TRC SYNERGY BERHAD
199601040839 (413192-D)

EMBRACING CHALLENGES & OPPORTUNITIES

Annual Report 2024

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MANAGEMENT DISCUSSION
AND ANALYSIS DISCLOSURE

OVERVIEW OF THE GROUP'S BUSINESS OPERATIONS

The construction industry continues to play an important role in Malaysia's economic growth while simultaneously enabling the development of the socioeconomics of the society at large. Major infrastructure projects such as highways, bridges, and mass transport systems have been a focal point due to the demand from urbanisation and population growth.

In 2024, the government announced a development budget of RM 90 billion that covers major projects, namely Sabah and Sarawak infrastructure development (Sabah Pan Borneo and Sarawak Link Road), Penang LRT, LRT3 Reinstatement, and flood mitigation packages. With that, the civil engineering subsector is anticipated to regain its positive growth, following the continuation and acceleration of major infrastructure projects as announced.

By end of 2024, the value of completed construction work in Malaysia reaches RM 158.8 billion, a 20.2% increase. This surge is mainly due to increased civil engineering and infrastructure projects.

Trans Resources Corporation Sdn Bhd being the wholly owned subsidiary of TRC Synergy Berhad (the Group), which is the construction arm of the Group, is well-positioned to be one of the beneficiaries of these packages and may leverage on these government policies and plans. Unlocking these opportunities is backed by its long-standing expertise and strong track record. Apart from construction, the Group is also involved in property development as well as an investment portfolio in Australia.

In addition, there is a growing interest in sustainable and environmentally friendly construction, and the adoption of green building standards has become more prevalent in recent years. The industry is also being reshaped by the continuous demand to shift construction practices towards faster, smarter, and more sustainable methods.

As one would expect, as we move forward, the Group will remain dedicated to delivering performance and value by staying focused on the construction sector and construction-related businesses and activities. To warrant value delivery to its stakeholders, the Group will pursue available opportunities domestically by adopting a prudent strategy and optimisation intended to manage the industry's risks in this challenging environment. The Group shall continue to identify areas for improvement and effectively respond to the evolving operating environment and its challenges.

ANALYSIS OF FINANCIAL RESULTS

GROUP FINANCIAL PERFORMANCE FOR FY2024

Description		FY2024	FY2023	Variance	Variance %
Revenue	RM' Million	505.92	679.46	(173.54)	(25.54)
Operating Profit	RM' Million	14.59	25.91	(11.32)	(43.69)
Net Profit	RM' Million	12.69	25.60	(12.91)	(50.43)
**Core Net Profit	RM' Million	18.93	18.91	0.02	0.10

***Core Net Profit, before considering the impact of the net unrealised gain on foreign exchange and the allowance for expected credit losses on trade and other receivables.*

The Group recorded revenue of RM505.92 million for FY2024, representing a 25.54% reduction compared to the revenue of RM679.46 million recorded in FY2023. The reduction in revenue was due to the completion of several mega projects in the construction division and fewer sales recorded in the property development division following the completion of the ARA Phase 1 and PPAM projects in 2023.

Ongoing Project of the Putrajaya Mixed Development Project (8MD3)

The Refurbishment of Main Building and Infrastructure Works at Subang Engineering Complex A, Sultan Abdul Aziz Shah Airport (SECA)

Due to the revenue reduction for FY2024, the Group's operating profit reduced by 43.69% to RM14.59 million compared to RM25.91 million recorded in the previous year. This reduction was after accounting for an unrealised foreign currency exchange loss of RM4.78 million in FY2024, compared to an unrealised foreign currency exchange gain of RM8.14 million recorded in FY2023.

The Group's net profit decreased by 50.43% to RM12.69 million despite having a substantial share of profit from an associate and a joint venture company this year, amounting to RM3.47 million and RM4.98 million, respectively, compared to a net profit of RM25.60 million recorded in FY2023. However, the Group's core net profit slightly increased by 0.10% to RM18.93 million, compared to RM18.91 million recorded in the preceding year.

Although revenue and net profits were reduced compared to FY2023, the Group maintained strong financial performance and balance sheet in FY2024. This was achieved through cost-effective and prudent financial management adopted across all business segments, despite facing multiple new challenges and economic uncertainties during FY2024. Therefore, maintaining a healthy financial position through stringent cash flow management remains our top priority.

