

Notes to the financial statements (continued)

7. Inventories (continued)

7.1 Government grant for developed properties

A government grant amounting to RM27,872,000 was received in prior years to facilitate and reimburse certain development costs incurred for a mixed development project upon the fulfilment of conditions imposed.

The grant received was initially recognised as a reduction in cost of developed properties and will be systematically realised to profit or loss when the developed properties under the said project are sold. As at the year end, accumulated grant of RM13,407,000 (2024: RM13,189,000) has been realised to profit or loss as a reduction in cost of sale for the total developed properties sold.

7.2 During the current financial year, the Group conducted a review of the carrying amount of certain developed properties based on historical sales performance and the anticipated future market demand and supply of similar products. Following this review, a write-down of RM8,075,000 on the carrying amount of the affected developed properties was recognised as other expense in profit or loss.

8. Investment properties - Group

	(Right-of- use assets) Long-term leasehold land (unexpired lease term more than 50 years) RM'000	Buildings RM'000	Total RM'000
Cost			
At 1 January 2024	32,090	58,277	90,367
Disposals	(3,019)	-	(3,019)
At 31 December 2024/1 January 2025	29,071	58,277	87,348
Additions	-	1,230	1,230
At 31 December 2025	29,071	59,507	88,578
Amortisation			
At 1 January 2024	4,683	16,924	21,607
Amortisation for the year (Note 23)	425	1,597	2,022
Disposals	(385)	-	(385)
At 31 December 2024/1 January 2025	4,723	18,521	23,244
Amortisation for the year (Note 23)	393	1,599	1,992
At 31 December 2025	5,116	20,120	25,236
Carrying amounts			
At 1 January 2024	27,407	41,353	68,760
At 31 December 2024/1 January 2025	24,348	39,756	64,104
At 31 December 2025	23,955	39,387	63,342
Fair value (see Note 8.4)			
At 31 December 2024	111,796	46,770	158,566
At 31 December 2025	111,796	46,770	158,566

Notes to the financial statements (continued)

8. Investment properties - Group (continued)

8.1 Investment property with a carrying amount of RM38,720,000 (2024: RM39,742,000) is charged to a bank as security for a term loan facility granted to a subsidiary (see Note 20.1).

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

	2025 RM'000	2024 RM'000
Lease income	4,896	5,288
Direct operating expenses:		
- income generating investment properties	5,154	5,265
- non-income generating investment properties	145	145
	<u> </u>	<u> </u>

8.3 Maturity analysis of operating lease payments

The undiscounted operating lease payments receivables are as follows:

As a lessor	2025 RM'000	2024 RM'000
Within one year	5,989	4,294
One to two years	4,135	3,418
Two to three years	2,779	1,373
Three to four years	805	900
More than four years	3,266	2,560
	<u>16,974</u>	<u>12,545</u>

8.4 Fair value information

Fair value of investment properties as at end of the reporting period are categorised as Level 3, summarised as follows:

Group	2025 RM'000	2024 RM'000
Leasehold land	111,796	111,796
Buildings	46,770	46,770
	<u> </u>	<u> </u>

Level 3 fair value

The Level 3 fair value of investment properties, determined for disclosures purposes, is generally ascertained by the management with reference to valuation performed by an independent external valuer, who has appropriate recognised professional qualifications and recent experience in the location and category of the properties being valued. For certain investment properties, the Group may also determine their fair value, where appropriate, based on informal indicative valuations or comparison methods by reference to similar/comparable properties in markets that are not active, adjusted for differences in key attributes such as property size and areas.

For the determination of the fair value of a building, the investment method is mostly used whereby net rental is capitalised at the appropriate market yield and anticipated occupancy rates achieved by reference to its locality and historical performance trend. For land, the fair value is determined using the comparison method, whereby adjustments for differences in various factors affecting the value are made.

Notes to the financial statements (continued)

8. Investment properties - Group (continued)

8.5 Highest and best use

The land classified as investment property is currently held under titles for residential, commercial and/or mixed development purpose. As the use of certain land is currently undetermined, it is therefore impractical to estimate its highest and best use.

A major part of the buildings comprise hypermarket malls situated at a prime area, which is the highest and best use of the land on which they were built. Other buildings comprising office lots and commercial retail units are similarly regarded as having been put at their highest and best use.

9. Intangible assets – Group

	Goodwill RM'000	Stone quarry licence RM'000	Total RM'000
Cost			
At 1 January 2024	60	10,206	10,266
Effect of additional equity interest acquired for a subsidiary	(17)	-	(17)
At 31 December 2024/1 January 2025 and 31 December 2025	<u>43</u>	<u>10,206</u>	<u>10,249</u>
Amortisation and impairment loss			
At 1 January 2024, 31 December 2024/1 January 2025 and 31 December 2025			
- Accumulated amortisation	-	8,845	8,845
- Accumulated impairment loss	-	1,361	1,361
	<u>-</u>	<u>10,206</u>	<u>10,206</u>
Carrying amounts			
At 1 January 2024	<u>60</u>	<u>-</u>	<u>60</u>
At 31 December 2024/1 January 2025	<u>43</u>	<u>-</u>	<u>43</u>
At 31 December 2025	<u>43</u>	<u>-</u>	<u>43</u>

Intangible assets comprise expenditure incurred to acquire a stone quarry licence and goodwill arising from the acquisition of a subsidiary.

Notes to the financial statements (continued)

10. Deferred tax assets and liabilities - Group

Recognised deferred tax

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Fair value adjustment on acquisition of subsidiaries*	-	-	(18,719)	(18,777)	(18,719)	(18,777)
Property, plant and equipment	-	-	(2,245)	(2,095)	(2,245)	(2,095)
Capital allowances carried forward	123	118	-	-	123	118
Tax losses carried forward	541	541	-	-	541	541
Other items	1,485	1,505	-	-	1,485	1,505
Tax assets/(liabilities)	2,149	2,164	(20,964)	(20,872)	(18,815)	(18,708)
Set off of tax	(631)	(481)	631	481	-	-
Net tax assets/(liabilities)	1,518	1,683	(20,333)	(20,391)	(18,815)	(18,708)

* This relates to fair value adjustments of certain land held for property development, property development costs, property, plant and equipment and investment property of the subsidiaries acquired in prior years. This deferred tax liability is progressively reversed to profit or loss when the subject land is developed and/or sold or when the land is amortised, as the case may be.

Certain subsidiaries of the Group have recognised deferred tax assets of RM1,518,000 (2024: RM1,683,000) based on the estimation of probable utilisation of those deductible temporary differences in the foreseeable future.

Movements in deferred tax during the year are as follows:

<u>Group</u>	At 1.1.2024 RM'000	Recognised in profit or loss RM'000	At 31.12.2024/ 1.1.2025 RM'000	Recognised in profit or loss RM'000	At 31.12.2025 RM'000
Fair value adjustment on acquisition of subsidiaries	(18,888)	111	(18,777)	58	(18,719)
Property, plant and equipment	(2,038)	(57)	(2,095)	(150)	(2,245)
Capital allowances carried forward	117	1	118	5	123
Tax losses carried forward	555	(14)	541	-	541
Other items	1,208	297	1,505	(20)	1,485
	(19,046)	338	(18,708)	(107)	(18,815)
		(Note 27)		(Note 27)	

Notes to the financial statements (continued)

10. Deferred tax assets and liabilities - Group (continued)

Unrecognised deferred tax assets

Deferred tax assets of RM58,380,000 (2024: RM55,597,000) have not been recognised in respect of the following temporary differences (stated at gross) because it is uncertain if sustainable future taxable profits will be available against which the group entities concerned can utilise the benefits therefrom:

	----- Group -----	
	2025 RM'000	2024 RM'000
Capital allowances carried forward	11,275	10,309
Unutilised tax losses	231,061	214,577
Other items	914	6,770
	243,250	231,656

Capital allowances do not have any expiration date under the current tax regime. Under prevailing tax laws, unutilised tax losses can be carried forward for a maximum of 10 consecutive years of assessment with effect from the year of assessment 2019. The unutilised tax losses of RM231,061,000 will be expired as follows:

Expiry Year	Amount RM'000
2028	134,460
2029	6,510
2030	14,970
2031	18,752
2032	10,940
2033	13,902
2034	21,871
2035	9,656
	231,061

11. Other investments - Group

	2025 RM'000	2024 RM'000
Fair value through other comprehensive income (Note 31.4)		
- unquoted shares in Malaysia	3,484	2,963
- quoted shares in Malaysia	74	61
	3,558	3,024

The Group designated the other investments as fair value through other comprehensive income because these investments in equity securities represent investments that the Group intends to hold over a long-term period.

Total dividend income receivables from the other investments held on hand during the financial year are RM61,000 (2024: RM127,000) (see Note 23).

Notes to the financial statements (continued)

12. Trade and other receivables

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current				
Trade receivables				
Trade receivables from contracts with customers (Notes 12.1 and 12.5)	30,830	36,354	-	-
Amount due from associates (Note 12.3)	745	808	-	-
	<u>31,575</u>	<u>37,162</u>	<u>-</u>	<u>-</u>
Other receivables				
Other receivables (Note 12.4)	14,996	18,233	-	-
Amount due from:				
- subsidiaries (Note 12.2)	-	-	77,596	74,303
- associates (Note 12.3)	2,614	3,148	-	-
	<u>17,610</u>	<u>21,381</u>	<u>77,596</u>	<u>74,303</u>
Total current	<u>49,185</u>	<u>58,543</u>	<u>77,596</u>	<u>74,303</u>
Grand total	<u>49,185</u>	<u>58,543</u>	<u>77,596</u>	<u>74,303</u>

12.1 The trade and other receivables of the Group include the following:

- (i) A remaining sum of RM4,640,000 (2024: RM4,640,000) due from a debtor for sale of two (2) parcels of leasehold land in prior years. The amount is expected to be recovered upon the issuance of titles.
- (ii) Advance payments amounting to RM5,560,000 (2024: RM5,000,000) given to certain subcontractors in respect of a construction project. The amount will be fully recovered upon the issuance of final accounts with the subcontractors.

12.2 Included in the amount due from subsidiaries, net of impairment loss of RM19,250,000 (2024: RM17,300,000), is a sum of RM29,740,000 (2024: RM59,630,000), which is unsecured and bears interest at rates ranging from 5.05% to 5.50% (2024: 5.23% to 5.45%) per annum.

The remaining balances are unsecured, interest-free and repayable on demand.

12.3 The amount due from associates are unsecured and interest-free.

12.4 Other receivables as at 31 December 2024 included a sum of RM9,576,000 deposited to the High Court in prior years, against which an impairment loss of RM5,185,000 was previously provided. The Group has, through legal means, recovered in full the said sum including interest earned thereon during the current financial year.

12.5 The Group's trade receivables as at 31 December 2024 included a sum of RM13,847,000 arising from a construction project undertaken for a government-related entity under a deferred payment scheme where the contract proceeds (including associated financing income) were to be recovered over a period of 10 years. The said outstanding receivable was unsecured and bore interest at 6.75% per annum.

The entire outstanding receivable has been fully recovered during the current year.

Notes to the financial statements (continued)

12. Trade and other receivables (continued)

12.6 Offsetting of financial assets and financial liabilities

The following table provides information of financial assets and liabilities that have been set off for presentation purpose:

Group	Gross amount RM'000	Offset balance RM'000	Net carrying amount RM'000
2025			
Trade receivables	9,100	(9,100)	-
Trade accruals	9,100	(9,100)	-
2024			
Trade receivables	12,400	(12,400)	-
Trade accruals	12,400	(12,400)	-

Certain trade and other receivables and trade payables were set off for presentation purpose as these receivables include some payments in-kind portion made in relation to the contractors' claims. They intend either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

12.7 The Group's and the Company's credit risk management and assessment of loss allowance for expected credit loss on trade and other receivables is disclosed in Note 31.3(a).

