosed in Note 11; and

(v) Joint and several guarantees by Directors of the Company.

Bankers' acceptance, letter of credit and invoice financing

The Group's bankers' acceptance are secured by the following:

(i) First party first legal charge over lands and buildings as disclosed in Note 9;

(ii) Short term deposits pledged as disclosed in Note 19.

(iii) Assignment of contract proceeds;

(iv) Joint and several guarantees by Directors of the Company and its subsidiaries; and

(v) Guarantee by the Company

Term loans

The Group's and the Company's term loans are secured by:

(i) Legal charges over lands and buildings as disclosed in Note 8 and 9;

(ii) Legal charges over capital work-in-progress as disclosed in Note 9;

(iii) Debenture of RM6,750,000 on fixed and floating assets of a subsidiary;

(iv) Third party fourth legal charge over a freehold land and building as disclosed in Note 9. The Group has disposed the said property and the security has been discharged during the financial year;

(v) Legal assignment over the Sale and Purchase Agreement of its inventories as disclosed in Note 10;

(vi) Legal charges over office premises as disclosed in Note 8;

(vii) Short term deposits pledged as disclosed in Note 19;

(viii) Legal charge over the ordinary shares of a subsidiary owned by the Company as disclosed in Note 11;

(ix) Guarantee by the Company;

(x) Joint and several guarantees by Directors of the Company and its subsidiary; and

(xi) Corporate guarantee from a Directors' related company.

Notes to the Financial Statements (Cont'd)

26. BORROWINGS (SECURED) (CONT'D)

The banking facilities of the Group and of the Company are secured by the following: (Cont'd)

Domestic recourse factoring

The Group's domestic recourse factoring are secured by:

(i) Short term deposits pledged as disclosed in Note 19;
(ii) Assignment of contract proceeds; and
(iii) Joint and several guarantees by Directors of the Company and its subsidiary.

Revolving credit

The Group's revolving credit are secured by:

(i) Properties owned by a Directors' related company; and
(ii) Joint and several guarantees by Directors of the Company and its subsidiary.

27. LEASE LIABILITIES

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Minimum lease payments:				
Repayable within one year	40,513,898	6,790,061	–	45,600
Repayable between one and two years	32,574,187	6,379,238	–	–
Repayable between two and five years	35,652,091	12,143,737	–	–
Repayable more than five years	63,576	328,047	–	–
	108,803,752	25,641,083	–	45,600
Less: Future finance charges	(10,377,472)	(2,847,374)	–	(1,554)
Present value of minimum lease payments	98,426,280	22,793,709	–	44,046

Notes to the Financial Statements (Cont'd)

27. LEASE LIABILITIES (CONT'D)

	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Present value of lease payables:				
Repayable within one year	35,615,655	5,580,332	–	44,046
Repayable between one and two years	29,487,890	5,527,894	–	–
Repayable between two and five years	33,259,790	11,364,964	–	–
Repayable more than five years	62,945	320,519	–	–
	98,426,280	22,793,709	–	44,046
Representing:				
Current portion	35,615,655	5,580,332	–	44,046
Non-current portion	62,810,625	17,213,377	–	–
	98,426,280	22,793,709	–	44,046

The effective interest rates of the lease liabilities ranging from 3.72% to 8.73% per annum (2023: 3.72% to 8.73%).

28. DEFERRED TAX LIABILITIES

	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
At beginning of the financial year	4,004,252	1,991,312	757,452	757,452
Addition through acquisition of a subsidiary [Note 11(a)(i)]	10,538,711	–	–	–
Recognised in profit or loss (Note 6)	270,431	2,012,940	(396,000)	–
Recognised in equity	118,859	–	–	–
At end of the financial year	14,932,253	4,004,252	361,452	757,452

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

	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Deferred tax assets	(1,057,927)	(292,773)	–	–
Deferred tax liabilities	15,990,180	4,297,025	361,452	757,452
	14,932,253	4,004,252	361,452	757,452

Notes to the Financial Statements (Cont'd)

28. DEFERRED TAX LIABILITIES (CONT'D)

The recognised deferred tax (assets)/liabilities before offsetting are as follows:

	Accelerated capital allowances RM	Unabsorbed capital allowances RM	Unutilised tax losses RM	Other temporary differences RM	Assets revaluation reserve RM	Investment properties RM	Total RM
Group							
Deferred tax (assets)/liabilities:							
2024							
At 1 July 2023	2,171,909	(13,830)	(273,690)	(5,253)	1,019,746	1,105,370	4,004,252
Addition through acquisition of a subsidiary [Note 11(a)(i)]	4,073,764	–	–	–	1,497	6,463,450	10,538,711
Recognised in profit or loss	644,745	13,830	224,370	(1,003,354)	(197,719)	588,559	270,431
Recognised in equity	–	–	–	–	118,859	–	118,859
At 30 June 2024	6,890,418	–	(49,320)	(1,008,607)	942,383	8,157,379	14,932,253
2023							
At 1 July 2022	88,116	(25,830)	(263,797)	(5,572)	1,051,722	1,146,673	1,991,312
Recognised in profit or loss	2,083,793	12,000	(9,893)	319	(31,976)	(41,303)	2,012,940
At 30 June 2023	2,171,909	(13,830)	(273,690)	(5,253)	1,019,746	1,105,370	4,004,252

Notes to the Financial Statements (Cont'd)

28. DEFERRED TAX LIABILITIES (CONT'D)

The recognised deferred tax (assets)/liabilities before offsetting are as follows:

	Accelerated capital allowances RM	Investment properties RM	Total RM
Company			
Deferred tax (assets)/liabilities:			
2024			
At 1 July 2023	1,150	756,302	757,452
Recognised in profit or loss	–	(396,000)	(396,000)
At 30 June 2024	1,150	360,302	361,452
2023			
At 1 July 2022/30 June 2023	1,150	756,302	757,452

The estimated amount of temporary differences for which no deferred tax assets have been recognised in the financial statements are as follows (stated at gross):

	Group 2024 RM	Group Restated 2023 RM
Unabsorbed capital allowances	518,415	164,678
Unutilised tax losses	17,067,338	15,932,374
	17,585,753	16,097,052

The comparative figure has been restated to reflect the actual unabsorbed capital allowances and unutilised tax losses carried forward available to the Group.

29. AMOUNTS DUE TO DIRECTORS

	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Amounts due to Directors	11,621,431	–	6,500,000	–

These amounts are non-trade in nature, unsecured, interest free advances which are repayable on demand.

Notes to the Financial Statements (Cont'd)

30. AMOUNT DUE TO A SUBSIDIARY

	Company 2024 RM	Company 2023 RM
Amount due to a subsidiary	79,228,680	–

This amount is non-trade in nature, unsecured, interest free advances which is repayable on demand.

31. DIVIDENDS

	Dividend per ordinary share RM	Amount of dividend RM	Date of payment
2024			
Interim single tier dividend for the financial year 30 June 2024 to non-controlling interests by a subsidiary	5	1,500,000	15 May 2024
2023			
Interim single tier dividend for the financial year 30 June 2023 to non-controlling interests by a subsidiary	1	300,000	23 June 2023

32. RELATED PARTY DISCLOSURES

(a) Identity related parties

For the purposes of these financial statements, parties are considered to be related to the Group and to the Company if the Group and the Company have the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Group has a related party relationship with Directors' related companies and key management personnel. The Company has related party relationship with its subsidiaries, holding company and key management personnel. Directors' related companies refer to companies in which certain Directors of the Company have substantial financial interests and/or are also Directors of the companies. The related party balances of the Group and the Company are disclosed in Notes 14, 17, 24, 25, 29 and 30. The related party transactions of the Group and of the Company are shown below.