GROUP SEGMENTAL PERFORMANCE FOR FY2024

Year	Description		Construction Division	Property Division	Hotel Division	Others Division	Elimination	Total
2024	Revenue	RM' Million	476.78	3.44	25.70	-	-	505.92
	Revenue Contribution	%	94.24	0.68	5.08	-	-	100.00
	Operating Profit (OP)	RM' Million	15.25	9.54	(2.80)	(1.67)	(5.73)	14.59
	OP Contribution	%	104.52	65.39	(19.19)	(11.45)	(39.27)	100.0
2023	Revenue	RM' Million	515.87	140.75	22.84	-	-	679.46
	Revenue Contribution	%	75.92	20.72	3.36	-	-	100.00
	Operating Profit (OP)	RM' Million	17.09	4.33	(2.76)	6.84	0.41	25.91
	OP Contribution	%	65.96	16.71	(10.65)	26.40	1.58	100.00

CONSTRUCTION DIVISION

For the past few years, the Construction Division has consistently been the most significant contributor to the Group's revenue and operating profit.

For FY2024, the Construction Division contributed 94.24% (RM476.78 million) and 104.52% (RM15.25 million) of their revenue and operating profit to the Group, compared to 75.92% (RM515.87 million) and 65.96% (RM17.09 million), respectively, in the preceding year.

Lower revenue and operating profit for FY2024 were due to the completion of several mega projects and increased prices of construction materials, labour, and logistics costs. During FY2024, the Group also recognised an unrealised foreign currency exchange loss of RM4.77 million, compared to an unrealised foreign currency exchange gain of RM8.14 million in the preceding year.

The Group continues to pursue opportunities to expand its construction portfolio by aggressively capitalising on its strong balance sheet, prudent and sound financial management, and favourable and cost-effective tendering exercises. These are among the strategies adopted by the Group to procure new construction contracts to replenish its existing order book value of RM800 million for long-term growth.

PROPERTY DEVELOPMENT DIVISION

ACTIVITIES IN MALAYSIA

The Property Development segment contributed 0.68% (RM3.44 million) and 65.39% (RM9.54 million) of the Group's revenue and operating profit for FY2024, compared to 20.72% (RM140.75 million) and 16.71% (RM4.33 million), respectively, in the preceding year.

Lower revenue was reported for the Property Development segment in FY2024, as substantial sales of the PPAM (Perumahan Penjawat Awam Malaysia) project (a build-and-sell) were recognised in 2023, following its completion in 2023 and the ARA Sentral development project (PERLA) Phase 1.

The revenue reported for FY2024 was from the sales of completed project inventories. This joint venture development generated a profit of RM4.98 million for the Group, compared to a loss of RM112,486 in the previous year.

However, encouraged by the PERLA Phase 1 achievement and robust growth of the Malaysian property market in 2024, primarily the residential and commercial segments, the Group will continue the construction of its remaining phases (Phase 2, Phase 3 & Phase 4) in Q1 2025, mainly for its basement structure up to the podium level first.

Phase 2 is expected to launch in the second quarter of 2026. It comprises 134 retail units and 992 service apartments, including 764 units for the Open Market and 232 units for affordable housing. The expected Gross Development Value is more than RM600 million.

Phase 3 is an office block comprising 23 stories, each with a unit area of 1,977 square feet, and Phase 4 is a hotel block featuring 320 rooms.

Therefore, the launch of phase 2 will keep the Property Development segment busy for the next five years, boosting and enhancing the Group's revenue and earnings.

INVESTMENT IN AUSTRALIA

1. Property Development Division

On 20 July 2009, TRC Aust Pty Ltd acquired one-third (1/3) of Springridge Estate's interest to develop 133.4 hectares of land in Wallan, Melbourne, Australia.

The Joint Venture Company will develop the entire land in seventeen (17) stages, comprising 1,100 lots. Up to stage 13 and 796 lots have been sold, leaving 304 available.

For FY2024, this joint venture development generated a profit of RM4.98 million for the Group, compared to a loss of RM112,486 in the previous year.

2. Hotel Division

For FY2024, the hotel division contributed 5.08% (RM25.70 million) of its revenue, with an operating loss of 19.19% (RM2.80 million), to the group. This compares to revenue of 3.36% (RM22.84 million) and an operating loss of 10.65% (RM2.76 million) in the preceding year 2023.