13. Contract with customers

13.1 Contract costs

	2025 RM'000	2024 RM'000
Cost to fulfil contract - costs incurred directly on contracts with customers	2,519	2,707

13.2 Contract assets/(liabilities)

	2025 RM'000	2024 RM'000
Contract assets	69,085	51,149
Contract liabilities	(717)	(593)

Notes to the financial statements (continued)

13. Contract with customers (continued)

13.2 Contract assets/(liabilities) (continued)

Contract assets primarily relate to the Group's rights to contract consideration for works completed on properties and/or construction contracts but not yet billed to customers at the reporting date. Typically, the amount will be billed in the manner as established in the contracts with customers. The contract assets are reclassified as trade receivables when the rights to contract consideration become unconditional.

Contract liabilities primarily relate to contract consideration received and/or the Group's unconditional rights to contract consideration in advance of the performance under the contracts. The contract liabilities are expected to be recognised as revenue based on the expected timing of completion of works.

(a) Movements in the contract assets/liabilities balances during the year includes:

	2025 RM'000	2024 RM'000
Revenue recognised arising from contract liabilities at the beginning of period	509	1,691
Contract assets at the beginning of period reclassified to trade receivables	19,736	80,665
Increase in revenue recognised in previous periods arising from change in contract considerations	368	13,881

(b) Impairment assessment on contract assets

Credit risk on contract assets arises from construction projects and/or sale of development properties. The Group adopts a 'simplified approach' when performing impairment assessments for contract assets. Since the contract assets have substantially the same risk characteristics as the trade receivables, estimation techniques or significant assumptions made in assessing the loss allowance are generally the same. The Group applies similar credit risk management on its financial instrument for contract assets [see Note 31.3(a)].

Management estimates the loss allowance on contract assets at an amount equal to lifetime expected credit loss ("ECL"), taking into account the historical default experience. None of the contract assets at the end of the reporting period is past due. No aging analysis of contract assets are presented as the outstanding balances as at 31 December 2025 are current. The exposure of credit risk for contract assets as at the end of the reporting period by geographic region is Malaysia.

The following tables provides information about ECLs for contract assets:

Group	2025 RM'000	2024 RM'000
Gross amount	71,718	53,782
Loss allowance	(2,633)	(2,633)
Net amount	<u>69,085</u>	<u>51,149</u>

The movement in the allowance for impairment loss of contract assets as at each reporting period are as follows:

Group	RM'000
Balance at 1 January 2024	7,296
Reclassified to trade and other receivables [see Note 31.3(a)]	(4,663)
Balance at 31 December 2024/1 January 2025 and 31 December 2025	<u>2,633</u>

Notes to the financial statements (continued)

14. Deposits and prepayments

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Deposits	5,806	3,529	19	19
Prepayments	1,233	1,076	1	1
	<u>7,039</u>	<u>4,605</u>	<u>20</u>	<u>20</u>

15. Other financial assets

The Group classifies deposits with licensed banks not held for working capital purpose that have a maturity of more than 3 months as other financial assets.

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash pledged with licensed banks (Note 15.1)	<u>674</u>	<u>6,994</u>	<u>-</u>	<u>-</u>

15.1 Cash pledged as security

A sum of RM674,000 (2024: RM6,994,000) is placed in designated sinking fund bank accounts as part of the requirements for term loan facilities granted to the Group for the purpose of interest and principal payments at intervals of 2 to 3 months periods, as the case may be.

16. Cash and cash equivalents

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Deposits placed with licensed banks with maturities less than three months	268,024	191,285	2,008	536
Cash in hand and at banks	52,034	159,873	1,043	1,206
Housing Development Accounts (Note 16.1)	34,892	17,940	-	-
Total cash and cash equivalents	<u>354,950</u>	<u>369,098</u>	<u>3,051</u>	<u>1,742</u>

16.1 A balance of RM34,892,000 (2024: RM17,940,000) is maintained in designated Housing Development Accounts ("HDA") pursuant to the Sarawak's Housing Development (Control and Licensing) Ordinance, 2013 and Housing Development (Control and Licensing) Regulations, 2014 in connection with certain property development projects of the Group. The utilisation of these balances is restricted before the completion of housing development projects and fulfilment of all relevant obligations to the purchasers, such that the cash can only be withdrawn from such HDA accounts for the purpose of completing the particular projects in the manner as defined under the ordinance.

Notes to the financial statements (continued)

17. Assets held for sale - Group

	2025 RM'000	2024 RM'000
Assets classified as held for sale		
- Property, plant and equipment	75	88
- Quoted shares investment in Malaysia (Note 17.1)	-	-
	<u>75</u>	<u>88</u>

17.1 This comprises 15.53% equity interest held in Miri Specialist Hospital Sdn. Bhd. following the Group's decision to divest and sell of the investment. The carrying amount of the investment has been remeasured upon reclassification and is stated at its recoverable amount.

18. Share capital

	-- Group and Company -- 2025	2024
<u>Ordinary shares with no par value</u>		
Issued and fully paid shares with no par value classified as equity instruments:		
Number of shares ('000)		
Opening and closing balances	<u>513,799</u>	<u>513,799</u>
Amount (RM'000)		
Opening and closing balances	<u>454,802</u>	<u>454,802</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share during a poll at general meetings of the Company.

19. Reserves

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Retained earnings	1,113,764	1,086,013	72,054	40,912
Treasury shares	(34,748)	(34,748)	(34,748)	(34,748)
Foreign currency translation reserve	12,423	22,356	-	-
Other reserves	675	141	-	-
	<u>1,092,114</u>	<u>1,073,762</u>	<u>37,306</u>	<u>6,164</u>

Notes to the financial statements (continued)

19. Reserves (continued)

19.1 Treasury shares

Treasury shares comprise cost of acquisition of the Company's own shares.

The shareholders of the Company, via an ordinary resolution passed in the Annual General Meeting held on 27 May 2025, approved the Company's plan to repurchase its own shares in aggregate not exceeding 10% of the total number of issued shares. The Directors of the Company are committed to enhancing the value of the Company to its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

There were no repurchases of issued share capital by the Company during the current and previous financial year. As at 31 December 2025, the Company holds 13,056,000 (2024: 13,056,000) of the Company's own shares. All rights attached to the treasury shares that are held by the Company are suspended until those shares are reissued.

19.2 Foreign currency translation reserve

The foreign currency translation reserve arises from the translation of the financial statements of subsidiaries and/or associates whose presentation currency differs from the presentation currency of the Group's financial statements which is RM.

19.3 Other reserves

Other reserves comprise cash flow hedge in associates as well as changes in fair value of equity investments designated at fair value through other comprehensive income.

20. Loans and borrowings

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-current				
Secured term loans	15,350	21,558	-	-
Hire purchases (Note 20.1)	-	163	-	103
	<u>15,350</u>	<u>21,721</u>	<u>-</u>	<u>103</u>
Current				
Unsecured revolving credits	55,000	65,000	30,000	30,000
Secured term loans	6,208	12,298	-	-
Hire purchases (Note 20.1)	163	163	103	99
	<u>61,371</u>	<u>77,461</u>	<u>30,103</u>	<u>30,099</u>
Total	<u>76,721</u>	<u>99,182</u>	<u>30,103</u>	<u>30,202</u>

Notes to the financial statements (continued)

20. Loans and borrowings (continued)

20.1 Security

Term loans

During the current financial year, the Group has settled in full a term loan facility which was previously secured by:

- assignment of proceeds from a construction project undertaken by, and
- debentures over future and present assets of a subsidiary.

The remaining term loan facilities are secured by:

- fixed charges over certain parcels of leasehold land and buildings (erected thereon) [see Notes 3.5 and 8.1].
- corporate guarantee from the Company and/or another subsidiary, where applicable.

Revolving credits

The revolving credit facilities granted to direct subsidiaries are covered by way of corporate guarantees from the Company.

The revolving credit facility of the Company is on a clean basis.

Hire purchases

The hire purchases are secured on the respective leased assets acquired (see Note 3.5).

20.2 Covenant for term loan facilities

The Group is required to maintain a debt to equity ratio of not exceeding 1 time.

20.3 Hire purchases are payable as follows:

	2025			2024		
	Payment RM'000	Profit RM'000	Principal RM'000	Payment RM'000	Profit RM'000	Principal RM'000
<u>Group</u>						
Less than one year	166	3	163	172	9	163
Between one to two years	-	-	-	166	3	163
	<u>166</u>	<u>3</u>	<u>163</u>	<u>338</u>	<u>12</u>	<u>326</u>
<u>Company</u>						
Less than one year	105	2	103	105	6	99
Between one to two years	-	-	-	105	2	103
	<u>105</u>	<u>2</u>	<u>103</u>	<u>210</u>	<u>8</u>	<u>202</u>

Notes to the financial statements (continued)

21. Trade and other payables

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Trade payables				
Trade payables (Note 21.1)	55,766	66,133	-	-
Amount due to associates (Note 21.3)	8,772	7,864	-	-
Trade accruals	114,398	125,042	-	-
	<u>178,936</u>	<u>199,039</u>	<u>-</u>	<u>-</u>
Other payables				
Other payables	7,696	2,736	80	24
Accruals	6,456	4,458	414	423
Advance payments and deposits received	8,019	6,860	-	-
Amount due to:				
- subsidiaries (Note 21.2)	-	-	46,651	73,588
- associates (Note 21.3)	420	420	-	-
	<u>22,591</u>	<u>14,474</u>	<u>47,145</u>	<u>74,035</u>
Total	<u>201,527</u>	<u>213,513</u>	<u>47,145</u>	<u>74,035</u>

21.1 Included in trade payables of the Group are retention sums and performance bonds amounting to RM43,226,000 (2024: RM45,419,000).

21.2 Included in the amount due to subsidiaries is a sum of RM45,987,000 (2024: RM71,217,000) bearing interest ranging from 5.05% to 5.50% (2024: 5.23% to 5.45%) per annum.

The remaining balance is interest free and unsecured.

21.3 The amount due to associates is unsecured and interest-free.

22. Revenue

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue from contracts with customers (Note 22.1)	192,650	493,886	2,508	2,521
Other revenue				
- Rental income	4,183	4,574	-	-
- Dividend income from an associate	-	-	39,256	16,824
	<u>196,833</u>	<u>498,460</u>	<u>41,764</u>	<u>19,345</u>

Notes to the financial statements (continued)

22. Revenue (continued)

22.1 Disaggregation of revenue

Disaggregation of the revenue from contracts with customers

Major products/ services	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Construction contracts	84,106	184,620	-	-
Sales of land and properties	76,316	273,572	-	-
Sales of goods	11,363	14,443	-	-
Revenue from accommodation operations	19,574	17,413	-	-
Services rendered	1,291	3,838	2,508	2,521
	<u>192,650</u>	<u>493,886</u>	<u>2,508</u>	<u>2,521</u>
Timing of recognition				
Over time	148,845	224,022	2,508	2,521
At a point in time	43,805	269,864	-	-
	<u>192,650</u>	<u>493,886</u>	<u>2,508</u>	<u>2,521</u>

22.2 Nature of goods and services

The following information reflects the typical nature of transactions with customers:

Major goods and services	Timing and method of revenue recognised	Payment terms	Example of variable consideration	Warranty
Construction contracts	Revenue is recognised over time which is measured by actual costs incurred to the estimated total contract cost.	Based on the milestones, as established in contracts.	Liquidated and ascertained damages arising from late completion, as established in contracts.	Defect liability period up to 24 months, depending on the nature of contract works performed.
Sales of land and properties	Revenue is recognised, either over time, or at a point in time, depending on the timing when controls of the assets pass to buyers.	Based on milestones as spelled out in contracts.	Discounts/rebates granted during promotional periods. Liquidated and ascertained damages arising from late completion, as established in contracts.	Defect liability period up to 24 months, as established in contracts and/ or based on historical business practices, where applicable, for sale of properties.
Sales of goods	Revenue is recognised at a point in time when the goods are delivered and accepted by customers.	Credit period of up to 60 days from invoice date.	-	-

Notes to the financial statements (continued)

22. Revenue (continued)

22.2 Nature of goods and services (continued)

The following information reflects the typical nature of transactions with customers:

Major goods and services	Timing and method of revenue recognised	Payment terms	Example of variable consideration	Warranty
Revenue from accommodation operations	Revenue is recognised, either over time, or at a point in time, depending on the timing when the customers receive and consume the services/goods.	Based on published terms as stated in invoices/contracts.	-	-
Services rendered (comprising management fee and maintenance services and education fee)	Revenue is recognised over time when the services are rendered.	Credit period of up to 60 days from invoice date.	-	-

22.3 Unsatisfied performance obligations

The unsatisfied performance obligations at the reporting date are expected to be fulfilled in the following periods based on the management's best estimations and on the assumption that there are no significant changes to the existing contractual periods and contract considerations.