32. RELATED PARTY DISCLOSURES (CONT'D)

(b) Related party transactions

The related party transactions between the Group and the Company and their related parties during the financial year are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Transactions with subsidiaries:				
- Advances from	–	–	98,368,590	–
- Advances to	–	–	(171,085,006)	(20,606,936)
- Capital contribution	–	–	41,399,000	–
- Lease of premise	–	–	418,000	–
- Investment				
- Cash consideration	–	–	(65,000,000)	(69,900)
- Shares consideration			(81,081,081)	–
- Repayment from	–	–	40,805,792	14,523,048
- Repayment to			(19,139,910)	–
- Rental income	–	–	(410,400)	(410,400)
- Sale of lands	–	–	(17,000,000)	–
- Dividend received	–	–	3,500,000	700,000
Transactions with Directors' related companies:				
Operating activities				
- Construction contract progress billing	(1,435,196)	(22,539,749)	–	–
- Maintance cost	8,092	–	–	–
- Repayment from	–	8,612,753	–	–
- Sales of materials	(148,768)	(648)	–	–
- Purchase of machinery	–	16,975,000	–	–
- Lease of machinery	18,857,099	2,623,000	–	–
- Lease of premise	38,000	456,000	3,800	45,600
- Repayment to	(26,227,014)	(17,331,000)	(3,800)	–
Financing activities				
- (Repayment to)/ Advances from	(38,121)	38,121	–	–
Transaction with Directors				
- Advances from	7,926,431	–	6,500,000	–

(c) Compensation of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly, including any Directors of the Company and its subsidiaries.

Notes to the Financial Statements (Cont'd)

32. RELATED PARTY DISCLOSURES (CONT'D)

(c) Compensation of key management personnel (Cont'd)

The remunerations paid by the Group and the Company to key management personnel during the financial year were as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Directors				
Fees	469,000	228,000	192,000	192,000
Salaries, bonus and other emoluments	4,466,360	1,950,376	9,600	7,500
Contribution to defined contribution plan	519,072	226,788	–	–
Social security contribution	14,825	9,051	–	–
	5,469,257	2,414,215	201,600	199,500
Estimated money value of benefits-in -kind("BIK")	76,091	42,167	–	–
Total including estimated money value of BIK	5,545,348	2,456,382	201,600	199,500
Key management personnel:				
Salaries, bonus and other emoluments	719,318	1,691,403	–	–
Contribution to defined contribution plan	79,122	191,048	–	–
Social security contribution	1,660	5,273	–	–
	800,100	1,887,724	–	–
Estimated money value of benefits- -in-kind ("BIK")	10,392	29,263		
Total including estimated money value of BIK	810,492	1,916,987		
Total remuneration	6,355,840	4,373,369	201,600	199,500

33. CAPITAL COMMITMENT

The future capital commitment payable for the acquisition of freehold lands for future development and freehold double storey detached factory at the reporting date but not recognised as payable is as follows: -

	Group	
	2024	**2023**
	RM	**RM**
Approved and contracted for: -		
Acquisition of building		
- Two units of double storey detached factory (Note 9)	4,663,355	15,155,904
Acquisition of lands		
- Ten individual land plots (Note 10)	15,697,282	15,697,282
	20,360,637	30,853,186

34. SEGMENTAL INFORMATION

Segment information is presented in respect of the Group's business segments. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

For management purposes, the Group is organised into the following four (4) operating segments:

(i)	Trading	- Trading and supply of hardware and all related products
(ii)	Property development	- Property development
(iii)	Construction	- Building and civil contractors
(iv)	Warehouse and logistics	- Warehouse and logistics
(v)	Others	- Investment and dormant company

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Segment revenue and results

Segment results represent profit or loss before finance costs and tax of the segment. Inter-segment transactions are entered in the ordinary course of business based on terms mutually agreed upon by the parties concerned.

Notes to the Financial Statements (Cont'd)

34. SEGMENTAL INFORMATION (CONT'D)

(a) Reporting format

Segment assets and segment liabilities

The total of segment assets and segment liabilities are measured based on all assets and liabilities of a segment, as included in the internal management reports that are reviewed by the Chief Operating Decision Maker ("CODM").

(b) Allocation basis and transfers

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, liabilities and expenses.

Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

(c) Geographical information

No other segmental information such as geographical segment is presented as the Group is principally involved in the investment holding, property development, construction, trading of building materials and hardware and warehouse and logistics activities and operate from Malaysia only.

(d) Major customer information

The Group has 10 customers (2023: 10 customers) which contributed approximately RM242.61 million (2023: RM123.19 million) or 75% (2023: 75%) of the Group revenue during the financial year.

Notes to the Financial Statements (Cont'd)

34. SEGMENTAL INFORMATION (CONT'D)

Information regarding the Group's total reportable segments are presented below:

	Trading RM	Property development RM	Construction RM	Warehouse and logistics RM	Others RM	Total reportable segments RM	Adjustments and Elimination RM	Group RM
2024								
Revenue								
Sales to external customers	57,269,399	-	266,388,552	-	1,447,645	325,105,596		325,105,596
Inter-segment sales	723,652	33,586,804	38,323,047	13,012,109	21,218,000	106,863,612	(106,863,612)	-
Total revenue	57,993,051	33,586,804	304,711,599	13,012,109	22,665,645	431,969,208		325,105,596
Segment profit/ (loss) before tax	3,110,773	(1,771,757)	28,798,459	(793,524)	21,305,295	50,649,246	(18,323,840)	32,325,406
Included in the measure of segment (loss)/ profit are:								
Accretion of transaction costs	-	-	-	15,412	38,048	53,460		53,460
Bad debt written off	4,431	-	-	-	-	4,431	(4,431)	-
Cost of sales (exclude depreciation)	48,045,163	30,382,103	225,260,577	12,887,203	10,199,625	326,774,671	(86,031,905)	240,742,766
Depreciation of property, plant and equipment								
- Cost of sales	-	-	16,849,162	-	-	16,849,162		16,849,162
- Administrative expenses	926,392	471,160	2,413,481	143	45,899	3,857,075	(646,233)	3,210,842
Fair value adjustment on investment properties	(10,000)	-	-	-	(18,961,595)	(18,971,595)		(18,971,595)
Fair value adjustment on other investments	-	-	(14,901)	-	-	(14,901)		(14,901)
Gain on disposal of property, plant and equipment	(9,999)	(3,500)	(1,129,949)	-	-	(1,143,448)		(1,143,448)

Notes to the Financial Statements (Cont'd)

34. SEGMENTAL INFORMATION (CONT'D)

Information regarding the Group's total reportable segments are presented below: (Cont'd)

	Trading RM	Property development RM	Construction RM	Warehouse and logistics RM	Others RM	Total reportable segments RM	Adjustments and Elimination RM	Group RM
2024								
Segment profit/ (loss) before tax (Cont'd)								
Included in the measure of segment (loss)/ profit are: (Cont'd)								
Gain on disposal of investment properties	-	-	-	-	(1,200,000)	(1,200,000)		(1,200,000)
Gain on remeasurement of deferred other payables	-	(2,185,372)	-	-	-	(2,185,372)		(2,185,372)
Gain on termination of lease contracts:								
- derecognition of right-of-use assets	223,534	-	-	-	-	223,534		223,534
- derecognition of lease liabilities	(223,534)	-	-	-	-	(223,534)		(223,534)
Impairment loss on trade receivables	1,608,060	-	-	-	878,820	2,486,880		2,486,880
Interest income	(146,203)	(51,479)	(486,478)	-	-	(684,160)		(684,160)
Interest expenses	242,977	4,031,096	13,488,407	157,515	4,963,218	22,883,213	(71,019)	22,812,194
Realised gain on foreign exchange	(662)	-	-	-	-	(662)		(662)
Reversal of impairment losses on trade receivables	(2,259,825)	-	-	-	-	(2,259,825)		(2,259,825)
Reversal of impairment losses on investments in subsidiaries	-	-	-	-	(6,046,686)	(6,046,686)	6,046,686	-
Tax expenses	608,485	-	10,065,230	-	1,611,064	12,284,779	(1,188,274)	11,096,505

Notes to the Financial Statements (Cont'd)

34. SEGMENTAL INFORMATION (CONT'D)

Information regarding the Group's total reportable segments are presented below: (Cont'd)

	Trading RM	Property development RM	Construction RM	Warehouse and logistics RM	Others RM	Total reportable segments RM	Adjustments and Elimination RM	Group RM
2024								
Segment assets	63,035,697	241,103,783	554,550,647	200,954,609	569,573,531	1,629,218,267	(549,903,267)	1,079,315,000
Included in the measure of segment assets are:								
Additions to non-current assets other than financial instruments and deferred tax assets	1,365,704	32,045,284	39,909,856	180,241,461	45,201,304	298,763,609	(107,454,408)	191,309,201
Segment liabilities	23,461,427	253,786,224	492,361,979	171,319,930	233,037,548	1,173,967,108	(349,368,358)	824,598,750