For FY2024, Hotel revenue was slightly higher than the previous year due to a higher occupancy rate. After the pandemic, more international visitors, working holidaymakers, and domestic overnight visitors travelled to Melbourne, Australia, helping drive the occupancy rate, which exceeded 65% to 75% in some months during 2024.

Despite recording higher revenue, the hotel division still incurs losses during the financial year due to increased operating expenses, including wage inflation, higher food and beverage costs, higher non-operating expenses, and higher interest rates. Furthermore, the new supply continues suppressing occupancy growth, impacting the Average Daily Rate (ADR) and reducing the hotel's margin.

However, despite facing many challenges in the past few years, the Group remains optimistic about the future of the Hotel division. The Australian government continues to rebuild its tourism industry to its pre-pandemic level, which will attract more corporate and business travellers and domestic overnight visitors to Melbourne in 2025, significantly contributing to the Group's revenue and a strong, healthy balance sheet in the future.

ANALYSIS OF CONSOLIDATED FINANCIAL STATEMENT AS OF 31 DECEMBER 2024

Description		FY2024	FY2023	Variance (%)
Total Assets	RM' Million	973.40	985.16	(1.19)
Total Liabilities	RM' Million	428.52	432.01	(0.81)
Total Equity	RM' Million	544.87	553.14	(1.49)
Total Borrowings	RM' Million	91.14	102.11	(10.74)
Total Bank Balances	RM' Million	328.54	414.16	(20.67)
Net Asset per Share	RM	1.14	1.15	(0.87)

Based on the Group's Consolidated Financial Statement Analysis for FY2024, the Group has demonstrated financial resilience and robust management of its balance sheet position, despite a reduction compared to FY2023.

The Group's total assets decreased by 1.19% to RM973.40 million in FY2024, primarily due to a reduction in property, plant and equipment, inventories, Deposits, cash and bank balances compared to the preceding FY2023. The total liabilities decreased by 0.81% to RM428.52 million from RM432.01 million in FY2023, primarily due to reduced provisions, contract liabilities, and bank borrowing during the financial year.

The Group's total borrowing also decreased by 10.74% to RM91.14 million as of fiscal year 2024, compared to RM102.11 million at the end of fiscal year 2023. Of the total borrowing, approximately 96.77% is short-term borrowing within 12 months, including a market rate loan of a foreign subsidiary company amounting to RM75.32 million that was reclassified from long-term as of 31 December 2024 for the term loans granted by National Australian Bank Pty Ltd (NAB) for the construction of Element Hotel.

However, the Group's total equity slightly decreased by 1.49% to RM544.87 million from RM553.14 million in the previous year due to a reduction of other reserves by RM15.20 million compared to the preceding year.

The Group's deposit, cash and bank balances decreased by 20.67% to RM328.54 million, compared to RM414.16 million in fiscal year 2023. The net asset per share also reduced by 0.87% to RM1.14 from RM1.15 per share in the preceding FY2023.

The Group is committed to maintaining adequate liquidity to meet its short-term and working capital requirements. To ensure healthy liquidity, the Group monitors and periodically assesses its net cash position.

CONSOLIDATED CASH FLOW ANALYSIS

Net Cash Inflow/(Outflow) from		FY2024	FY2023	Variance (%)
Operating Activities	RM' Million	(70.60)	199.69	(135.35)
Investing Activities	RM' Million	0.79	6.74	(88.28)
Financing Activities	RM' Million	(22.89)	(72.94)	(68.62)
Closing Cash & Cash Equivalent	RM' Million	200.50	286.87	(30.11)

Despite facing numerous operational challenges due to the global and uncertain economic situation, the Group still demonstrated a strong and resilient net cash inflow, with a cash and cash equivalent of RM200.50 million for FY2024, compared to RM286.87 million in the preceding FY2023. The decrease in net cash and cash equivalents by 30.11% was due to a decrease in cash and bank balances, reduced fixed deposits with licensed banks, and a decline in money market funds resulting from lower collections following project completion.

The Group's operating activities decreased by 135.35% to a net cash outflow of RM70.60 million, compared to a net cash inflow of RM199.69 million in the previous year, after accounting for changes in working capital, tax paid, and interest received during FY2023.