	2025 RM'000	2024 RM'000
Within one year	339,050	266,649
More than one year	955,471	1,986
	<u>1,294,521</u>	<u>268,635</u>
Represented by:		
Construction contracts	1,276,759	243,450
Sales of properties	17,762	25,185
	<u>1,294,521</u>	<u>268,635</u>

Notes to the financial statements (continued)

23. Results from operating activities

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Results from operating activities is arrived at after charging/ (crediting): (continued)				
Auditors' remuneration:				
- Audit fee				
KPMG PLT	388	380	83	82
Other auditors	23	17	-	-
- Non-audit fee				
KPMG PLT	26	26	20	20
Local affiliates of KPMG PLT	238	213	55	35
Overseas affiliates of KPMG PLT	19	19	-	-
Other auditors	8	8	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Material expense				
Amortisation of investment properties (Note 8)	1,992	2,022	-	-
Depreciation of property, plant and equipment (excluding those capitalised in inventories and contract costs) (Note 3.3)	10,253	9,948	249	249
Personnel expenses (including key management personnel):				
- contributions to state plans	3,481	3,990	-	-
- wages, salaries and others	31,595	34,010	-	-
Foreign exchange loss				
- realised	16	131	-	125
- unrealised	81	200	81	200
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net changes in impairment loss on:				
Financial assets at amortised cost [Note 31.3(a)]	(10,304)	5,406	1,950	17,300
Contract assets [Note 13.2(b)]	-	(4,663)	-	-
Investments in subsidiary and associates	-	-	-	5,143
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Expenses arising from leases: (Note 23.1)				
Expenses relating to:				
- short-term leases	14	14	243	234
- leases of low-value assets	1,134	912	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Notes to the financial statements (continued)

23. Results from operating activities (continued)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Results from operating activities is arrived at after crediting				
Material income				
- quoted shares in Malaysia	1	1	-	-
- unquoted shares in Malaysia	60	126	-	-
Dividend income from an associate				
- quoted shares in Malaysia	-	-	39,256	16,824
Gain on disposal of:				
- property, plant and equipment	1,032	402	-	-
- investment property	-	13,691	-	-
Reversal of cost arising from	-	17,248	-	-
Reversal of liquidated ascertained damages provision previously provided	2,092	-	-	-
Rental income	9,224	9,503	-	-
	<u>9,224</u>	<u>9,503</u>	<u>-</u>	<u>-</u>

23.1 Lease expenses

The Group leases office equipment and premises with contract terms of 5 years or less. These leases are short-term leases and/or leases of low-value assets.

The Group has elected not to recognise them as right-of-use assets and the associated lease liabilities for these leases. The lease payments for these short-term leases and low-value assets are recognised as expenses to profit or loss on a straight-line basis over the lease term.

23.2 Relates to a cost saving of RM17,248,000 in cost of sales following the amicable settlement of a contractual claims between the Group and a subcontractor in the previous financial year.

Notes to the financial statements (continued)

24. Other non-operating income/(expenses)

Included in other non-operating income for the financial year ended 31 December 2024 was net gain/(loss) arising from the disposal of equity interest in an associate (see Note 36), as summarised below:

	RM'000
Net gain/(loss) on disposal of an associate	
- Group	5,437
- Company	(432)
	<u>5,005</u>

25. Finance income and costs

Recognised in profit or loss

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Interest income of financial assets calculated using the effective interest method that are at amortised costs:				
- fixed deposits and cash funds	8,913	4,709	60	385
- interest income from deferred payment scheme	523	1,070	-	-
- inter-company advances	-	-	4,092	4,068
- other finance income	1,986	263	-	-
	<u>11,422</u>	<u>6,042</u>	<u>4,152</u>	<u>4,453</u>
Interest expense of financial liabilities that are not at fair value through profit or loss:				
- loans and borrowings	4,768	8,238	1,685	2,847
- inter-company advances	-	-	3,028	3,778
- other finance costs	240	590	-	-
	<u>5,008</u>	<u>8,828</u>	<u>4,713</u>	<u>6,625</u>

Notes to the financial statements (continued)

26. Compensations to key management personnel

Compensations paid/payable to key management personnel are as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Directors of the Company				
- Fees	407	459	407	459
- Short-term employee benefits	4,149	3,276	3,334	3,276
	<u>4,556</u>	<u>3,735</u>	<u>3,741</u>	<u>3,735</u>
Other key management personnel (including subsidiaries' directors)				
- Fees	60	60	-	-
- Short-term employee benefits	4,259	4,416	575	144
	<u>4,319</u>	<u>4,476</u>	<u>575</u>	<u>144</u>
Total	<u>8,875</u>	<u>8,211</u>	<u>4,316</u>	<u>3,879</u>

Other key management personnel comprise persons, other than the Directors of the Company, having authority and responsibility for planning, directing and controlling the activities of the group entities either directly or indirectly.

The estimated monetary value of benefit-in-kind is RM62,000 (2024: RM136,000). Included in the estimated monetary value of benefit-in-kind of RM56,000 (2024: RM119,000) is payable to Directors of the Company.

Notes to the financial statements (continued)

27. Tax expense

Major components of tax expense include:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current tax expense				
- current year	6,340	51,213	434	118
- prior years	(347)	1,933	22	-
	<u>5,993</u>	<u>53,146</u>	<u>456</u>	<u>118</u>
Deferred tax (income)/ expense (Note 10)				
- recognition and reversal of temporary differences	1,020	(363)	-	-
- prior years	(913)	25	-	-
	<u>107</u>	<u>(338)</u>	<u>-</u>	<u>-</u>
Real property gain tax expense arising from sale of investment property	-	1,768	-	-
Total tax expense recognised in profit or loss	<u>6,100</u>	<u>54,576</u>	<u>456</u>	<u>118</u>
Reconciliation of tax expense				
Profit/(Loss) for the year	26,054	228,517	31,142	(14,798)
Total tax expense	<u>6,100</u>	<u>54,576</u>	<u>456</u>	<u>118</u>
Profit/(Loss) excluding tax	32,154	283,093	31,598	(14,680)
Share of tax of equity-accounted associates and joint ventures	25,798	37,824	-	-
	<u>57,952</u>	<u>320,917</u>	<u>31,598</u>	<u>(14,680)</u>
Tax calculated using Malaysian tax rate of 24%	13,909	77,020	7,584	(3,523)
Non-deductible expenses	21,521	11,673	2,271	8,741
Non-taxable income	(5,055)	(3,924)	(9,421)	(5,100)
Movement in unrecognised deferred tax assets	2,783	3,905	-	-
(Over)/Under-provision in prior years	(1,260)	1,958	22	-
	<u>31,898</u>	<u>90,632</u>	<u>456</u>	<u>118</u>
Real property gain tax expense	-	1,768	-	-
Less: Share of tax of equity-accounted associates and joint ventures	(25,798)	(37,824)	-	-
Total tax expense	<u>6,100</u>	<u>54,576</u>	<u>456</u>	<u>118</u>

Notes to the financial statements (continued)

28. Earnings per ordinary share - Group

Basic and Diluted earnings per ordinary share

The calculation of basic and diluted earnings per ordinary share was based on the net profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after excluding treasury shares bought back in previous years, presented as follows:

	2025	2024
Net profit attributable to ordinary shareholders (RM'000)	28,429	228,242
Weighted average number of ordinary shares, net of treasury shares bought back in previous years ('000)	500,743	500,743
Basic and diluted earnings per share (sen)	<u>5.68</u>	<u>45.58</u>

29. Dividend

No dividends were paid during the current and previous financial year.

30. Operating segments

The Group has three reportable segments, which are the Group's strategic business units. For each of the strategic business units, the Group Managing Director ("GMD"), being the Chief Operating Decision Maker, reviews internal management reports for resource allocation and decision making at least on a quarterly basis. The following summary describes the operations in each of the Group's existing reporting segments:

- Property development - Development and construction of residential and commercial properties (including sale of vacant land).
- Construction - Construction of buildings, roads, bridges and other infrastructure and engineering works (including oil and gas related construction projects).
- Others - All other business segments with profit contributions less than 10%. This includes trading of building and construction materials, provision of sand extraction and land filling services, property investment and management, hotel operation, education as well as quarry operation.

Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the GMD. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of the segments relative to other entities that operate within these industries.

There are varying levels of integration between the reportable segments. Inter-segment pricing is determined on negotiated terms. Unallocated items mainly comprise corporate and headquarters expenses and other investment income, which are managed on a group basis and are not allocated to any operating segment.

Segment assets and liabilities

The GMD reviews the statements of financial position of subsidiaries for resource allocation and decision making, instead of a summary of consolidated assets and liabilities by segments. As such, information on segment assets and segment liabilities is not presented.