Notes to the Financial Statements (Cont'd)

34. SEGMENTAL INFORMATION (CONT'D)

Information regarding the Group's total reportable segments are presented below: (Cont'd)

	Trading RM	Property development RM	Construction RM	Others RM	Total reportable segments RM	Adjustments and Elimination RM	Group RM
Restated							
2023							
Revenue							
Sales to external customers	47,228,800	1,168,200	114,999,599	18,000	163,414,599		163,414,599
Inter-segment sales	7,332,459	–	52,040	700,000	8,084,499	(8,084,499)	–
Total revenue	54,561,259	1,168,200	115,051,639	718,000	171,499,098		163,414,599
Segment profit/ (loss) before tax	3,022,589	(4,615,119)	13,794,441	3,560,765	15,762,676	(6,711,553)	9,051,123
Included in the measure of segment (loss)/profit are:							
Cost of sales (exclude depreciation)	46,119,390	741,674	88,922,964	10,658	135,794,686	(7,332,459)	128,462,227
Depreciation of property, plant and equipment							
- Cost of sales	–	–	3,483,333	–	3,483,333		3,483,333
- Administrative expenses	890,738	83,673	1,036,012	46,815	2,057,238		2,057,238
Fair value adjustment on investment properties	(15,000)	–	–	–	(15,000)		(15,000)
Gain on disposal of property, plant and equipment	(14,498)	(104,999)	–	–	(119,497)		(119,497)
Loss/(Gain) on disposal of investment properties	23,000	–	–	(55,000)	(32,000)		(32,000)

34. SEGMENTAL INFORMATION (CONT'D)

Information regarding the Group's total reportable segments are presented below: (Cont'd)

	Trading RM	Property development RM	Construction RM	Others RM	Total reportable segments RM	Adjustments and Elimination RM	Group RM
Restated 2023							
Segment profit/ (loss) before tax (Cont'd)							
Included in the measure of segment (loss)/profit are: (Cont'd)							
Gain on termination of lease contracts:							
- derecognition of right-of-use assets	24,876	–	–	–	24,876		24,876
- derecognition of lease liabilities	(26,390)	–	–	–	(26,390)		(26,390)
Impairment loss on trade receivables	1,631,972	–	–	–	1,631,972		1,631,972
Interest income	(209,985)	(70,538)	(64,485)	–	(345,008)		(345,008)
Interest expenses	295,782	3,076,859	1,154,042	310,064	4,836,747		4,836,747
Reversal of impairment losses on trade receivables	(3,703,032)	–	–	–	(3,703,032)		(3,703,032)
Reversal of impairment losses on investments in subsidiaries	–	–	–	(5,959,567)	(5,959,567)	5,959,567	–
Waiver of amount due to immediate holding company	(41,920)	–	–	–	(41,920)	41,920	–
Bad debts written off	53,800	–	–	–	53,800	(41,920)	11,880
Tax expenses	923,581	2,482	5,523,981	400,248	6,850,292		6,850,292

Notes to the Financial Statements (Cont'd)

34. SEGMENTAL INFORMATION (CONT'D)

Information regarding the Group's total reportable segments are presented below: (Cont'd)

	Trading RM	Property development RM	Construction RM	Others RM	Total reportable segments RM	Adjustments and Elimination RM	Group RM
Restated							
2023							
Segment assets	62,636,187	178,027,469	159,578,703	79,186,969	479,429,328	(63,005,177)	416,424,151
Included in the measure of segment assets are:							
Additions to non-current assets other than financial instruments and deferred tax assets	2,440,656	25,825,033	25,171,270	14,458,882	67,895,841		67,895,841
Segment liabilities	20,940,587	186,437,158	136,215,383	12,362,915	355,956,043	(41,606,180)	314,349,863

34. SEGMENTAL INFORMATION (CONT'D)

Reconciliations of Group's reportable segment profit or loss, assets and liabilities are presented as below:

	Group 2024 RM	Group Restated 2023 RM
Segment profit	50,649,246	15,762,676
Dividend income	(3,500,000)	(700,000)
Inter-segment profit	(16,810,347)	(51,986)
Amortisation of contract cost	(521,360)	–
Depreciation of property, plant and equipment	646,233	–
Gain on disposal of land held for future development	7,811,595	–
Gain on derecognition of lease upon acquisition of a subsidiary	25,706	–
Interest expenses	71,019	–
Reversal of impairment loss on investment in subsidiaries	(6,046,686)	(5,959,567)
Profit before tax	32,325,406	9,051,123

	Group 2024 RM	Group Restated 2023 RM
Segment assets	1,629,218,267	479,429,328
Investments in subsidiaries	(236,745,698)	(22,479,727)
Goodwill on consolidation	43,527,757	1,132,770
Inter-segment balances	(277,449,170)	(41,569,784)
Property, plant and equipment	(1,335,548)	–
Investment properties	(49,379,189)	–
Inventories	(26,142,497)	(52,040)
Contract assets	(1,872,507)	–
Other receivables	(488,500)	–
Tax recoverable	(17,915)	(36,396)
Total assets	1,079,315,000	416,424,151

	Group 2024 RM	Group Restated 2023 RM
Segment liabilities	1,173,967,108	355,956,043
Inter-segment balances	(277,449,170)	(41,569,784)
Lease liabilities	(1,360,506)	–
Contract liabilities	(69,061,401)	–
Other payables	(488,498)	–
Deferred tax liabilities	(990,868)	–
Tax payable	(17,915)	(36,396)
Total liabilities	824,598,750	314,349,863

Notes to the Financial Statements (Cont'd)

35. FINANCIAL INSTRUMENTS

Categories of financial instruments

The Group's and the Company's financial assets (excluding prepayments) and financial liabilities are all categorised as amortised costs respectively, except for other investments which is categorised as fair value through profit or loss as disclosed in Note 12.

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 the financial risks, including credit risk, interest risk, foreign currency risk and liquidity risk. 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.

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

(a) Credit risk

Credit risk is the risk of a 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 principally from its receivables (which consist of trade and other receivables) and contract assets. The Company's exposure to credit risk arises principally from loans and advances to subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries. For other financial assets (including bank balances), the Group and the Company minimise credit risk by dealing cohesively with high credit rating counterparties. There are no significant changes as compared to prior year.

Trade receivables and contract assets

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit risk is minimised and monitored via strictly limiting the Group's associations to business partners with good credit rating. Credit evaluations are performed on all customers requiring credit over a certain amount. Normally financial guarantees given by shareholders or Directors of customers are obtained, and credit valuations are performed on customers requiring credit over a certain amount.

At each reporting date, the Group assesses whether any of the trade receivables and contract assets are credit impaired.

The gross carrying amounts of credit impaired receivables are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to write-off. Nevertheless, receivables that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

35. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risk Management Objectives and Policies (Cont'd)

(a) Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from receivables is represented by the carrying amounts in the statements of financial position.

The Group receives personal guarantees from shareholders or Directors of customers in managing the exposure to credit risk. At the end of the reporting period, personal guarantees received by the Group amounted to RM13,734,140 (2023: RM15,514,140) in respect of RM7,534,771 (2023: RM4,625,475) trade receivables. The remaining balance of trade receivables are not secured by any collateral or supported by any other credit enhancement.

Concentration of credit risk

The Group determines concentration of credit risk by monitoring the profiles of its receivables on an ongoing basis.

As at 30 June 2024, total amount due from the top ten trade debtors represents approximately 64% (2023: 75%) of the total net trade receivables of the Group.

Recognition and measurement of impairment loss

Trade receivables and contract assets from construction contract segment ("non-collateralised receivables")

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances and to ensure that receivables that are neither past due nor impaired are stated at their realisable values. Any receivables having significant balances past due more than 180 days, which are deemed to have higher credit risk, are monitored individually.

In determining the recoverability of these receivables, the Group considers any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. Receivables are monitored on a going concern basis via Group's management reporting procedures and action will be taken for long outstanding debt.