The Group's investing activities also decreased by 88.28% to a net cash inflow of RM0.79 million compared to a net cash inflow of RM6.74 million in the previous year due to the purchase of additional plant and equipment, purchase of right-of-use assets after taking into account the distribution of profit from the joint venture, the proceeds from the disposal of property, plant and equipment, increased in money market funds and dividend income from money market funds.

The Group reported for FY2024 a net cash outflow of RM22.89 million for financing activities, compared to net cash outflow of RM72.94 million in the previous year. This was primarily due to our long-term borrowing of RM8.29 million, repayment of hire-purchase loans, dividend payments, and interest payments.

However, to ensure the Group has adequate liquidity and cash flows for its working capital requirement and to meet its financial obligations in the future, the Group has a policy of being stringent in its credit terms and debt collection risk management and prioritising effective credit utilisation to maintain a comfortable cashflow position alongside continuous financial planning efforts.

DIVIDEND

The Group is committed to paying annual dividends to its shareholders. However, the quantum is determined after considering the Group's financial performance, level of available funds, amount of retained earnings, capital expenditure commitments, and other investment planning requirements before any dividend declaration is made.

For FY2024, subject to shareholders' approval at the forthcoming Annual General Meeting, the Group will declare its first and final single-tier dividend of 0.70 Sen per ordinary share for the year ended 31 December 2024.

REVIEW OF GROUP OPERATING ACTIVITIES

On the construction front, FY2024 sees the continuation of the ongoing projects: the Putrajaya Mixed Development Project for Putrajaya Holdings, remedial works at Pier 163 to 165 near Bandaraya LRT Station for Prasarana Berhad, and the flood mitigation project in Empangan Batu, Gombak for Jabatan Pengairan dan Saliran Malaysia (JPS).

The Putrajaya Mixed Development Project is in the advanced stage, and the physical construction is expected to be completed by the third quarter of 2025.

The Refurbishment of Main Building and Infrastructure Works at Subang Engineering Complex A, Sultan Abdul Aziz Shah Airport (SECA)

Phase 2 of the Mint Modernisation Project at Shah Alam for Bank Negara Malaysia was completed and handed over to the client in December 2024.

FY2024 also sees the subsidiary successfully secure three major contracts with a combined value of over RM700 million. These projects are Subang Airport Hangar Refurbishment for IVP (a subsidiary company of Khazanah Nasional Berhad), Renovation and Transformation of Dewan Undangan Negeri (DUN) Sarawak Building into a State Performing Arts Centre and Facility Management of Submarine Base in Sapanggar Bay, Sarawak. This is a significant increase in contract value secured as compared to FY2023, where the group only managed to secure a total of RM38.9 million in terms of new contracts.

As expected, the construction division remains the biggest contributor to the Group's revenue of 94.24%, and this trend is expected to continue.

Although the construction segment managed to secure new projects in FY2024, the order book still needs to be replenished to cover the majority of the current and ongoing projects that are nearing completion. We have proactively sought opportunities to grow our order book value by aggressively participating in tender exercises throughout FY2024. The tender value in which it participated is well over RM5 billion.

Ongoing Project of the Putrajaya Mixed Development Project (8MD3)

Ongoing Project of the Architectural, Structural and Civil Works for the Proposed Transformation of the State Legislative Building, Sarawak (SPAC)

On the property development front, the division continues to plan for the remaining phases (phases 2, 3 and 4) of the Ara Sentral development project. These phases, which were earlier targeted to start constructing its basement to podium level by the end of Q4 2024, are being rescheduled to start in Q1 2025. The launch of phase 2 is expected in Q2 2026. The launch of the latest phase will contribute positively to the Group's order book and will keep this division busy for the next five years.

For FY2024, the contribution from the property development division is fairly insignificant because there is no new launch of the property product. Nevertheless, once phase 2 is launched, it is expected to contribute positively to the Group's earnings.

Moving forward, this division will also look for other possible opportunities to purchase pockets of land strategically or form strategic collaborations with suitable joint venture partners.

The Group's investment in Australia, particularly the hotel division, continues to incur losses during FY2024 due to high operating costs. To counter this, the team has embarked on aggressive marketing to attract more corporate and business events to the hotel.