Notes to the financial statements (continued)

30. Operating segments (continued)

	Property development		Construction	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue from external customers	76,316	273,572	84,106	184,620
Inter segment revenue	-	-	118	3,424
Total segment revenue	<u>76,316</u>	<u>273,572</u>	<u>84,224</u>	<u>188,044</u>
Segment (loss)/profit	(4,132)	178,861	10,645	13,640
Share of results (net of tax) of:				
- associates, other than Dayang Enterprise Holdings Bhd. ("DEHB group")	(881)	810	(21,994)	3,891
- joint ventures	-	-	41	7
	<u>(5,013)</u>	<u>179,671</u>	<u>(11,308)</u>	<u>17,538</u>
Net unallocated income/(expenses)				
Net gain on disposal of equity interest in an associate, Perdana Petroleum Berhad ("PPB")				
Share of results (net of tax) of associates, DEHB group ¹ (in oil and gas segment)				
Tax expense				
Profit for the year				
Other comprehensive expenses				
Total comprehensive income for the year				
Total comprehensive expenses/(income) attributable to non-controlling interests				
Total comprehensive income attributable to owners of the Company				

¹ Share of results of DEHB Group comprised the share of results from two associates, DEHB and PPB

	Property development		Construction	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Included in the measure of segment profit/(loss) are:				
Depreciation and amortisation [including depreciation capitalised in inventories and contract costs]	(1,440)	(1,881)	(13)	(103)
Finance income	237	209	523	1,061
Finance costs	(1,511)	(2,562)	(400)	(1,651)
Net changes in impairment loss on financial assets and contract assets	(457)	(204)	10,797	(1,321)
Gain on disposal of investment property	-	-	-	-
Reversal of cost arising from settlement of claims	-	-	-	17,248
Rental income	<u>9,224</u>	<u>9,503</u>	<u>-</u>	<u>-</u>

* excluding unallocated expenses/(income)

Others		Inter-segment elimination		Consolidated	
2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
36,411	40,268	-	-	196,833	498,460
2,792	3,270	(2,910)	(6,694)	-	-
<u>39,203</u>	<u>43,538</u>	<u>(2,910)</u>	<u>(6,694)</u>	<u>196,833</u>	<u>498,460</u>
(4,281)	10,331	(1,224)	(1,785)	1,008	201,047
-	-	-	-	(22,875)	4,701
-	-	-	-	41	7
<u>(4,281)</u>	<u>10,331</u>	<u>(1,224)</u>	<u>(1,785)</u>	<u>(21,826)</u>	<u>205,755</u>
				4,100	(4,891)
				-	5,437
				49,880	76,792
				(6,100)	(54,576)
				<u>26,054</u>	<u>228,517</u>
				(9,399)	(7,158)
				<u>16,655</u>	<u>221,359</u>
				<u>2,375</u>	<u>(275)</u>
				<u>19,030</u>	<u>221,084</u>

Others		Total*	
2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
(10,820)	(10,021)	(12,273)	(12,005)
7	58	767	1,328
<u>(3,097)</u>	<u>(4,615)</u>	<u>(5,008)</u>	<u>(8,828)</u>
(36)	782	10,304	(743)
-	13,691	-	13,691
-	-	-	17,248
-	-	<u>9,224</u>	<u>9,503</u>

Notes to the financial statements (continued)

30. Operating segments (continued)

Major customers

The following are the major customers with revenue equal to or more than 10% of the Group's total revenue individually:

	Revenue		Segment
	2025 RM'000	2024 RM'000	
Customer A	-	223,375	Property
Customer B	-	98,164	Construction
Customer C	60,436	-	Construction
	<u>60,436</u>	<u>321,539</u>	

Geographical information

The Group is mainly domiciled in Malaysia. The contribution from the foreign operations based in Fiji is minimal and immaterial to warrant disclosure.

31. Financial instruments

31.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

- Amortised cost ("AC")
- Fair value through other comprehensive income ("FVOCI") - equity instrument designated upon initial recognition.

<u>Group</u>	Financial assets				Total RM'000
	Other investment RM'000	Trade and other receivables RM'000	Cash and cash equivalents RM'000	Other financial assets RM'000	
At 31.12.2025					
Carrying amount	3,558	49,185	354,950	674	408,367
AC	-	49,185	354,950	674	404,809
FVOCI	<u>3,558</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,558</u>
At 31.12.2024					
Carrying amount	3,024	58,543	369,098	6,994	437,659
AC	-	58,543	369,098	6,994	434,635
FVOCI	<u>3,024</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,024</u>

Notes to the financial statements (continued)

31. Financial instruments (continued)

31.1 Categories of financial instruments (continued)

	-----Financial liabilities-----		
	Loans and borrowings RM'000	Trade and other payables* RM'000	Total RM'000
Group (continued)			
At 31.12.2025			
Carrying amount	(76,721)	(193,508)	(270,229)
AC	(76,721)	(193,508)	(270,229)
At 31.12.2024			
Carrying amount	(99,182)	(206,653)	(305,835)
AC	(99,182)	(206,653)	(305,835)

* Excluding advance payment received and/or deposit received from contract customers

	-----Financial assets-----		
	Trade and other receivables RM'000	Cash and cash equivalents RM'000	Total RM'000
Company			
At 31.12.2025			
Carrying amount	77,596	3,051	80,647
AC	77,596	3,051	80,647
At 31.12.2024			
Carrying amount	74,303	1,742	76,045
AC	74,303	1,742	76,045

	-----Financial liabilities-----		
	Loans and borrowings RM'000	Trade and other payables RM'000	Total RM'000
Company			
At 31.12.2025			
Carrying amount	(30,103)	(47,145)	(77,248)
AC	(30,103)	(47,145)	(77,248)
At 31.12.2024			
Carrying amount	(30,202)	(74,035)	(104,237)
AC	(30,202)	(74,035)	(104,237)

Notes to the financial statements (continued)

31. Financial instruments (continued)

31.2 Net gains and losses arising from financial instruments

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Net gains/(losses) on:				
Financial assets at AC	21,629	4,968	2,121	(13,172)
Financial liabilities at AC	(5,008)	(8,828)	(4,713)	(6,625)
Equity instruments designated at FVOCI	595	133	-	-
	<u>17,216</u>	<u>(3,727)</u>	<u>(2,592)</u>	<u>(19,797)</u>

31.3 Financial risk management

The Group is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

(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 from customers and deposits in banks. The Company's exposure to credit risk mainly arises from unsecured short term advances to subsidiaries and financial guarantees given to banks for credit facilities granted to certain subsidiaries. There are no significant changes as compared to previous year.

Receivables

Risk management objectives, policies and processes for managing the risk

- Receivables from external parties

The management regularly reviews the credit risk on customers and takes appropriate measures to enhance credit control procedures. At each reporting date, the Group or the Company assesses whether any of its receivables are credit impaired.

The gross carrying amount of credit impaired receivables will be written off, either partially or fully, when there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, the receivables that are impaired (either partially or fully) are still subject to debt recovery enforcement activities to recover the amounts due from the customers. There are no significant changes as compared to previous year.

The contract assets [see Note 13.2(b)] have substantially the same risk characteristics as the trade receivables from the same categories of customers. The Group or the Company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

There are no significant changes as compared to previous year.

Notes to the financial statements (continued)

31. Financial instruments (continued)

31.3 Financial risk management (continued)

(a) Credit risk (continued)

Receivables (continued)

Risk management objectives, policies and processes for managing the risk (continued)

- Intercompany balances

The Company provides some financial support assistance via unsecured short term advances to some of its subsidiaries. The Company monitors the results of these subsidiaries regularly.

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 their carrying amounts in the statements of financial position.

At the end of the reporting period, there are no significant concentrations of credit risk other than the following receivables due from:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
One (2024: two) external party(ies)	12,630	20,566	-	-
One (2024: one) subsidiary	-	-	77,036	74,112

The exposure of credit risk for trade and other receivables as at the end of the reporting period by geographic region was:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Malaysia	49,178	58,529	77,596	74,303
Fiji	7	14	-	-
	49,185	58,543	77,596	74,303

Notes to the financial statements (continued)

31. Financial instruments (continued)

31.3 Financial risk management (continued)

(a) Credit risk (continued)

Receivables (continued)

Recognition and measurement of impairment loss

The Group monitors each receivable individually and uses ageing analysis to monitor the credit quality of the receivables. Appropriate debts recovery actions are taken to recover overdue debts. These actions include sending out reminder letters and scheduling repayments such as instalment scheme and contra arrangement, which are closely monitored by delegated team before commencing any legal proceedings against the customers.

For sales of properties, as ownership and titles to properties are only transferred to customers upon full settlement of the purchase consideration, the Group regards the credit risk exposure as low. Moreover, most of these trade receivables are supported with end-financing from reputable end-financiers, which have low risk of default.

As construction contracts only involve a few customers, the Group assessed the risk of loss of each customer individually based on their financial information, historical payment trends and other external available information. The Group regards the risk of defaults from these contract customers, which are mostly government related, as low.

For receivables from goods sold and/or services rendered, an allowance matrix is used to measure any expected credit loss ("ECL") for a particular year. The Group analyses and studies prior years' actual credit loss experience, historical payments trends and other available external credit evaluations to derive appropriate loss rates.

The following tables provides information about the exposure to credit risk and ECLs for trade and other receivables and contract assets:

<u>Group</u>	Gross RM'000	Loss allowance RM'000	Net RM'000
<u>2025</u>			
Not past due	24,137	-	24,137
Past due 0-30 days	10,485	-	10,485
Past due 31-60 days	3,667	-	3,667
Past due 61-90 days	649	-	649
Past due 91-180 days	3,148	-	3,148
Past due more than 180 days	7,099	-	7,099
	<u>49,185</u>	<u>-</u>	<u>49,185</u>
Contract assets	69,085	-	69,085
	<u>118,270</u>	<u>-</u>	<u>118,270</u>
Credit impaired			
Individually impaired	14,175	(14,175)	-
	<u>132,445</u>	<u>(14,175)</u>	<u>118,270</u>
Trade and other receivables			
Contract assets	60,727	(11,542)	49,185
	<u>71,718</u>	<u>(2,633)</u>	<u>69,085</u>
	<u>132,445</u>	<u>(14,175)</u>	<u>118,270</u>

Notes to the financial statements (continued)

31. Financial instruments (continued)

31.3 Financial risk management (continued)

(a) Credit risk (continued)

Receivables (continued)

Recognition and measurement of impairment loss (continued)

<u>Group</u>	Gross RM'000	Loss allowance RM'000	Net RM'000
2024			
Not past due	38,581	-	38,581
Past due 0-30 days	5,742	-	5,742
Past due 31-60 days	1,245	-	1,245
Past due 61-90 days	590	-	590
Past due 91-180 days	445	-	445
Past due more than 180 days	11,940	-	11,940
	<u>58,543</u>	<u>-</u>	<u>58,543</u>
Contract assets	51,149	-	51,149
	<u>109,692</u>	<u>-</u>	<u>109,692</u>
Credit impaired			
Individually impaired	24,647	(24,647)	-
	<u>134,339</u>	<u>(24,647)</u>	<u>109,192</u>
Trade and other receivables	80,557	(22,014)	58,543
Contract assets	53,782	(2,633)	51,149
	<u>134,339</u>	<u>(24,647)</u>	<u>109,692</u>

The movements in the allowance for impairment loss of trade and other receivables during the financial year are as follows:

<u>Group</u>	Trade receivables RM'000	Credit impaired		Total RM'000
		Other receivables RM'000	Contract assets RM'000	
Balance at 1 January 2024	4,443	12,165	7,296	23,904
Additions	39	1,535	-	1,574
Reversals	(820)	(11)	-	(831)
Reclassification	(522)	5,185	(4,663)	-
	<u>3,140</u>	<u>18,874</u>	<u>2,633</u>	<u>24,647</u>
Balance at 31 December 2024/ 1 January 2025	3,140	18,874	2,633	24,647
Additions	66	529	-	595
Reversals	(17)	(10,882)	-	(10,899)
Write offs	(168)	-	-	(168)
	<u>3,021</u>	<u>8,521</u>	<u>2,633</u>	<u>14,175</u>
Balance at 31 December 2025	3,021	8,521	2,633	14,175

Notes to the financial statements (continued)

31. Financial instruments (continued)

31.3 Financial risk management (continued)

(a) Credit risk (continued)

Receivables (continued)

Recognition and measurement of impairment loss (continued)

Intercompany balances

Generally, the Company does not specifically monitor the ageing of debts owing by its subsidiaries, which are considered to have low credit risk. The Company considers a subsidiary's debts to be credit impaired when the subsidiary is unlikely to repay its debts to the Company in full. The Company determines the probability of default for these debts using internal information available.

Other than RM1,950,000 (2024: RM17,300,000) impairment loss made thereagainst during the current financial year, there is no other indication that the net amounts due from subsidiaries of RM77,596,000 (2024: RM74,303,000) are not recoverable as at the end of the reporting period.