In the prior financial year, the Group was exposed to significant concentration of credit risk to a customer, a Directors' related company of the Group. The expected credit loss rate on the amounts outstanding from the customer is considered low as it has low risk of default and strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the said customer to fulfil its contractual cash flow obligations. The Group has reasonable and supportable information available to assess the impairment risk individually. The Group determines the probability of default for these trade receivables and contract assets individually using internal information available.

Notes to the Financial Statements (Cont'd)

35. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risk Management Objectives and Policies (Cont'd)

(a) Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

Recognition and measurement of impairment loss (Cont'd)

Trade receivables from trading segment ("non-collateralised receivables")

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances and to ensure that receivables that are neither past due nor impaired are stated at their realisable values.

The Group has applied the simplified approach in MFRS 9 to measure the loss allowance at lifetime expected credit losses. The Group assesses impairment of trade receivables on individual and collective basis.

For individual assessment, it is due to different credit risk characteristics and these debtors can be individually managed by the Group in an effective and efficient manner. The Group has reasonable and supportable information available to assess the impairment individually.

For collective assessment, the Group determines the expected credit losses by using a provision matrix for collective assessed receivables which are grouped together based on shared credit risk characteristics and similar types of contracts which have similar risk characteristics.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency.

Loss rates are based on actual credit loss experienced over the prior years and are adjusted to reflect the alternative forward-looking information. The Group also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the receivables.

Any receivables having significant balances past due more than 300 days from different customer profiles are deemed to have higher credit risk. The Company has subsequently recognised a loss allowance of 100% against all receivables after 300 days (credit-impaired) because historical experience has indicated that these receivables are generally not recoverable.

The Group will initiate appropriate debt recovery procedures on past due balances which are monitored by the management team. Where necessary, the Group will also commence legal proceeding against the customers.

Notes to the Financial Statements (Cont'd)

35. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risk Management Objectives and Policies (Cont'd)

(a) Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

Impairment losses

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets as at the reporting date which are grouped together as they are expected to have similar risk nature.

	Gross RM	Loss Allowances RM	Net RM
2024			
Non-collateralised receivables			
Trade receivables			
Not past due	11,558,064	(4,088)	11,553,976
Past due but not impaired:			
Less than 30 days	7,878,723	(4,765)	7,873,958
31 to 60 days	5,437,575	(4,701)	5,432,874
61 to 90 days	3,460,135	(39,772)	3,420,363
91 to 120 days	3,564,442	(46,287)	3,518,155
More than 120 days	12,221,255	(174,161)	12,047,094
	32,562,130	(269,686)	32,292,444
Credit impaired:			
More than 120 days	4,801,876	(4,801,876)	–
Trade receivables, net	48,922,070	(5,075,650)	43,846,420
Retention sum held by contract customers	38,550,669	–	38,550,669
Contract assets	239,012,460	–	239,012,460
	326,485,199	(5,075,650)	321,409,549

Notes to the Financial Statements (Cont'd)

35. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risk Management Objectives and Policies (Cont'd)

(a) Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

Impairment losses (Cont'd)

	Gross RM	Loss Allowances RM	Net RM
2023			
Non-collateralised receivables			
Trade receivables			
Not past due	6,355,349	–	6,355,349
Past due but not impaired:			
Less than 30 days	4,701,943	-	4,701,943
31 to 60 days	5,958,386	-	5,958,386
61 to 90 days	5,648,828	(34,968)	5,613,860
91 to 120 days	3,461,481	(41,443)	3,420,038
More than 120 days	10,652,764	(278,197)	10,374,567
	30,423,402	(354,608)	30,068,794
Credit impaired:			
More than 120 days	6,264,004	(5,260,653)	1,003,351
Trade receivables, net	43,042,755	(5,615,261)	37,427,494
Retention sum held by contract customers	8,202,705	–	8,202,705
Contract assets	90,413,682	–	90,413,682
	141,659,142	(5,615,261)	136,043,881

Credit impaired

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments, the assessment of which commences from debts past due more than 300 days, depending on the risk profiles of the respective debtors. These receivables are not secured by any collateral or credit enhancements.

35. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risk Management Objectives and Policies (Cont'd)

(a) Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

Credit impaired (Cont'd)

Receivables for which an impairment provision was recognised were written off against the provision when there was no expectation of recovering additional cash.

As at 30 June 2024, there are eight debtors of the Group with credit impaired risk on total debt outstanding amounted to RM588,604 (2023: RM1,965,172) have been renegotiated with the Group by way of 3 to 12-month repayment plan respectively, within the next financial year end. The Group has assessed one (2023: four) debtors individually and recognised a loss allowance of RM158,250 (2023: RM774,624) or 50% (2023: 50%) against its total outstanding of RM316,500 (2023: RM1,609,525), whilst the remaining seven (2023: three) debtors are assessed collectively and recognised a loss allowance of RM136,053 (2023: RM177,823) or 50% (2023: 50%) against its total outstanding of RM272,104 (2023: RM355,647).

Receivables that are not past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records and mostly are regular customers that have been transacting with the Group.

Receivables that are past due but not impaired

These trade receivables relate mostly to customers with slower repayment patterns, for whom there is no history of default. The Group has not provided for impairment for these trade receivables as there has been no significant changes in their credit quality and the amounts are still considered recoverable.

As at 30 June 2024, a debtor of the Group with total debt outstanding amounted to RM4,579,106 (2023: RM15,406,945) has been renegotiated with the Group by way of 12 months (2023: 6-months) repayment plan within the next financial year end.

Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. As at the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. These banks and financial institutions have low credit risks. Hence, a loss allowance is not necessary.

Other receivables and deposits

Other receivables are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month expected credit losses which reflects the low credit risk of the exposures. As at the end of the reporting period, the Group and the Company did not recognise any allowance for impairment losses.

Notes to the Financial Statements (Cont'd)

35. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risk Management Objectives and Policies (Cont'd)

(a) Credit risk (Cont'd)

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to financial institutions and third-party suppliers in respect of banking facilities and credit limit granted. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries to financial institution and suppliers.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk of the Company amounted to RM320,176,355 (2023: RM82,315,423) representing the outstanding banking facilities of the subsidiaries and suppliers' balances as at the end of the reporting period.

The financial guarantees are provided as credit enhancements to the subsidiaries' secured loans.

Recognition and measurement of impairment loss

The Company assumes that there is a significant increase in credit risk when the subsidiary's financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when:

- The subsidiaries are unlikely to repay its credit obligations to the bank in full; or
- The subsidiaries are continuously loss making and is having a deficit in shareholders' fund.

The Company determines the probability of default of the guaranteed loans individually using internal information available. As at the end of the reporting period, there was no indication that the subsidiaries which were granted the loan facilities (Note 26) would default on repayment. Hence, the financial guarantee granted by the Company has not been recognised since the fair value on initial recognition was not material.

Amounts due from subsidiaries

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured loans and advances to its subsidiaries. The Company monitors the ability of the subsidiaries to repay the loans and advances on an individual basis.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. Loans and advances provided are not secured by any collateral.

35. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risk Management Objectives and Policies (Cont'd)

(a) Credit risk (Cont'd)

Amounts due from subsidiaries (Cont'd)

Recognition and measurement of impairment loss

Intercompany loans between entities within the Group are repayable on demand. For loans that are repayable on demand, expected credit losses are assessed based on the assumption that repayment of the loans is demanded at the reporting date.

Generally, the Company assumes that there is a significant increase in credit risk when subsidiaries' financial positions deteriorate significantly. As the Company is able to determine the timing of payments of the subsidiaries' loans and advances when they are payable, the Company considers subsidiaries loans or advances to be credit impaired when the subsidiaries are unlikely to repay the loans or advances to the Company in full given insufficient highly liquid resources when the loans are demanded.

The Company determines the probability of default for these loans and advances individually using internal information available.

As at the reporting date, there were no indications of impairment loss in respect of amounts due from subsidiaries.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises mainly from interest-bearing financial liabilities.

In respect of interest-earning financial liabilities, the effective interest rates at the reporting date, in which they reprice or mature, whichever is earlier are disclosed in Note 26.