The Group's business environment is anticipated to continue being challenging due to the rising cost of doing business and industry competitiveness. Nevertheless, it still offers its stakeholders potential for growth and value creation. With the right business positioning, not to mention the vast expertise that the Group possesses through its experienced management and execution team, the Group is confident that it will grow better and stronger.

RISK MANAGEMENT AND RISK FACTORS

The Group acknowledges the importance of robust risk management practice and internal controls to ensure sustainability and business continuation. Therefore, it has a well-defined organisational structure with clearly defined lines of accountability, authority and responsibility to the Board, its committees and functional units. Additionally, it has an ongoing process for identifying, evaluating and managing key risks both at strategic and operational levels in the context of its business objectives.

These processes are embedded within the Group's overall business operations and guided by policies, operational manuals, and procedures. The internal auditors use a risk-based approach to quarterly review all identified risks and their mitigation measures to keep them in check. The findings are then presented to the Board's Audit and Risk Management Committee on a quarterly basis.

Understandably, the internal control system and risk management within the Group are designed to manage rather than to eliminate the risk of failure, based on its strategic business goals and risk appetites. Therefore, risk management review will provide acceptable assurance on the adequacy of the controls against material misstatement, loss or fraud. This way, the Board can affirm that the risk management and internal controls are well in place, to give assurance to the shareholders.

As the Group's business plans and goals are comparable to those of the preceding years, the significant strategic risks identified for FY2024 are also found to remain similar. They include, among others, financial sustainability risk due to low order book, environmental, safety, and health risks during project execution, risk of high cost of doing business due to material and labour prices volatility, or possible additional government and statutory requirements. Upon being documented, these risks are periodically monitored to ensure the planned mitigation measures are effectively implemented.

Financial sustainability risks have been fairly mitigated, as FY2024 sees a significant increase in contracts secured compared to FY2023. This is achieved through careful consideration of the tender approach in technical and commercial considerations for better competitiveness. At the same time, the Group is also actively exploring new business with a new and broader client base.

For environmental, safety and health risks, they are mitigated through a sound management system complete with policies and procedures, competent personnels to uphold the management system and well-trained staffs to implement these procedures.

On the subject of the risk of high cost of doing business, this is a real challenge that the Group needs to balance. The latest is the increase of the minimum salary from RM1500 to RM1700. Although it does impact the Group's operating expenses it mitigated through prudent and lean management in other areas, particularly minimizing unnecessary wastages.

Significant risks at an operational level, which are mostly technical and administrative in nature, are appropriately identified, monitored, and mitigated at the operational level, be it departmental or project level.

The Remedial Works at Pier 163 to 165 near Bandaraya LRT Station (P163) for Prasarana Berhad

Completed Phase 2 of the MINT Modernisation Project at Shah Alam for Bank Negara Malaysia

The Flood Mitigation Project in Empangan Batu, Gombak (EBG) for Jabatan Pengairan dan Saliran Malaysia (JPS)

LRT Package TD2, Johan Setia Depot

GROUP'S FUTURE OUTLOOK AND PROSPECTS

Although Malaysia's economy is showing encouraging signs of growth, it still faces challenges due to global economic uncertainties. The Group will continue seeking new business opportunities to improve its financial performance while managing possible and relevant risks related to geopolitical tensions, inflation, fluctuations in commodity prices and changes in foreign exchange rates.

Despite all these challenges, the Group remains optimistic about the domestic construction industry and its potential, which aligns with the government's aspiration to elevate the country's infrastructure, public housing, and facilities to the next level. The construction division will continue to actively participate in relevant tenders. Similarly, the Group will continue to form strategic collaborations and smart partnerships with suitable parties to improve its position in tenders. Also, concurrently, the construction division will strive to execute the ongoing projects to ensure timely completion as per the contract.

Based on the success of the first Phase of the Ara Damansara development project, the property division remains optimistic about the prospect of urban housing development. Hence, the targeted launch of the second Phase in Q2 2026 is expected to produce the same, if not better, result. The division is also continuously seeking joint ventures and increasing its land bank for sustainable development.

For the Group's investment in a hotel in Australia, it will continue to operate strategically, maintaining strict control over operational costs. It will also proactively leverage any incentives provided by the Australian government as and when such opportunities arise.