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks in respect of certain banking facilities extended to certain subsidiaries when required. The Company monitors on an on-going basis the results of and repayments made by the subsidiaries to ensure that they are able to meet their obligations when due.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risks, being the outstanding financial guarantees granted to the subsidiaries as at end of the reporting period is summarised as follows:

<u>Company</u>	2025 RM'000	2024 RM'000
Bank guarantees	7,152	7,138
Other loans and borrowings outstanding and recognised in financial statements	46,558	68,856
Total	<u>53,710</u>	<u>75,994</u>

The Company reviews and reassesses the credit risk when a subsidiary's financial position deteriorates significantly and makes losses from its operation. The Company considers the financial guarantee to be credit impaired when the subsidiary is unlikely to repay its credit obligation to the bank in full. The Company determines the probability of default of the guaranteed loans individually using internal information available.

There is no indication that any subsidiary would default on the repayments of its loans and borrowings.

The financial guarantees have not been recognised as the probability of the subsidiaries defaulting on the credit lines is remote.

Notes to the financial statements (continued)

31. Financial instruments (continued)

31.3 Financial risk management (continued)

(a) Credit risk (continued)

Exposure to credit risk, credit quality and collateral (continued)

Cash and cash equivalents

The cash and cash equivalents are held with licensed banks.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

These licensed banks have low credit risks. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

Risk management objectives, policies and processes for managing the risk

The Group maintains a level of cash and cash equivalents and banking facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due and to mitigate the effects of fluctuations in cash flows.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Maturity analysis

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities (which are non-derivatives) as at the end of the reporting period based on undiscounted contractual payments:

<u>Group</u>	Carrying amount RM'000	Contractual interest rate %	Contractual cash flows RM'000	Under 1 year RM'000	1-2 years RM'000	2-5 years RM'000
2025						
Trade and other payables	193,508	-	193,508	189,520	3,039	949
Loans and borrowings						
- Secured term loans	21,558	5.18 - 6.00	23,778	7,555	7,389	8,834
- Unsecured revolving credits	55,000	4.75 - 5.30	55,692	55,692	-	-
- Hire purchases	163	3.74 - 6.93	166	166	-	-
	<u> </u>		<u> </u>	<u> </u>	<u> </u>	<u> </u>
2024						
Trade and other payables	206,653	-	206,653	200,788	4,900	965
Loans and borrowings						
- Secured term loans	33,856	5.17 - 6.00	37,643	13,864	7,555	16,224
- Unsecured revolving credits	65,000	5.22 - 5.60	65,749	65,749	-	-
- Hire purchases	326	3.74 - 6.93	338	172	166	-
	<u> </u>		<u> </u>	<u> </u>	<u> </u>	<u> </u>

Notes to the financial statements (continued)

31. Financial instruments (continued)

31.3 Financial risk management (continued)

(b) Liquidity risk

Maturity analysis (continued)

<u>Company</u>	Carrying amount RM'000	Contractual interest rate %	Contractual cash flows RM'000	Under 1 year RM'000	1-2 years RM'000
2025					
Other payables					
- interest-bearing	45,987	5.05-5.50	45,987	45,987	-
- non interest-bearing	1,158	-	1,158	1,158	-
Loans and borrowings					
- Unsecured revolving credits	30,000	5.30	30,395	30,395	-
- Hire purchases	103	3.85	105	105	-
Financial guarantees*	-	-	53,710	53,710	-
	<u> </u>		<u> </u>	<u> </u>	<u> </u>
2024					
Other payables					
- interest-bearing	71,217	5.23 - 5.45	71,217	71,217	-
- non interest-bearing	2,818	-	2,818	2,818	-
Loans and borrowings					
- Unsecured revolving credits	30,000	5.59 - 5.60	30,417	30,417	-
- Hire purchases	202	3.85	210	105	105
Financial guarantees*	-	-	75,994	75,994	-
	<u> </u>		<u> </u>	<u> </u>	<u> </u>

* Being corporate guarantees granted for banking facilities of certain subsidiaries [see Note 31.3(a)], which will only be encashed in the event of default by the subsidiaries. These financial guarantees do not have an impact on group contractual cash flows.

Notes to the financial statements (continued)

31. Financial instruments (continued)

31.3 Financial risk management (continued)

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices risks that will affect the Group's financial position or cash flows.

(i) Currency risk

The Group is occasionally exposed to foreign currency risk on bank balances denominated in a currency other than the respective functional currencies of Group entities. The currency giving rise to this risk is primarily United States Dollar ("USD").

Risk management objectives, policies and processes for managing the risk

As it is not possible to predict with any certainty, the movements of foreign exchange rates, this risk is managed on an on-going basis. As at the end of the reporting period, the Group does not have any outstanding forward foreign exchange contracts.

Exposure to foreign currency risk

The exposure to foreign currency risk, attributable to a currency which is other than the functional currency of the Group entities, based on the carrying amounts as at the end of the reporting period was:

	2025 RM'000	2024 RM'000
Cash and cash equivalents denominated in USD		
- Group	865	1,010
- Company	802	857
	<u> </u>	<u> </u>

A 10% (2024: 10%) strengthening of the RM against USD at the end of the reporting period would have decreased equity and post-tax profit by the amounts shown in the ensuing page. This analysis is based on foreign currency exchange rate variances that the Group/Company considered to be reasonably possible at the end of the reporting period. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Equity and Profit or loss	
	2025 RM'000	2024 RM'000
USD		
- Group	(87)	(77)
- Company	(80)	(65)
	<u> </u>	<u> </u>

A 10% (2024: 10%) weakening of RM against USD at the end of the reporting period would have had equal but opposite effect on the above currency to the amounts shown above, on the basis that all other variables remain constant.

Notes to the financial statements (continued)

31. Financial instruments (continued)

31.3 Financial risk management (continued)

(c) Market risk (continued)

(ii) Interest rate risk

The Group's investments in fixed-rate term deposits and fixed-rate loans and borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate loans and borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Investment in equity securities and short-term receivables and payables are not significantly exposed to interest rate risk.

Risk management objectives, policies and processes for managing the risk

The Group's policy is to manage its interest rate risk on an on-going basis to ensure that there are no undue exposures thereto. Management exercises a certain element of discretion on whether to borrow at fixed or floating interest rates, depending on the market situation and the outlook of the financial market prevailing then.

The investments in interest-earning assets are mainly short-term in nature and they are not held for speculative purposes but have been mostly placed as term deposits and cash funds.

Exposure to interest rate risk

The interest rate profile of the Group's and of the Company's significant interest-bearing financial instruments, based on their carrying amounts as at the end of the reporting period was:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Fixed-rates instruments				
- Financial assets	268,024	205,132	2,008	-
- Financial liabilities	(69,255)	(88,515)	(30,103)	(30,202)
Floating rates instruments				
- Financial assets	-	-	29,740	59,630
- Financial liabilities	(7,466)	(10,667)	(45,987)	(71,217)

Interest rate risk sensitivity analysis

(a) Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

31. Financial instruments (continued)**31.3 Financial risk management** (continued)**(c) Market risk** (continued)**(ii) Interest rate risk** (continued)**Interest rate risk sensitivity analysis** (continued)**(b) Cash flow sensitivity analysis for variable rate instruments**

A change of 100 basis points (bp) in interest rates at the end of the reporting period, taking into account the contractual repayments terms of its floating rate instruments, would have increased/ (decreased) equity and post-tax profit or loss by the amounts shown as below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	-----Equity and Profit or loss-----			
	---2025---		---2024---	
	100bp increase RM'000	100bp decrease RM'000	100bp increase RM'000	100bp decrease RM'000
Floating rate instruments				
- Group	(68)	68	(136)	136
- Company	(69)	69	(88)	88

(iii) Other price risk

Equity price risk arises from the Group's investments in equity securities.

Risk management objectives, policies and processes for managing the risk

Management monitors and manages the equity investments on individual basis. The exposure to equity price risk is not material and hence, sensitivity analysis is not presented.

31.4 Fair value information

The carrying amounts of cash and bank balances, short-term receivables and payables and short-term borrowings reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

Notes to the financial statements (continued)

31. Financial instruments (continued)

31.4 Fair value information (continued)

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position.

<u>Group</u>	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total fair value	Carrying amount
	(Level 1) RM'000	(Level 3) RM'000	Total RM'000	(Level 2) RM'000	(Level 3) RM'000	Total RM'000		
2025								
Financial assets								
Other investments	74	3,484	3,558	-	-	-	3,558	3,558
Financial liabilities								
Loans and borrowings								
- Secured term loans	-	-	-	-	21,640	21,640	21,640	21,558
2024								
Financial assets								
Other investments	61	2,963	3,024	-	-	-	3,024	3,024
Financial liabilities								
Loans and borrowings								
- Secured term loans	-	-	-	-	34,004	34,004	34,004	33,856
Company								
2025								
Financial liabilities								
Loans and borrowings								
- Hire purchases	-	-	-	103	-	103	103	103
2024								
Financial liabilities								
Loans and borrowings								
- Hire purchases	-	-	-	202	-	202	202	202

Notes to the financial statements (continued)

31. Financial instruments (continued)

31.4 Fair value information (continued)

The Group does not have any outstanding financial derivatives as at financial year end.

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Level 1 fair value

Level 1 fair value is derived from quoted price (unadjusted) in active market for identical financial assets or financial liabilities that the entity can access at the measurement date.

Fair value of financial assets that are quoted in an active market are determined by reference to their quoted closing bid price at the end of the reporting period.

Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or financial liabilities, either directly or indirectly.

Fair value of non-derivative financial liabilities, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market interest rates at the end of the reporting period. For hire purchases, the market interest rate is determined by reference to similar lease arrangements.

Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and Level 2 fair values during the current and previous financial year.

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets or financial liabilities.

Fair values within Level 3 for financial instruments not carried at fair value, which is determined for disclosures purpose, are derived based on discounted cash flows using unobservable input (i.e. interest rate). The estimated fair value would increase (decrease) when the interest rate was lower (higher).

For financial instruments carried at fair value, the fair value within Level 3 is derived by reference to the net assets of the investee, adjusted for the effect of market value of assets and/or the estimated discounted cash flows of the investee's operations, where applicable.

32. Capital management

The Group's objectives when managing capital is to maintain healthy capital base and safeguard the Group's ability to continue as a going concern, so as to maintain the confidence of various stakeholders in the Group and to sustain the future development of the business.

As at end of reporting period, the Group is in net equity surplus position of RM1,546,916,000 with total loans and borrowings of RM76,721,000, which gives rise to a gearing ratio of approximately 5.0% and is below the debt-to-equity ratio of not exceeding 1 time (see Note 20.2).

There were no changes in the Group's strategy and approach on capital management during the year.

Notes to the financial statements (continued)

33. Capital expenditure commitments

	Group	
	2025 RM'000	2024 RM'000
Property, plant and equipment		
- Authorised but not contracted for	40,000	45,000

34. Related parties

Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group or the Company if the Group or the Company has the ability, directly or indirectly, to control or jointly control the parties or exercise significant influence over the parties in making financial and operating decisions, or vice versa, or where the Group or the Company and the parties are subject to common controls. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly and entity that provides key management personnel services to the Group. The key management personnel include all the Directors of the Group and certain members of senior management of the Group.

The Group has related party relationships with its subsidiaries, associates, joint ventures and key management personnel.