Notes to the Financial Statements (Cont'd)

35. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risk Management Objectives and Policies (Cont'd)

(b) Interest rate risk (Cont'd)

The interest rate profile of the Group's and the Company significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Floating rate instruments:				
Financial liabilities:				
Bank overdrafts	(1,820,048)	(4,032,240)	(367,313)	(1,875,789)
Bankers' acceptance	(840,630)	(3,093,109)	–	–
Domestic recourse factoring and invoice financing	(71,530,891)	(9,627,952)	–	–
Revolving credit	(3,000,000)	–	–	–
Term loans	(271,774,878)	(31,478,230)	(71,605,955)	(2,557,303)
	(348,966,447)	(48,231,531)	(71,973,268)	(4,433,092)

Interest rate risk sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates as at the end of the reporting period, with all other variables held constant.

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Effects on profit after tax/equity				
Increase of 100 basis points	(2,652,145)	(366,560)	(546,997)	(33,691)
Decrease of 100 basis points	2,652,145	366,560	546,997	33,691

35. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risk Management Objectives and Policies (Cont'd)

(c) Foreign currency risk

Foreign currency risk is the risk that the fair value of cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to foreign currency risk on purchases that are denominated in a currency other than functional currency of the Group. The currency giving rise to this risk is primarily Renminbi ("RMB") and United States Dollar ("USD").

Foreign exchange exposures in transactional currency other than functional currency of the Group is kept to an acceptable level.

The Group's significant exposure to foreign currency (a currency which is other than functional currency of the Group) risk, based on carrying amounts as at end of the reporting period was: -

	Group	
	2024	**2023**
	RM	**RM**
Denominated in RMB		
Trade payable	61,916	61,916
Denominated in USD		
Trade payable	17,003	–

However, the Group does not have significant exposure to foreign currency (a currency which is other than functional currency of the Group) risk.

(d) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations associated with financial liabilities. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through use of stand-by credit facilities. The unutilised credit facilities made available to the Group and the Company as at 30 June 2024 amounting to RM202,936,849 and RM1,632,687 (2023: RM52,184,254 and RM124,211) respectively.

The Group's and the Company's liquidity risk management policy is to manage their debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. In addition, the Group and the Company maintain sufficient levels of cash and available banking facilities at a reasonable level to their overall debt position to meet their working capital requirement.

Notes to the Financial Statements (Cont'd)

35. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risk Management Objectives and Policies (Cont'd)

(d) Liquidity risk (Cont'd)

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the financial year based on contractual undiscounted repayment obligations:

			Contractual cash flows			
	Carrying amount RM	Contractual Cash Flows RM	On demand or within 1 year RM	Between 1 to 2 years RM	Between 2 to 5 year RM	More Than 5 Years RM
Group						
2024						
Trade payables	318,077,875	343,338,490	172,257,657	37,238,989	133,841,844	–
Other payables	29,093,347	30,646,206	21,646,206	1,000,000	8,000,000	–
Amounts due to Directors	11,621,431	11,621,431	11,621,431	–	–	–
Borrowings:						
- Bank overdrafts	1,820,048	1,820,048	1,820,048	–	–	–
- Bankers' acceptance	840,630	883,922	883,922	–	–	–
- Domestic recourse factoring and invoice financing	71,530,891	72,331,428	72,331,428	–	–	–
- Revolving credit	3,000,000	3,000,000	3,000,000	–	–	–
- Term loans	271,774,878	399,064,583	31,708,795	36,748,147	127,717,537	202,890,104
Lease liabilities	98,426,280	108,803,752	40,513,898	32,574,187	35,652,091	63,576
	806,185,380	971,509,860	355,783,385	107,561,323	305,211,472	202,953,680

35. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risk Management Objectives and Policies (Cont'd)

(d) Liquidity risk (Cont'd)

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the financial year based on contractual undiscounted repayment obligations: (Cont'd)

			Contractual cash flows			
	Carrying amount RM	Contractual Cash Flows RM	On demand or within 1 year RM	Between 1 to 2 years RM	Between 2 to 5 year RM	More Than 5 Years RM
Group Restated 2023						
Trade payables	223,943,443	256,083,481	91,615,654	17,372,483	147,095,344	–
Other payables	14,584,948	14,584,948	14,584,948	–	–	–
Borrowings:						
- Bank overdrafts	4,032,240	4,032,240	4,032,240	–	–	–
- Bankers' acceptance	3,093,109	3,291,377	3,291,377	–	–	–
- Domestic recourse factoring and invoice financing	9,627,952	9,678,118	9,678,118	–	–	–
- Term loans	31,478,230	40,466,434	2,635,011	3,499,698	17,041,174	17,290,551
Lease liabilities	22,793,709	25,641,083	6,790,061	6,379,238	12,143,737	328,047
	309,553,631	353,777,681	132,627,409	27,251,419	176,280,255	17,618,598

Notes to the Financial Statements (Cont'd)

35. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risk Management Objectives and Policies (Cont'd)

(d) Liquidity risk (Cont'd)

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the financial year based on contractual undiscounted repayment obligations: (Cont'd)

	Carrying amount RM	Contractual Cash Flows RM	← Contractual cash flows On demand or within 1 year RM	Between 1 to 2 years RM	Between 2 to 5 year RM	More Than 5 Years RM →
Company						
2024						
Other payables	453,853	453,853	453,853	–	–	–
Amounts due to Directors	6,500,000	6,500,000	6,500,000	–	–	–
Amount due to a subsidiary	79,228,680	79,228,680	79,228,680	–	–	–
Borrowings:						
- Bank overdrafts	367,313	367,313	367,313	–	–	–
- Term loans	71,605,955	87,291,836	15,430,229	17,399,159	51,809,793	2,652,655
Financial guarantee *	320,176,355	327,808,025	304,702,517	1,527,453	5,242,643	16,335,412
	478,332,156	501,649,707	406,682,592	18,926,612	57,052,436	18,988,067
2023						
Other payables	285,022	285,022	285,022	–	–	–
Borrowings:						
- Bank overdrafts	1,875,789	1,875,789	1,875,789	–	–	–
- Term loans	2,557,303	3,103,605	626,520	626,520	1,850,565	–
Lease liabilities	44,046	45,600	45,600	–	–	–
Financial guarantee *	82,315,143	83,876,606	77,056,454	378,097	3,240,784	3,201,271
	87,077,303	89,186,622	79,889,385	1,004,617	5,091,349	3,201,271

* *This liquidity risk exposure is included for illustration purpose only as the related financial guarantees have not crystallised.*

36. FAIR VALUE INFORMATION

Assets and liabilities carried at fair value

The fair value measurement hierarchies used to measure non-financial assets and financial assets at fair values in the statements of financial position are disclosed in Notes 9 and 12.

There were no material transfers between Level 1, Level 2 and Level 3 during the financial year.

Financial instrument other than those carried at fair value

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of financial assets and financial liabilities approximate their fair values due to relatively short-term nature of these financial instruments and insignificant impact of discounting.

The carrying amount of long-term floating rate loans approximates its fair value as the loans will be repriced to market interest rate on or near reporting date.

37. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholders' value.

The Group manages its capital structure to safeguard its ability to continue as a going concern in order to maintain investor, creditors and market confidence and to sustain future business development. The Group's overall strategy remains unchanged from the previous financial year.

The Group monitors capital using debt-to-equity ratio which is the debt divided by total equity. Debt includes borrowings whilst total equity is equity attributable to Owners of the Company.

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenant: -

(i) Gearing ratio (Borrowings divided by Equity attributable to the Owners of the Company) of the Group to be capped at 2.0 times.

The Group is in compliance with all externally imposed capital requirements as mentioned above. As at 30 June 2024, the gearing ratio of the Group was at 1.44 times (2023: 0.54 times).

The Company is not subject to any externally imposed capital requirements.