SUSTAINABILITY STATEMENT

INTRODUCTION

TRC Synergy Berhad ("**TRC**" or "**the Company**") and its group of companies ("**the Group**") have consistently demonstrated their commitment to improving sustainability initiatives and enhancing sustainability performance over the year through their sustainability reporting ("**Sustainability Statement**" or "**this Statement**"). The Group believes that good sustainability practices will not only benefit the Group but also contribute to the community in terms of economic, environmental, and social impacts.

Many business leaders recognize the strong relationship between long-term success and sustainability, which significantly impacts business performance and profitability. This underscores the importance of our continuous commitment to aligning business operations with sustainability frameworks. By doing so, we can create long-lasting value, build trust among stakeholders, and effectively address economic, environmental, and social risks and opportunities.

Tan Sri Dato' Sri Sufri Bin Hj Mohd Zin
Managing Director, TRC Group of Companies

In light of this, the Group is pleased to present its Sustainability Statement for the financial year ended 31 December 2024, which features how the Group is addressing its Economic, Environmental, and Social risks and opportunities ("**Sustainability Matters**"). This Statement is based on an inclusive perspective of the Group and its stakeholders to mitigate business operational risks. It further supports continued financial and non-financial value creation within the Group.

SCOPE OF SUSTAINABILITY REPORTING

This Sustainability Statement includes the Group's performance data for the financial period from 1 January 2024 to 31 December 2024 ("**FY2024**") and is prepared in adherence to the following:

1. Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Listing Requirements**");
2. Sustainability Reporting Guide (3rd Edition), issued in September 2022;
3. Bursa Malaysia Enhanced Sustainability Reporting Framework with New Climate Change Reporting, issued in September 2022; and
4. Bursa Malaysia Corporate Governance Guide (4th Edition), issued in April 2021.

For this financial period, this Statement discloses material issues related to the Group's main business, which comprises three core divisions: construction, property development, and investment, along with comparative data from the previous two years. In addition to the principal activities and business operations of the holding company and all its subsidiaries within Malaysia, the scope of reporting has expanded to include its foreign subsidiary incorporated in Australia.

Unlike the previous year, the following projects have been duly completed and no longer have any significant financial impact on the Company's performance during FY2024; therefore, they are excluded from the scope of reporting for this Statement:

i. The construction and completion of the new Maktab Rendah Sains Mara (MRSM) Ranau and any associated works ("MRSM Ranau"), Ranau, Sabah; and
ii. The design, construction, and completion of Prasarana's Headquarters ("PHQ"), Subang, Selangor Darul Ehsan.

Additionally, the subtle effects of some projects and subsidiary companies on the Group's operations and revenue in FY2024 have resulted in their exclusion from the scope of this Statement. Regarding the limitations and exclusions, the Group continues to improve and develop new data collection methods to ensure that the effects of these projects align with the Group's sustainability goals.

TRC SYNERGY BERHAD

Subsidiaires

- **Trans Resources Corporation Sdn Bhd ("TRC")**
- **TRC Land Sdn Bhd ("TRCL")**
- **ADS Projek Sdn Bhd ("ADS")**
- **TRC Niaga Sdn Bhd ("TRCN")**
- **TRC (Aust) Pty Ltd**

Foundation

Yayasan TRC ("YTRC")
A foundation established by the Group which undertakes charitable and philanthropic activities

Key Projects

SECA
Subang, Selangor
The Refurbishment of Main Building and Infrastructure Works at Subang Engineering Complex A, Sultan Abdul Aziz Shah Airport at Pt 51814 (Lot 94332), Seksyen U3, 40150 Shah Alam, Mukim Sungai Buloh, District of Petaling, Selangor Darul Ehsan ("SECA"), Subang, Selangor Darul Ehsan.

SPAC
Kuching, Sarawak
The Architectural, Structural and Civil Works for the Proposed Transformation of the State Legislative Building (SPAC), Sarawak.

SBSB10
Kota Kinabalu, Sabah
The Schedule & Corrective Maintenance of Zone D Area, Jetty Facility Building, Bosun Building, Floating Breakwater Jetty, Ship lift Jetty And Safety Conditioning Facilities At The Royal Malaysian Navy Submarine Base, Sapangar Bay, Kota Kinabalu ("SBSB 10").

EBG
Gombak, Selangor
Projek Memperkukuhkan Struktur dan Fasiliti Empangan-Empangan Tebatan Banjir, Empangan Batu, Gombak, Selangor (Reka dan Bina) ("EBG").