Significant related party transactions

Significant related party transactions, other than compensations paid/payable to key management personnel (see Note 26), are disclosed below:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Subsidiaries				
Management fee income	-	-	(2,507)	(2,521)
Management fee expense	-	-	1,323	1,323
Rental expense on premises	-	-	234	234
Interest income	-	-	(4,092)	(4,068)
Interest expense	-	-	3,028	3,778
Associates				
Construction costs payable	45,577	101,008	-	-
Dividend income	(39,256)	(16,824)	(39,256)	(16,824)
Disposal of an investment property	-	(20,700)	-	-
Sales of goods	(381)	(931)	-	-
Rental income on premises	(72)	(105)	-	-

Notes to the financial statements (continued)

34. Related parties (continued)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Key management personnel				
Acquisition of equity interest in a subsidiary	-	550	-	-

The balances with the subsidiaries, associates and joint ventures are disclosed in Notes 12 and 21 to the financial statements.

The above related party transactions are based on negotiated terms.

35. Changes in investments in subsidiaries

(i) Acquisition of additional equity interest from minority shareholders

In May 2025, a direct subsidiary, Naim Land Sdn. Bhd. ("NLSB") acquired an additional 10% equity interest in Simbol Warisan Sdn. Bhd. ("SWSB") from a minority shareholder at a cash consideration of RM1,000. The resultant equity interest held in SWSB had increased from 75% to 85% following the said acquisition.

During the last financial year, another direct subsidiary, Naim Academy Sdn. Bhd. ("NACSB") acquired an additional 36.7% equity interest in Mawar Education Centre Sdn. Bhd. ("MECSB") from the minority shareholders for a total cash consideration of RM550,000. The resultant equity interest held by the Group therein increased from 53.3% to 90.0% upon the acquisition.

The above changes in the ownership interest in SWSB and MECSB were accounted for as equity transactions between the Group and the non-controlling interest holders. The changes in the Group's share of net assets of about RM678,000 (2024: RM58,000) was adjusted against the Group's retained earnings.

The carrying amount of non-controlling interest had also decreased by RM677,000 (2024: RM509,000) following the acquisition of the additional interest therefrom.

(ii) Additional investments arising from new shares issued by existing subsidiaries

During the last financial year, the Company subscribed for additional 550,000 new ordinary shares issued by NACSB at RM550,000, settled by way of capitalisation of debts owing thereto. Later in the same month, NACSB further issued additional 1,530,000 new ordinary shares for subscription at a cash consideration of RM1,530,000.

At the same time, another subsidiary, NLSB also subscribed for additional 199,998 new ordinary shares issued by Pavilion Quest Sdn. Bhd. ("PQSB") for a cash consideration of RM199,998 during the previous year.

Later, in last June 2024, another direct subsidiary, Naim Engineering Sdn. Bhd. subscribed for additional 5,297,822 and 1,499,998 new ordinary shares respectively in its two subsidiaries, namely Naim Overseas Sdn. Bhd. ("NOSB") and Naim Capital Sdn. Bhd. ("NCSB") for a total consideration of RM5,297,822 and RM1,499,998, settled in full by way of capitalisation of debts thereto.

The above share subscriptions do not have any material impact to the Group as there are no changes in the Group's equity interests in NACSB, PQSB, NOSB and NCSB.

Notes to the financial statements (continued)

35. Changes in investments in subsidiaries (continued)

(iii) Internal restructuring

During the last financial year, Bintulu Paragon Sdn. Bhd. ("BPSB"), which was previously a 100% owned subsidiary of Naim Assets Sdn. Bhd., effected an issuance of 12,499,998 new ordinary shares of RM1.00 each to NLSB, settled by way of cash of RM263,198 and capitalisation of debts owing thereto amounting to RM12,236,800. BPSB has then become a 99.9% owned subsidiary of NLSB.

This acquisition did not have a material impact to the Group as there was no change in the group equity interest in BPSB.

36. Disposal of equity interest in an associate, Perdana Petroleum Berhad ("PPB")

During the last year under review, approximately 6,746,000 (2023: 2,883,000) redeemable convertible preference shares ("RCPS") in PPB were converted into ordinary shares by the RCPS holders of PPB. At the same time, a 24.22% owned associate of the Company, Dayang Enterprise Holdings Bhd. ("DEHB") also recorded a dilution in its ownership interest in PPB, from initial 63.61% to 63.42% as a result of the RCPS conversion. The RCPS conversion had led to a dilution in the Company's equity interest in PPB. A loss of about RM514,000 was recognised in profit or loss to account for the dilution.

Later, in the same year, the Company also disposed of its entire 3.46% equity interest held in PPB for a cash consideration of RM27,283,000, net of associated transaction costs.

The Group and the Company had then recognised a net gain of about RM5,951,000 and a net loss of about RM432,000 respectively upon the completion of the disposal (see Note 5 and 24). Following the disposal of PPB, the Company has also recognised a reversal of impairment loss previously provided for amounting to RM4,857,000.

37. Subsequent event

Subsequent to the financial year end and up to the date of this report, the Company repurchased 739,900 of its issued shares from the open market at an average price of 71 sen per ordinary share.

The total consideration paid was RM523,200 including transaction costs. The repurchase transaction were financed by internally generated fund and the shares repurchased are retained as treasury shares.

The total number of treasury shares held by the Company is 13,795,900 after the above repurchase.

Statement by Directors

pursuant to Section 251(2) of the Companies Act 2016

In the opinion of the Directors, the financial statements set out on pages 129 to 202 are drawn up in accordance with Malaysian Financial Reporting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial positions of the Group and of the Company as of 31 December 2025 and of their financial performance and cash flows for the financial year then ended.

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

.....
Datuk Hasmi Bin Hasnan

.....
Emily Hii San San

Kuching,

Date: 14 April 2026

Statutory declaration

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

I, **Emily Hii San San (MIA CA 24978)**, the Director primarily responsible for the financial management of Naim Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 129 to 202 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed
in Kuching in the State of Sarawak
on 14 April 2026.

.....
Emily Hii San San

Before me:

Independent Auditors' Report

to The Members of Naim Holdings Berhad

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Naim Holdings Berhad, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 129 to 202.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting 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 auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

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

Financial Statements

Independent Auditors' Report

to The Members of Naim Holdings Berhad

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.

1. Revenue recognition relating to construction contracts - Group

Refer to Note 1(d), Basis of Preparation and Note 2(n)(i), Accounting policy-Revenue from contracts with customers and Note 22, Revenue

The key audit matter	How the matter was addressed in our audit
<p>The total revenue from construction contracts recognised by the Group was RM84 million for the financial year ended 31 December 2025, representing 43% of total revenue of the Group.</p> <p>Revenue from construction contracts is accounted for based on over time recognition using input method. The stage of completion is determined by reference to the actual contract costs incurred for work performed to-date bear to the total estimated contract costs.</p> <p>Consequently, the recognition of revenue is highly dependent on judgement exercised and estimates made in determining the estimated costs to complete, and the ability to deliver contracts within the contractual time and potential claims and penalties for late deliveries.</p> <p>We focused on this area as a key audit matter due to the degree of judgement involved in the estimation of cost to complete over the contract life. Changes in judgements and the related estimates throughout a contract life can result in material adjustments to revenue and consequently, the profit margin of contracts.</p>	<p>We performed the following audit procedures, among others:</p> <ul style="list-style-type: none"> • We have obtained an understanding of the Group's processes, systems and controls implemented, in respect of the budgeting process of estimated costs to complete and monitoring of costs incurred for work performed to date. • We have obtained an understanding of the method, key assumptions and underlying data used in the process for estimates made in determining the estimated costs to complete. • We have obtained an understanding of the basis of the key judgements made for the revenue recognition in particular on the number of performance obligations, determining the transaction price, allocation of transaction price to each performance obligation, appropriateness of over time revenue recognition. • We challenged the basis of estimations applied by the Group in regard to the required cost to complete the construction contracts and assessed whether there were biasness in estimating these costs. Our procedures include evaluating the historical accuracy of the Group's estimation process by comparing actual costs with the estimated costs that had previously been estimated, and testing estimated costs, on a sample basis, to sub-contractors' contracts and suppliers' quotations. • We checked, on sample basis, variations and claims arising from the contract revenue and sub-contract costs to correspondences, supplementary agreements or variation orders. • We interviewed the management of the Group and evaluated the construction progress against the contracted completion date and assessed if any penalties were payable arising from expected and actual delay in completion of contracts.

Independent Auditors' Report

to The Members of Naim Holdings Berhad (continued)

Key Audit Matters (continued)

2. Impairment of completed developed properties held for sale - Group

Refer to Note 1(d), Basis of Preparation, Note 2(f), Accounting policy-Inventories and Note 7, Inventories

The key audit matter	How the matter was addressed in our audit
<p>The total completed developed properties held by the Group is RM280 million for the financial year ended 31 December 2025, representing 15% of total assets.</p> <p>We focus on this area as a key audit matter as property overhang units in the property industry remained on the high side despite of government's initiatives to help boost property sales. The risk is now heightened with increasing construction cost, coupled with competitive pricing within the industry, particularly for high rise properties. Subsequent sales of these units are highly dependent on market conditions.</p> <p>Thus, assessment of the valuation of the inventories is critical to ascertain that the carrying amount of these completed properties are stated at the lower of cost and net realisable value as such assessment involved estimates made by the Group and was influenced by assumptions concerning future market conditions.</p>	<p>We performed the following audit procedures, among others:</p> <ul style="list-style-type: none"> • We obtained an understanding of the Group's processes and controls implemented in estimating the net realisable value of these inventories. • We obtained an understanding of the method, key assumptions and underlying data used in the assessment on the net realisable value for the completed development properties held for sale. • We challenged the basis of estimations applied by the Group in regard to net realisable value and assessed whether there were biasness as well as the Group's assessment on the effect of estimate uncertainty. Our procedures include checking to recent and subsequent actual sales or valuation reports by external valuer for the respective units, taking into account market conditions and key attributes such as property size, types and location by reference to similar/comparable properties within the proximity.

We have determined that there is no key audit matter in the audit of the separate financial statements of the Company to communicate in our auditors' report.

Independent Auditors' Report

to The Members of Naim Holdings Berhad (continued)

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 Directors' Report and Statement on Risk Management and Internal Control (but does not include the financial statements of the Group and of the Company and our auditors' report thereon), which we obtained prior to the date of this auditors' report, and the remaining parts of the annual report, which are expected to be made available to us after that date.

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 annual report 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 the annual report, we are required to report that fact. We have nothing to report in this regard.

When we read the remaining parts of the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors of the Company and take appropriate actions in accordance with approved standards on auditing in Malaysia and International Standards on Auditing.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as going concerns, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditors' Report

to The Members of Naim Holdings Berhad (continued)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control of the Group and of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes 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.

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

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditors' Report

to The Members of Naim Holdings Berhad (continued)

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 4 to the financial statements.