The debt-to-equity ratio as at the end of the reporting period was as follows:

	Group	
	2024 RM	**2023 RM**
Borrowings (Note 26)	348,966,447	48,231,531
Equity attributable to the Owners of the Company, representing total capital	242,975,058	89,556,849
Debt-to-equity ratio (%)	144%	54%

Notes to the Financial Statements (Cont'd)

38. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current year's presentation:

	As previously reported RM	As reclassified RM
Group		
Statements of Comprehensive Income		
Administrative expenses	17,759,036	17,335,921
Finance costs	4,816,880	4,836,747
Income tax expense	6,447,044	6,850,292
Statements of Financial Position		
Non-current assets		
Other investment	221,870	232,841
Current assets		
Other receivables	10,578,186	4,622,782
Current liabilities		
Other payables	20,529,381	14,584,948
Statements of Cash Flows		
Cash Flows from Operating Activities		
Profit before tax	8,647,875	9,051,123
Adjustments for:-		
Interest expense	4,816,880	4,836,747
Changes in working capital:		
Receivables	(21,167,190)	(15,211,786)
Payables	196,198,776	190,254,343
Interest paid	(1,751,644)	(1,771,511)
Real property gains tax paid	–	(403,248)
Cash Flows from Investing Activities		
Investment in unquoted instruments	(221,870)	(232,841)
Company		
Statements of Comprehensive Income		
Administrative expenses	3,008,046	2,607,798
Income tax expense	–	400,248
Statement of Cash Flows		
Cash Flows from Operating Activities		
Profit before tax	3,354,154	3,754,402
Changes in working capital:		
Real property gains tax paid	–	(400,248)

Notes to the Financial Statements (Cont'd)

39. EVENTS SUBSEQUENT TO THE END OF FINANCIAL YEAR

Disposal of properties

On 10 July 2024, the Group via its direct wholly-owned subsidiary PTTSB entered into two (2) separate sale and purchase agreements with a third party for the disposal of two (2) units of 3- storey detached factory bearing postal address of No.11 & 13, Jalan Cipta Serenia 1, Pusat Perindustrian Cipta Selatan, 43900 Sepang, Selangor Darul Ehsan for a total cash consideration of RM26 million.

Proposed Bonus Issue

On 15 July 2024, the Company has proposed to undertake a bonus issue of 216,081,081 new ordinary shares in the Company on the basis of 1 bonus share for every 1 existing ordinary share.

The bonus issue has been completed on 19 September 2024, being the next market day immediately after the Entitlement Date on 18 September 2024.

Following the above, the enlarged issued ordinary shares of the Company will be RM215,733,084 comprising 432,162,162 ordinary shares.

Acquisition of properties

On 17 July 2024, the Group via its direct wholly-owned subsidiary PTTSB entered into two (2) separate sale and purchase agreements with third parties for the acquisition of two (2) pieces of lands with Semi-Detached Factory for a total cash consideration of RM21,997,776.

On 20 September 2024, the Group with its direct wholly-owned subsidiary PTTP entered into a sale and purchase agreement with a third party for the acquisition of a semi-detached factory together with all that piece of land at Lot No. SC-CU-1(c)/15 as provisionally described as 8, Jalan Cipta Serenia 8, Pusat Perindustrian Serenia, Bandar Serenia, 43900 Sepang, Selangor Darul Ehsan and held under H.S.(D). No. 59968, P.T. No. 72265, Mukim of Dengkil, District of Sepang, State of Selangor measuring in area of approximately 2,633.4 square metres for a total cash consideration of RM10,998,888.

Incorporation of a subsidiary

On 16 August 2024, the Company incorporated a new indirect 70% owned subsidiary, in Malaysia with the name of PTT Robotics Sdn. Bhd. ("PTT Robotics") comprising 100 ordinary shares for a cash consideration of RM15.

Collaborative Term Sheet

On 22 August 2024, the Group via its indirect 70% owned subsidiary PTT Robotics entered into a Collaborative Term Sheet with a third party to collaborate in the sale and lease of Automated Guided Vehicles and Autonomous Mobile Robots.

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

We, the undersigned, being two of the Directors of the Company, do hereby state that, in the opinion of the Directors, the accompanying financial statements as set out on pages 144 to 241 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 30 June 2024 and of their financial performance and cash flows for the financial year then ended.

Approved and signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 17 October 2024.

DATO' ABD RAHIM BIN JAAFAR **TEO SWEE PHIN**

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

I, GAN CHONG WEI (CA 49036), being the officer primarily responsible for the financial management of the Company, do solemnly and sincerely declare that that the financial statements as set out on pages 144 to 241 are to the best of my knowledge and belief, 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 17 October 2024

GAN CHONG WEI

Before me,

GROUP'S MATERIAL PROPERTIES
AS AT 30 JUNE 2024

INVESTMENT PROPERTIES

Title/Location	Description	Tenure	Age of Building	Land Area/ Built Up Area	Net Book/ Fair Value (RM'000)	Existing Use	Date of Revaluation/ Acquisition
PTT SYNERGY GROUP BERHAD							
No. 63-1A, 1B & 1C Jalan Anggerik Vanilla T31/T Kota Kemuning Section 31 40460 Shah Alam Selangor Darul Ehsan	1st Floor of a Six Storey Shop-office	Freehold	24	6,287 sq ft	2,190	Vacant	Revalued on 31-12-2020 Updated valuation on 30-6-2024
No. 63-G, Jalan Anggerik Vanilla T31/T Kota Kemuning Section 31 40460 Shah Alam Selangor Darul Ehsan	Ground Floor of a Six Storey Shop-office	Freehold	23	6,358 sq ft	4,000	Vacant	Revalued on 31-12-2020 Updated valuation on 30-6-2024
PTT ASSETS SDN. BHD.							
H.S.(D). No. 165674 P.T. No. 84376, Mukim of Kapar District of Klang, Selangor 16, Jalan Inai 2D/KU5 Bandar Bukit Raja, Klang, Selangor *The property acquisition price was RM11.06 million, and as capital work in progress @30 June 2024.	Double storey detached factory	Freehold	–	20,197 sq ft	7,433	Vacant	Acquired on 15-4-2022
H.S.(D). No. 165675 P.T. No. 84376, Mukim of Kapar District of Klang, Selangor 16, Jalan Inai 2D/KU5 Bandar Bukit Raja, Klang, Selangor *The property acquisition price was RM12.26 million, and as capital work in progress @30 June 2024.	Double storey detached factory	Freehold	–	20,197 sq ft	9,152	Vacant	Acquired on 29-12-2022

Group's Material Properties (Cont'd)

INVESTMENT PROPERTIES (CONT'D)

Title/Location	Description	Tenure	Age of Building	Land Area/ Built Up Area	Net Book/ Fair Value (RM'000)	Existing Use	Date of Revaluation/ Acquisition
PTT ASSETS SDN. BHD. (CONT'D)							
Geran 202693 to Geran 202870 (inclusive), Geran 202928 to Geran 202945 (inclusive), Geran 203002 to Geran 203176 (inclusive), Geran 203205 to Updated Geran 203851 (inclusive) and Geran 203955 to Geran 203967 (inclusive) Lot 1777 to Lot 1954 (inclusive), Lot 211 to Lot 2028 (inclusive), Lot 2085 to Lot 2258 (inclusive), Lot 2287 to Lot 2933 (inclusive) and Lot 3037 to Lot 3049 (inclusive) respectively town of Kulim District of Kulim Kedah	Converted Vacant Land	Freehold	–	125 Acres	17,000	Vacant	Acquired on 07-5-2003 Revalued on 31-12-2020 Updated valuation on 30-6-2024
HEAP WAH BARAKAH SDN. BHD.							
No. A1-1-5, Blok A1 Kondominium Bukit Cheras Jalan Bukit Cheras 18 56000 Kuala Lumpur, Wilayah Persekutuan	Condominium	Freehold	10	1,586 sq ft	620	Vacant	Revalued on 31-12-2020 Updated valuation on 30-6-2024
No. 60, Jalan Sengaring Taman Tenaga 56000 Kuala Lumpur, Wilayah Persekutuan	Double Storey Terrace House	Leasehold 53 years (18-4-2076)	7	1,862 sq ft	850	Vacant	Revalued on 31-12-2020 Updated valuation on 30-6-2024
B-16-03A, Shaftsbury Putrajaya Jalan Alamanda Presint 1, 62000 Putrajaya	Service Apartment	Freehold	6	731 sq ft	485	Vacant	Valued on 4-1-2022

Group's Material Properties (Cont'd)

INVESTMENT PROPERTIES (CONT'D)