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.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Kuching,

Date: 14 April 2026

Lee Eng Teen
Approval Number: 03842/07/2026 J
Chartered Accountant



Between four walls and an open balcony,
there's a world of love, laughter and family

Part 7

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Other Information

Analysis of Shareholdings as at 31 March 2026

Number of Issued Shares : 513,799,322 ordinary shares

Class of Shares : Ordinary shares

Voting Rights : One vote per ordinary share

Size Of Holdings	No. of Shareholdings	% of Shareholders	No. of Shares Held	% of Issued Capital
1 – 99	23	0.50	509	0.00
100 – 1,000	880	19.31	485,728	0.10
1,001 – 10,000	2,163	47.47	11,618,315	2.32
10,001 – 100,000	1,215	26.66	40,853,966	8.17
100,001 – 25,000,170 (*)	272	5.97	203,694,428	40.74
25,000,171 and above (**)	4	0.09	243,350,476	48.67
Total	4,557	100.00	500,003,422#	100.00

Remark:

* Less than 5% of issued shares

** 5% and above of issued shares

The number of 500,003,422 ordinary shares was arrived at after deducting 13,795,900 treasury shares retained by the Company from the original number of issued shares of 513,799,322 ordinary shares of the Company

TOP 30 SHAREHOLDERS

NO	NAME	NO. OF SHARES HELD	% SHAREHOLDING
1	ISLAND HARVESTS SDN BHD	102,373,817	20.47
2	TAPAK BERINGIN SDN. BHD.	63,272,017	12.65
3	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR HASMI BIN HASNAN (PB)	44,864,692	8.97
4	HASMI & ASSOCIATES MANAGEMENT SDN BHD	32,339,950	6.47
5	ABDUL HAMED BIN SEPAWI	23,988,568	4.80
6	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR HASMI BIN HASNAN	10,866,076	2.17
7	ABDUL HAMED BIN SEPAWI	8,741,959	1.75
8	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR LOKE KOK WENG (PB)	7,862,700	1.57
9	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR AIA BHD.	7,032,700	1.41
10	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE SIE TONG @ LEE AH TONG (E-PLT)	6,961,000	1.39
11	THAI YU LI	6,633,200	1.33
12	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN KIAN AIK	5,126,800	1.03
13	CALVIN TAN HAN YIK	4,000,100	0.80
14	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KHOO BEE LIAN	3,575,600	0.72
15	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR LING SIEW HOOI (PB)	3,210,100	0.64
16	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOKE KOK WENG	2,655,800	0.53
17	CITIGROUP NOMINEES (TEMPATAN) SDN BHD LEMBAGA TABUNG HAJI (UOB)	2,500,000	0.50
18	PUBLIC INVEST NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MUHAMAD ALOYSIUS HENG (M)	2,150,000	0.43

TOP 30 SHAREHOLDERS (Continued)

NO	NAME	NO. OF SHARES HELD	% SHAREHOLDING
19	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG WUEY MIN	2,138,900	0.43
20	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR BONG LEE MIN (MK0082)	2,090,400	0.42
21	TAN KOK CHUAN	2,001,500	0.40
22	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEE ZHEN XAO (6000085)	2,000,000	0.40
23	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR PETROLIAM NASIONAL BERHAD (PET-MAM-EQET)	1,972,300	0.39
24	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YAP HUEY JIUAN	1,955,500	0.39
25	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YONG CHOON UN	1,888,000	0.38
26	LEMBAH RAKYAT SDN. BHD.	1,874,983	0.37
27	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NGENG ENG CHENG	1,700,000	0.34
28	TAN KIAN AIK	1,609,200	0.32
29	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR LOH HIN YAW (PB)	1,600,000	0.32
30	WONG SIIK WEI	1,530,800	0.31

SUBSTANTIAL SHAREHOLDERS

NAME OF SUBSTANTIAL SHAREHOLDERS	DIRECT NO. OF SHARES HELD	%	INDIRECT NO. OF SHARES HELD	%
1 DATUK AMAR ABDUL HAMED BIN HAJI SEPAWI	32,730,527	6.55	66,507,433 [^]	13.30
2 DATUK HASMI BIN HASNAN	55,730,768	11.15	135,259,244 [#]	27.05
3 ISLAND HARVESTS SDN. BHD.	102,373,817	20.47	-	-
4 TAPAK BERINGIN SDN. BHD.	64,632,450	12.93	-	-
5 HASMI & ASSOCIATES MANAGEMENT SDN. BHD.	32,339,950	6.47	-	-

DIRECTORS' DIRECT AND INDIRECT INTEREST IN THE COMPANY

NAME OF SUBSTANTIAL SHAREHOLDERS	DIRECT NO. OF SHARES HELD	%	INDIRECT NO. OF SHARES HELD	%
1 DATUK AMAR ABDUL HAMED BIN HAJI SEPAWI	32,730,527	6.55	66,507,433 [^]	13.30
2 DATUK HASMI BIN HASNAN	55,730,768	11.15	135,259,244 [#]	27.05
3 DATUK AHMAD BIN ABU BAKAR	-	-	-	-
4 CHIN CHEE KONG	-	-	-	-
5 TAN CHUAN DYI	-	-	-	-
6 SULAIHAH BINTI MAIMUNNI	-	-	-	-
7 EMILY HII SAN SAN	-	-	-	-

Note:

[^] deemed interested by virtue of his interest in Tapak Beringin Sdn Bhd and Lembah Rakyat Sdn Bhd pursuant to Section 8(4) of the Companies Act 2016.
[#] deemed interested by virtue of his interest in Island Harvests Sdn Bhd, Hasmi & Associates Management Sdn Bhd and Lambaian Kukuh Sdn Bhd pursuant to Section 8(4) of the Companies Act 2016.

Other Information

Top 10 Properties

Lot No/Location	Description	Date of Acquisition/ Lease Expiring Date	Land Area/ (Built up Area) Sq. Meter	Carrying Amount RM'000
PROPERTIES UNDER PROPERTY, PLANT AND EQUIPMENT				
Part of Lot 6180, Block 11 Kuala Baram Land District	Clubhouse	20.07.1995 Expiring 26.05.2114	29,220 (5,385)*	21,895
Part of Lot 4532 Bintulu Town District	Hotel Land and Building	06.11.2008 Expiring 04.07.2111	1,969 (12,662)	36,087
Lot 2905, Block 20 Kemena Land District	Workers' Village	31.12.2016 Expiring 19.05.2112	80,937	12,089
PROPERTIES UNDER INVENTORY - LAND HELD FOR DEVELOPMENT				
Lot 4286, Block 26 Kemena Land District	Land For Development	14.11.2014 Expiring 13.11.2113	138,050	8,285
Lot 4288, Block 26 Kemena Land District	Land For Development	14.11.2014 Expiring 13.11.2113	114,680	17,204
Lot 2905, Block 20 Kemena Land District	Land For Development	20.05.2013 Expiring 19.05.2112	269,561	15,080
Lot 4533 Bintulu Town District	Land For Development	26.09.2008 Expiring 04.07.2111	54,997	12,697
Lot 7506, Block 10 Kuala Baram Land District	Land For Development	12.09.2012 Expiring 11.09.2111	154,540	7,059
INVESTMENT PROPERTIES				
Lot 2597, Block 8 Muara Tebas Land District	Industrial Land	27.07.2016 Expiring 26.07.2076	200,300	9,440
Lot 3244, Block 11 Kuala Baram Land District	Commercial Land and Retail Building	20.07.1995 Expiring 19.07.2094	34,130 (25,560)	38,720

*excluding outdoor facilities

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 24th Annual General Meeting of Members of **NAIM HOLDINGS BERHAD** will be held at Sapphire On The Park, Function Hall, 3rd Floor, Jalan Lintang Selatan, Batu Lintang, 93200 Kuching, Sarawak on Tuesday, 26 May 2026 at 10:00 a.m. for the following purposes:

ORDINARY BUSINESSES

1. ADOPTION OF FINANCIAL STATEMENTS

To receive and adopt the audited financial statements and reports of Directors and Auditors for the financial year ended 31 December 2025. [Please refer to Explanatory Note a]

2. APPROVAL OF DIRECTORS' REMUNERATION

a. To approve the payment of Director's remuneration for the Non-Executive Chairman. **ORDINARY RESOLUTION 1**

b. To approve the payment of Directors' remuneration for the Non-Executive Directors. **ORDINARY RESOLUTION 2**

3. RE-ELECTION OF DIRECTORS

To re-elect the following Directors who retire in accordance with Clause 85(a) of the Constitution of the Company:

Datuk Hasmi Bin Hasnan

Datuk Ahmad Bin Abu Bakar

ORDINARY RESOLUTION 3

ORDINARY RESOLUTION 4

4. RE-APPOINTMENT OF AUDITORS

To re-appoint Messrs. KPMG PLT as Auditors and to authorise the Directors to fix their remuneration.

ORDINARY RESOLUTION 5

SPECIAL BUSINESSES

To consider and, if thought fit, to pass the following as Ordinary Resolutions:

5. RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

"THAT approval be and is hereby given to Mr Tan Chuan Dyi to continue to serve as an Independent Non-Executive Director of the Company until the conclusion of the next AGM."

ORDINARY RESOLUTION 6

6. AUTHORITY TO ALLOT AND ISSUE SHARES

"THAT, subject always to the Companies Act 2016, the Constitution of the Company and the approvals of the relevant governmental/regulatory authorities, if applicable, the Directors of the Company be and are hereby empowered pursuant to Sections 75 and 76 of the Companies Act, 2016, to allot and issue shares or convertible securities in the Company, from time to time, and upon such terms and conditions and for such purposes as the Directors of the Company may, in their absolute discretion deem fit, provided that the aggregate number of shares or convertible securities to be issued pursuant to this resolution does not exceed ten percent (10%) of total number of issued shares of the Company (excluding treasury shares) for the time being AND THAT the Directors be and are also empowered to obtain the approval for the listing of, and quotation for the additional shares convertible securities so issued on Bursa Malaysia Securities Berhad ("Bursa Malaysia") AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

ORDINARY RESOLUTION 7

Notice Of Annual General Meeting (Continued)

6. PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES (“PROPOSED SHARE BUY-BACK”)

“THAT, subject always to the Companies Act 2016 and all other applicable laws, guidelines, rules and regulations, the Company be and are hereby authorised to purchase such number of ordinary shares of the Company (“Proposed Share Buy-Back”) as may be determined by the Directors of the Company, from time to time, through Bursa Malaysia, upon such terms and conditions as the Directors may deem fit in the interest of the Company provided that: -

- (i) the aggregate number of ordinary shares to be purchased pursuant to this resolution shall not exceed ten per centum (10%) of the total number of issued shares of the Company;
- (ii) the amount not exceeding the retained profits of the Company shall be allocated by the Company for the Proposed Share Buy-Back;

AND THAT at the absolute discretion of the Directors of the Company, upon such purchase by the Company of its own shares, the purchased shares shall be cancelled and/or retained as treasury shares and subsequently be cancelled, distributed as dividends or resold on Bursa Malaysia and/or in any other manner as prescribed by the Companies Act 2016.

AND THAT the Directors of the Company be and are hereby empowered to do all acts and enter into all such transactions, agreements and arrangements, and to execute, sign and deliver for and on behalf of the Company, all such documents as the Directors may deem fit and expedient in order to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as the Directors may in their absolute discretion deem fit and in the best interest of the Company and/or as may be imposed or agreed to by any relevant authorities.

AND THAT such authority conferred by this resolution shall commence immediately and shall continue to be in force until the conclusion of the next Annual General Meeting of the Company following the passing of this ordinary resolution, unless earlier revoked or varied by an ordinary resolution of the shareholders of the Company in a general meeting.

ORDINARY RESOLUTION 8

7. PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (“PROPOSED SHAREHOLDERS’ MANDATE”)

“THAT subject always to the Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries (“Naim Group”) to enter into any of the categories of related party transactions which are recurrent, of a revenue or trading nature and are necessary for the day-to-day operations of Naim Group as outlined in Section 3.2 of the Circular to Shareholders dated 27 April 2026 (“Circular”), with the specific related parties mentioned therein subject further to the followings:

- (i) the transactions are in the ordinary course of business and are on normal commercial terms which are not more favourable to the related parties than those generally available to the public and not detrimental to the interest of the minority shareholders; and
- (ii) disclosure is made in the annual report a breakdown of the aggregate value of the transactions conducted pursuant to the Proposed Shareholders’ Mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed under Paragraph 10.09(1) of the Main Market Listing Requirements, and amongst others, based on the following information:
 - the type of the recurrent related party transactions made; and
 - the names of the related parties involved in each type of recurrent related party transactions made and their relationship with the Company.

Notice Of Annual General Meeting (Continued)

AND THAT such approval will continue to be in force until:

- (i) the conclusion of the next annual general meeting (“AGM”) of the Company, at which time it will lapse unless, by an ordinary resolution passed at the meeting, the authority is renewed;
- (ii) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (“the Act”) [but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act]; or

(iii) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

AND THAT the Board of Directors of the Company be and is hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Proposed Shareholders’ Mandate.”

ORDINARY RESOLUTION 9

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

by order of the board

LOW WAI SEE (MAICSA 7051463)
SSM Practising Certificate No. 202008000868
Company Secretary

Kuching, Sarawak
27 April 2026

NOTES:

1. A member entitled to attend, speak and vote at the same meeting may appoint a proxy to attend, speak and vote on his behalf. A proxy may but need not be a member of the Company.
2. To be valid, the Proxy form duly completed must be deposited at the Office of the Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, to submit the proxy form electronically via Vistra Share Registry and IPO (MY) portal (“The Portal”) at <https://srmy.vistra.com> not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof. Please follow the procedures as set out in the Administrative Guide for the electronic lodgement of proxy form.
3. A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same meeting provided that where a Member is an authorised nominee as defined in accordance with the provisions of the Securities Industry (Central Depositories) Act 1991, it may appoint up to two (2) proxies in respect of each Securities Account it holds with ordinary shares in the Company standing to the credit of the said Securities Account.
4. Where a member appoints more than one (1) proxy, the appointment is invalid unless he specifies the proportions of his holdings to be represented by each proxy.
5. If the appointer is a corporation, this form must be executed under its common seal or under the hand of an officer or attorney duly authorised.
6. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respects of each omnibus account it holds.
7. Only members registered in the Record of Depositors as at 19 May 2026 shall be eligible to attend the meeting or appoint a proxy to attend and vote on his/her behalf.
8. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the Resolutions set out in this Notice will be put to vote by poll.

Notice Of Annual General Meeting (Continued)

Explanatory Notes on Ordinary and Special Businesses

a) Item 1 of the Agenda

The Audited Financial Statements laid at this meeting pursuant to Section 340(1)(a) of the Companies Act 2016 are meant for discussion only. It does not require shareholders' approval, and therefore, not put forward for voting.

b) Ordinary Resolutions 1 and 2 – Directors' Remuneration

Pursuant to Section 230(1) of the Companies Act 2016, ("the Act"), the fees and benefits ("Remuneration") payable to the Directors of the Company will have to be approved by the shareholders of the Company at a general meeting. In this respect, the Board of Directors of the Company hereby seeks the shareholders' approval for the Directors' remuneration in two (2) separate resolutions as follows:-

- Ordinary resolution 1: payment of Director's remuneration to the Non-Executive Chairman
- Ordinary resolution 2: payment of Directors' remuneration to the Non-Executive Directors

Details of the estimated Directors' Remuneration for Non-Executive Directors for the period from May 2026 to April 2027 are as follows:-

Description	Non-Executive Chairman May 2026 to April 2027 RM	Non-Executive Director May 2026 to April 2027 RM
Fixed allowance per month	84,947	Not applicable
Directors' Fee per month	Not applicable	7,500
Additional Directors' Fee per month for Senior Independent Non-Executive director	Not applicable	1,000
Meeting allowance per Board meeting	2,000	2,000
Meeting allowance per Board Committees meeting	1,500	1,500
Other Benefits	Car, driver, petrol, medical coverage, professional & club memberships, travel, communication, Directors & Officers Liability Insurance coverage and other claimable benefits	reimbursement for travel expenses (to attend meetings and company functions), communication, professional membership fee, Directors & Officers Liability Insurance coverage and other claimable benefits

The Executive Directors are not entitled to Directors' fees and meeting allowances for attending Board and Board Committee meetings.

Notice Of Annual General Meeting (Continued)

c) Ordinary Resolutions 3 and 4 – Re-Election of Directors

Clause 85(a) of the Company's Constitution provides that one-third (1/3) of the Directors of the Company for the time being shall retire by rotation at the AGM of the Company. All Directors shall retire from office at least once every three (3) years, but shall be eligible for re-election.

The Directors retiring under Clause 85(a) are as follows:-

- i) Datuk Hasmi Bin Hasnan; and
- ii) Datuk Ahmad Bin Abu Bakar

and being eligible, have offered themselves for re-election.

The respective profiles of the above Directors are set out in the Profile of Directors in the Annual report.

d) Ordinary Resolution 5 – Re-appointment of Auditors

The Board, at its meeting held on 14 April 2026, approved the Audit Committee's recommendation to re-appoint Messrs KPMG PLT as Auditors of the Company. The Board is satisfied that Messrs KPMG PLT has met the relevant criteria prescribed under Paragraph 15.21 of the Main Market Listing Requirements of Bursa Securities which was concluded through the assessment carried out by the Audit Committee on the suitability and independence of Messrs. KPMG PLT.

e) Ordinary Resolution 6 - Retention of Independent Non-Executive Director

Mr Tan Chuan Dyi has served as an Independent Non-Executive Director for a cumulative term of 9 years. The Nominating Committee and the Board have carried out an evaluation and assessment and concluded that Mr Tan Chuan Dyi continues to be independent and objective in all board deliberations. He continues to comply with the relevant criteria and provisions under the definition of independence of the Main Market Listing Requirements of Bursa Securities. He is not related to any directors and major shareholders of the Company and hence he is not under the influence of other directors and major shareholders. Upon the recommendation by the Nominating Committee, the Board of Directors recommended that Mr Tan Chuan Dyi be retained as an Independent Non-Executive Director of the Company until the conclusion of the next AGM.

f) Ordinary Resolution 7 – Authority to Allot and Issue Share pursuant to Sections 75 and 76 of the Companies Act 2016

This resolution is proposed pursuant to Sections 75 and 76 of the Companies Act 2016, and if passed, will empower the Directors of the Company to issue shares in the Company up to an amount not exceeding ten percent (10%) of the total number of issued shares of the Company (excluding treasury shares) for the time being for any possible fund-raising activities for purposes as the Directors consider to be in the best interest of the Company. This authority, unless revoked or varied by the shareholders of the Company in general meeting will expire at the conclusion of the next AGM.

The renewal of this mandate will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for purpose of funding current and future investment project(s), working capital and/or acquisitions.

The Company did not issue any new shares under the general mandate which was approved at the 23rd AGM.

g) Ordinary Resolution 8 – Proposed Renewal of Authority for the Company to Purchase its Own Shares

The Proposed Ordinary Resolution 8, if passed will empower the Directors of the Company to purchase its own shares. The total number of shares purchased shall not exceed 10% of the total number of issued shares of the Company for the time being. This authority will, unless revoked or varied by the Company in general meeting, expires at the next AGM in the Company.

The Share Buy-Back Statement in relation to the Proposed Renewal of Authority for the Company to Purchase of its Own Shares dated 27 April 2026 is enclosed for further information.

Notice Of Annual General Meeting (Continued)

h) Ordinary Resolution 9 - Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Shareholders' Mandate")

Paragraph 10.09 of the Main Market Listing Requirements states that with regard to related party transactions that are recurrent, of a revenue or trading nature and which are necessary for day-to-day operations ("RRPT"), a public listed company may seek a shareholders' mandate.

The proposed resolution no. 9, if passed, will authorise the Company and each of its subsidiaries to enter into RRPT with the mandated related parties as identified in Section 3.2 of the Circular dated 27 April 2026 ("Circular"), which are necessary for the Group's day-to-day operations, provided that such transactions are in the ordinary course of business and are on normal commercial terms which are not more favourable to the related parties than those generally available to the public and not detrimental to the interest of the minority shareholders.

By obtaining the Proposed Shareholders' Mandate, the necessity to convene separate meetings from time to time to seek shareholders' approval as and when such RRPT occurs would not arise. This would reduce substantial administrative time and costs associated with the convening of such meetings without compromising on the corporate objectives of Naim Group or adversely affecting the business opportunities available to Naim Group.

Please refer to the Circular for further information.

No. of Shares held

CDS Account No.

Shareholder's Contact No.

I/We _____
(FULL NAME AS PER NRIC IN BLOCK CAPITAL)

IC No./ID No./Company No. _____ (new) _____ (old)

of _____
(FULL ADDRESS)

being a member/members of NAIM HOLDINGS BERHAD ("the Company") hereby appoint:-

First Proxy

Full Name	NRIC/Passport No.	Proportion of Shareholdings represented	
		No. of Shares	%

and or failing him/her

Second Proxy

Full Name	NRIC/Passport No.	Proportion of Shareholdings represented	
		No. of Shares	%

Or failing him/her the Chairman of the meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the 24th Annual General Meeting of the Company will be held at Sapphire On The Park, Function Hall, 3rd Floor, Jalan Lintang Selatan, Batu Lintang, 93200 Kuching, Sarawak on Tuesday, 26 May 2026 at 10:00 a.m. or any adjournment thereof, in the manner indicated below:

Resolutions	FOR	AGAINST
Ordinary Resolution 1 Approval of Director's remuneration for the Non-Executive Chairman		
Ordinary Resolution 2 Approval of Directors' remuneration for the Non-Executive Directors		
Ordinary Resolution 3 Re-election of Director: Datuk Hasmi Bin Hasnan		
Ordinary Resolution 4 Re-election of Director: Datuk Ahmad Bin Abu Bakar		
Ordinary Resolution 5 Re-appointment of Auditors: Messrs KPMG PLT as Auditors and authorising the Directors to fix their remuneration		
Special Businesses		
Ordinary Resolution 6 Retention of Independent Non-Executive Director		
Ordinary Resolution 7 Authority to allot and issue shares		
Ordinary Resolution 8 Proposed renewal of authority to purchase own shares		
Ordinary Resolution 9 Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature		

(Please indicate with an "X" in the spaces above how you wish your votes to be casted on the resolution specified in the Notice of Meeting. If no specific direction as the voting is indicated, the proxy/proxies will vote or abstain from voting as he/she/they think(s) fit.)

Dated this _____ day of _____ 2026.

Signature of Shareholder(s)/Common Seal

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AFFIX
STAMP
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Share Registrar
**TRICOR INVESTOR & ISSUING
HOUSE SERVICES SDN BHD**

Unit 32-01, Level 32, Tower A, Vertical Business Suite
Avenue 3, Bangsar South, No. 8, Jalan Kerinchi
59200 Kuala Lumpur, Malaysia

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NOTES:

1. A member entitled to attend, speak and vote at the same meeting may appoint a proxy to attend, speak and vote on his behalf. A proxy may but need not be a member of the Company.
2. To be valid, the Proxy form duly completed must be deposited at the Office of the Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, to submit the proxy form electronically via Vistra Share Registry and IPO (MY) portal ("The Portal") at <https://srmy.vistra.com> not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof. Please follow the procedures as set out in the Administrative Guide for the electronic lodgement of proxy form.
3. A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same meeting provided that where a Member is an authorised nominee as defined in accordance with the provisions of the Securities Industry (Central Depositories) Act 1991, it may appoint up to two (2) proxies in respect of each Securities Account it holds with ordinary shares in the Company standing to the credit of the said Securities Account.
4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
5. If the appointer is a corporation, this form must be executed under its common seal or under the hand of an officer or attorney duly authorised.
6. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds.
7. Only members registered in the Record of Depositors as at 19 May 2026 shall be eligible to attend the meeting or appoint a proxy to attend and vote on his/her behalf.
8. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the Resolutions set out in this Notice will be put to vote by poll.

From Where We Began ...

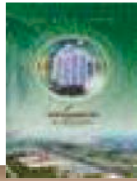
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Kuching | Bintulu | Miri

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 **NAIM Holdings Berhad**
 **naim.properties**