Title/Location	Description	Tenure	Age of Building	Land Area/ Built Up Area	Net Book/ Fair Value (RM'000)	Existing Use	Date of Revaluation/ Acquisition
PROJEK TETAP TEGUH SDN. BHD.							
Title No. GRN 40425, Lot 386 & GM 223, Lot 481, Locality of Sg. Bakap, Mukim 12, District Seberang Perai Selatan, Pulau Pinang - Title No. GRN 40425, Lot 386 - Title No. GM 223, Lot 481 *The land acquisition price was RM70.56 million, and as capital work in progress @30 June 2024.	Land	Freehold	–	65,287.1185 sq meters 7,544.149 sq meters	78,119	Tenanted	Date acquisition: 10-10-2023
PEMBINAAN TETAP TEGUH SDN. BHD.							
Lot 848, 849, 851 Mukim Hulu Berang, Daerah Hulu Terengganu, Bukit Pa'Rahmat, Terengganu Geran Mukim 70, Lot 848, Mukim Hulu Berang, Terengganu Geran Mukim 71, Lot 849, Mukim Hulu Berang, Terengganu Geran Mukim 72, Lot 851, Mukim Hulu Berang, Terengganu	Agriculture land	Freehold	–	 3.6725 hectares 3.7332 hectares 3.885 hectares	3,250	Vacant	Date acquisition: 30-3-2016 Updated valuation on 30-6-2024
Unit SC-C6/06, SC-C6 - Cipta 1, 3 Storey Detached Factory, Serenia City No. 11, Jalan Cipta Serenia 1, Pusat Perindustrian Cipta Selatan, 43900 Sepang, Selangor	3 storey Detached Factory	Freehold	5	20,773.00 sq feet	12,000	Tenanted	Date acquisition: 30-3-2017
Unit SC-C6/07, SC-C6 – Cipta 1, 3 Storey Detached Factory, Serenia City No. 13, Jalan Cipta Serenia 1, Pusat Perindustrian Cipta Selatan, 43900 Sepang, Selangor	3 storey Detached Factory	Freehold	5	20,773.00 sq feet	12,000	Vacant	Date acquisition: 30-3-2017

Group's Material Properties (Cont'd)

INVESTMENT PROPERTIES (CONT'D)

Title/Location	Description	Tenure	Age of Building	Land Area/ Built Up Area	Net Book/ Fair Value (RM'000)	Existing Use	Date of Revaluation/ Acquisition
PEMBINAAN TETAP TEGUH SDN. BHD. (CONT'D)							
Unit SC-C6/08, SC-C6 – Cipta 1, 3 Storey Detached Factory, Serenia City No. 15, Jalan Cipta Serenia 1, Pusat Perindustrian Cipta Selatan, 43900 Sepang, Selangor	3 storey Detached Factory	Freehold	5	20,773.00 sq feet	12,000	Vacant	Date acquisition: 3-1-2017 Disposal SPA on 23-4-2024
Block 1A, Space U8 - Blok 1A-1(G-2), Space U8, No. 6 Persiaran Pasak Bumi, Taman Bukit Jelutong, Seksyen U8, 40150 Shah Alam, Selangor - Blok 1A-1-3, Space U8, No. 6 Persiaran Pasak Bumi, Taman Bukit Jelutong, Seksyen U8, 40150 Shah Alam, Selangor	Shoplot	Freehold	13	5,494 sq metres 2,058 sq metres	23,000	Event hall	Date acquisition: 7-9-2020 Updated valuation on 30-6-2024
Block 2A, Space U8 No. 6 Persiaran Pasak Bumi, Taman Bukit Jelutong, Seksyen U8, 40150 Shah Alam, Selangor	Shoplot	Freehold	13	7,983 sq metres	25,000	Corporate Office	Date acquisition: 7-9-2020 Updated valuation on 30-6-2024
Car Park Space U8 Basement and Sub-Basement, Space U8, No. 6 Persiaran Pasak Bumi, Taman Bukit Jelutong, Seksyen U8, 40150 Shah Alam, Selangor	Parking Bay	Freehold	13	30,335 sq metres	21,000	Common parking	Date acquisition: 7-9-2020 Updated valuation on 30-6-2024
PTT LOGISTICS HUB 1 SDN. BHD.							
Warehouse H.S.(D). 90267 PT50053 & H.S.(D). 90268 PT50054 Mukim of Rawang, District of Gombak, Selangor	Warehouse (Work in progress)	Freehold	–	26,337 sq metres	52,739	Vacant	Acquired on 30-4-2024

Group's Material Properties (Cont'd)

PROPERTY, PLANT AND EQUIPMENT - LEASEHOLD LAND AND BUILDING

Title/Location	Description	Tenure	Age of Building	Land Area/ Built Up Area	Net Book/ Fair Value (RM'000)	Existing Use	Date of Revaluation/ Acquisition
HEAP WAH BARAKAH SDN. BHD.							
5, Jalan P/1, Peringkat 1 Kawasan Perusahaan Bandar Baru Bangi, 43650 Bandar Baru Bangi, Selangor Darul Ehsan	A Single Storey Detached Industrial Building cum Warehouse	Leasehold 62 years (29-9-2086)	13	5,591 sq meters	8,571	Warehouse	Revalued on 31-12-2020 Updated valuation on 30-6-2024
No. 46, Jalan 18/2 Section 18 46000 Petaling Jaya, Selangor Darul Ehsan * The new extension land title is in the process being registered in the name of company.	A Renovated Double Storey End Shophouse valuation	Leasehold *97 years (2121)	31	1,875 sq ft/ 6,720 sq ft	1350	Showroom	Revalued on 31-12-2020 Updated valuation on 30-6-2024

NON CURRENT ASSET - LAND HELD FOR DEVELOPMENT

Title/Location	Description	Tenure	Age of Building	Land Area/ Built Up Area	Net Book/ Fair Value (RM'000)	Existing Use	Date of Revaluation/ Acquisition
PTT PROPERTY SDN. BHD.							
Ten (10) individual plots comprised in a freehold land held under H.S.(D). 13683, PTD 14020, Mukim Jeram Batu, Daerah Pontian, Johor * The property acquisition price was RM43.6 million, of which the developer's obligation has yet to be satisfied as at 30 June 2024	Converted Vacant Land	Freehold	–	20.2 Acres	54,589	Vacant	Acquired on 29-10-2021

ANALYSIS OF SHAREHOLDINGS
AS AT 1 OCTOBER 2024

Class of Securities	:	Ordinary Shares
Total Number of Holders	:	1,578
Voting Rights	:	One (1) vote per Ordinary Share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares Held	%
1 – 99	276	17.49	15,450	0.00
100 – 1,000	220	13.94	65,728	0.02
1,001 – 10,000	667	42.27	2,736,630	0.63
10,001 – 100,000	260	16.48	9,286,198	2.15
100,001 – 21,608,107 (*)	152	9.63	240,126,058	55.56
21,608,108 and above (**)	3	0.19	179,932,098	41.64
TOTAL	**1,578**	**100.00**	**432,162,162**	**100.00**

Remarks: * Less than 5% of Issued Shares
** 5% and above of Issued Shares

DIRECTORS' SHAREHOLDINGS

The Directors' Shareholdings of PTT Synergy Group Berhad based on the Register of Directors' Shareholdings of the Company as at 1 October 2024 are as follows:

	Direct Interest		Indirect Interest	
Directors	**No. of Shares Held**	**%**	**No. of Shares Held**	**%**
Dato' Abd Rahim bin Jaafar	–	–	201,532,098 [(1)]	46.63
Teo Swee Leng	15,049,240	3.48	201,532,098 [(1)]	46.63
Teo Swee Phin	52,090,624	12.05	201,532,098 [(1)]	46.63
Tang Choi Peng	–	–	–	–
Datin Ng Fong Shiang	–	–	–	–
Dato' Mahamed bin Hussain	–	–	–	–
Datuk Ir. Ruslan bin Abdul Aziz	–	–	–	–
Toh Seng Thong	–	–	–	–

Notes:

[(1)] Deemed interested by virtue of his interests in Aim Tetap Teguh Group Sdn. Bhd. pursuant to Section 8(4) of the Companies Act 2016.

Analysis of Shareholdings (Cont'd)

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

The names of the substantial shareholders of PTT Synergy Group Berhad and their respective shareholdings based on the Register of Substantial Shareholders of the Company as at 1 October 2024 are as follows:

	Direct Interest		Indirect Interest	
Substantial Shareholders	**No. of Shares Held**	**%**	**No. of Shares Held**	**%**
Aim Tetap Teguh Group Sdn. Bhd.	201,532,098	46.63	–	–
Dato' Abd Rahim bin Jaafar	–	–	201,532,098 [1]	46.63
Teo Swee Leng	15,049,240	3.48	201,532,098 [1]	46.63
Teo Swee Phin	52,090,624	12.05	201,532,098 [1]	46.63

Notes:

[1] Deemed interested by virtue of his interests in Aim Tetap Teguh Group Sdn. Bhd. pursuant to Section 8(4) of the Companies Act 2016.

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS

No.	Name of Shareholders	No. of Shares	%
1.	AMSEC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR AIM TETAP TEGUH GROUP SDN. BHD.	83,400,000	19.30
2.	AIM TETAP TEGUH GROUP SDN. BHD.	59,775,340	13.83
3.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. MTRUSTEE BERHAD FOR AIM TETAP TEGUH GROUP SDN. BHD.	36,756,758	8.51
4.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. MTRUSTEE BERHAD FOR TEO SWEE LENG	13,316,380	3.08
5.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TEO SWEE PHIN	12,000,000	2.78
6.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR JUSTIN LIM TAU YIK	11,688,800	2.70
7.	NG CHIN HOE	11,648,428	2.70
8.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. MTRUSTEE BERHAD FOR TEO SWEE PHIN	11,188,124	2.59
9.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. EXEMPT AN FOR SAFARI ASIA LIMITED	10,800,000	2.50
10.	RHB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TEO SWEE PHIN	10,200,000	2.36
11.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TEO SWEE PHIN	9,225,000	2.13
12.	AMSEC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR OOI CHEN SENG	8,802,600	2.04
13.	NG HUEY HIAN	8,796,066	2.04

Analysis of Shareholdings (Cont'd)

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS (CONT'D)

No.	Name of Shareholders	No. of Shares	%
14.	FIAMMA HOLDINGS BERHAD	8,000,000	1.85
15.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TEO SWEE PHIN	7,477,500	1.73
16.	PHILLIP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR YAP NGAN CHOY	6,317,000	1.46
17.	PHILLIP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR YAP FOOK CHOY (DATO')	5,966,400	1.38
18.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR SIGNATURE INTERNATIONAL BERHAD	5,880,000	1.36
19.	NG HUEY KUN	4,923,200	1.14
20.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR KHOR KEN YEON	4,506,000	1.04
21.	AMSEC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR CHIAU HAW CHOON	4,025,800	0.93
22.	AMSEC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIANG TIAN KIAT	3,915,000	0.91
23.	AFFIN HWANG NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR SAFARI ASIA LIMITED	3,839,000	0.89
24.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIM KIAN HIN	3,662,800	0.85
25.	AMSEC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHIAU HAW CHOON	3,413,200	0.79
26.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHENG HOCK KIONG	3,400,000	0.79
27.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIANG TIAN KIAT	2,600,000	0.60
28.	AMSEC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LEE HAI PENG	2,560,000	0.59
29.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. EXEMPT AN FOR TRADEVIEW CAPITAL SDN. BHD.	2,090,000	0.48
30.	DAVID HUONG HOW WEE	2,000,000	0.46
	TOTAL	**362,173,396**	**83.80**

PTT SYNERGY GROUP BERHAD
[Registration No. 197101000134 (10493-P)]
(Incorporated in Malaysia)

FORM OF PROXY

CDS Account No.:	
Contact No.:	
No. of Shares Held:	

*I/We, (full name in capital letters) ______________________________

*NRIC No./ Passport No./ Registration No. ____________________ of (full address) ______________________________

____

being a *member/members of **PTT SYNERGY GROUP BERHAD** ("**the Company**"), hereby appoint: -

Full Name and Address (in Block Letters) (First Proxy)		**NRIC /Passport No.**	**No. of Shares**	**% of Shareholding**
Email:	Contact No.:			

*and/or

Full Name and Address (in Block Letters) (Second Proxy)		**NRIC /Passport No.**	**No. of Shares**	**% of Shareholding**
Email:	Contact No.:			

to put on a separate sheet where there are more than two (2) proxies

or failing *him/her, the *CHAIRMAN OF THE MEETING as *my/our proxy to vote for *me/us and on *my/our behalf at the Fifty-Third Annual General Meeting of the Company ("**AGM**") to be held at 2A-1-1(B), Space U8, No. 6, Persiaran Pasak Bumi, Taman Bukit Jelutong, Seksyen U8, 40150 Shah Alam, Selangor Darul Ehsan on Wednesday, 27 November 2024 at 10:30 a.m. and any adjournment thereof.

Please indicate with an "X" in the spaces provided below how you wish your votes to be cast. If no specific direction for voting is given, the proxy will vote or abstain from voting at *his/her discretion.

	ORDINARY RESOLUTIONS	**FOR**	**AGAINST**
1.	To approve the payment of Directors' fees and benefits payable to the Directors up to an aggregate amount of RM250,000/- for the period from 28 November 2024 until the next AGM of the Company to be held in year 2025.		
2.	To re-elect Ms. Tang Choi Peng who is due to retire in accordance with Clause 95 of the Company's Constitution.		
3.	To re-elect Dato' Abd Rahim bin Jaafar who is due to retire in accordance with Clause 88 of the Company's Constitution.		
4.	To re-elect Mr. Teo Swee Phin who is due to retire in accordance with Clause 88 of the Company's Constitution.		
5.	To re-elect Dato' Mahamed bin Hussain who is due to retire in accordance with Clause 88 of the Company's Constitution.		
6.	To re-appoint Messrs. Moore Stephens Associates PLT as the Company's Auditors for the ensuing year, and to authorise the Directors to fix their remuneration.		
7.	Authority to Issue Shares pursuant to the Companies Act 2016.		
8.	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.		
9.	Proposed New Shareholders' Mandate for Additional Recurrent Related Party Transactions of a Revenue or Trading Nature.		
10.	Proposed Allocation of Employees' Share Scheme Awards to Tang Choi Peng (Group Chief Executive Officer cum Executive Director)		

* Strike out whichever is not applicable

As witness my/our hand(s) this ____________ day of ____________ , 2024

____
* Signature/Common Seal of Member

NOTES:

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 20 November 2024 shall be eligible to attend, participate, speak and vote at the Meeting or appoint proxy(ies) to attend, participate, speak and vote in his stead.

2. A member entitled to attend and vote at the Meeting may appoint more than one (1) proxy to attend, participate, speak and vote in his stead. Where a member appoints more than one (1) proxy to attend, participate, speak and vote at the same Meeting, the appointments shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy. A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting of the Company shall have the same rights as the member to attend, participate, speak and vote at the Meeting.

3. The instrument appointing a proxy shall be in writing under the hand of the member or of his attorney duly authorised in writing, or if the member is a corporation, shall either be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.

4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**") as defined under the Securities Industry (Central Depositories) Act 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

5. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a duly notarised certified copy of that power or authority, must be deposited at the Registered Office of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time set for holding the Meeting or any adjournment thereof. All resolutions set out in the notice of the Meeting are to be voted by poll.

6. Any notice of termination of authority to act as proxy must be received by the Company before the commencement of the Meeting or at any adjournment thereof, failing which, the termination of the authority of a person to act as proxy will not affect the following in accordance with Section 338 of the Companies Act 2016:-

   (i) the constitution of the quorum at such meeting;
   (ii) the validity of anything he did as chairman of such meeting;
   (iii) the validity of a poll demanded by him at such meeting; or
   (iv) the validity of the vote exercised by him at such meeting.

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AFFIX
STAMP

The Registrar

PTT Synergy Group Berhad
c/o Securities Services (Holdings) Sdn. Bhd.
Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur,
Wilayah Persekutuan

2nd Fold Here

Fold This Flap For Sealing

TOGETHER
WE MAKE IT
HAPPEN

PTT SYNERGY GROUP BERHAD
197101000134 (10493-P)

2A-1-1(B), Space U8,
No. 6, Persiaran Pasak Bumi,
Taman Bukit Jelutong,
Seksyen U8, 40150 Shah Alam,
Selangor Darul Ehsan

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