TD2
Klang, Selangor
The construction of light rail transit line (LRT3) from Bandar Utama to Johan Setia - LRT3 Package TD2 ("TD2").

8MD3
Precinct 8, Putrajaya
The construction and completion of Residential Towers, Serviced Apartments, Common Facilities, High Street, upgrading and making good works for Promenade and other Ancillary Works ("8MD3").

MINT
Shah Alam, Selangor
The Modernisation Project for Bank Negara Malaysia which comprised of Structural, Civil, External, Ancillary, Architectural, Mechanical, Electrical and External Works known as BNM MINT Modernisation Project ("MINT").

P163
Jalan Raja Laut, Kuala Lumpur
The Design & Build of the Remedial Works at Pier No. P163, P164 & P165 and Associated Works near Bandaraya Station of Ampang Line ("P163").

STATEMENT OF ASSURANCE

An internal review was conducted by the Group's internal audit function for this Statement to strengthen the credibility and reliability of the Sustainability Statement and to ensure that the scope of sustainability reporting is comprehensive across the Company and its subsidiaries.

SUSTAINABILITY GOVERNANCE AND IMPLEMENTATION

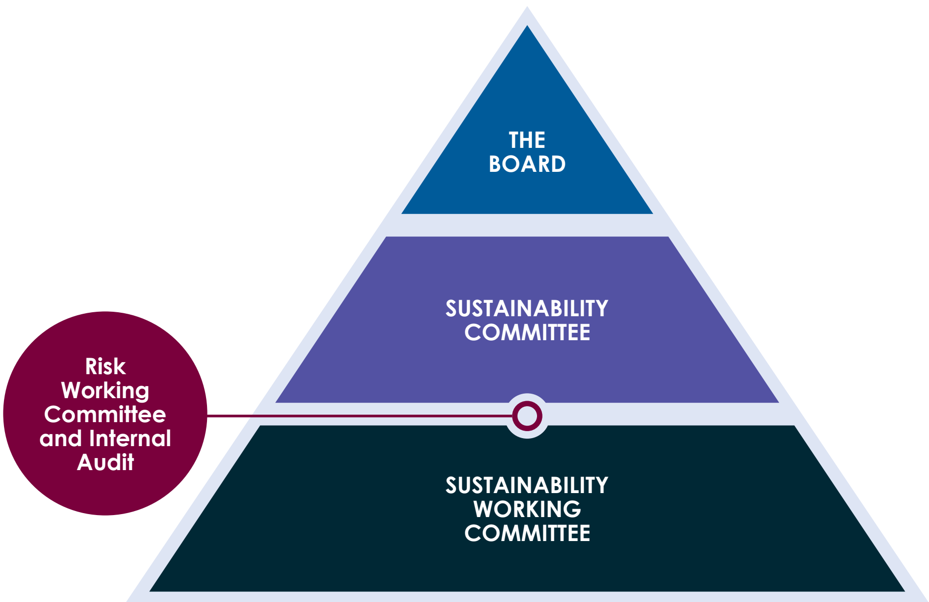
The Group is committed to strengthening its sustainability initiatives as well as addressing ESG-related matters across its business operations by progressively expanding its sustainability disclosures over the years. These sustainability disclosures are prepared consistently in accordance with the prevailing requirements and guidelines throughout FY2024.

2017 ESTABLISHMENT OF THE SUSTAINABILITY POLICY

Acknowledging the importance of managing the impacts of Sustainability Matters, the Group unwaveringly ensures that sustainability risks and opportunities are addressed efficiently in line with its sustainability objectives. For this reason, the implementation of the Group-level Sustainability Policy since 2017 has been instrumental in guiding decision-making by the Board, setting clear sustainability objectives, and enabling the Group to contribute to a sustainable future.

This Board-approved Sustainability Policy has been in effect since 4 April 2017, and applies across the Group. It encompasses all aspects of ethical business practices, including considerations of Sustainability Matters. The Policy aims to promote sustainability practices within the Group by integrating the principles of Sustainability Matters into the Group's strategies, policies, and procedures. The Policy will be reviewed by the Group periodically as necessary.

To ensure the reliable implementation and monitoring of our sustainability practices, a tiered governance structure has been developed. The Group's existing sustainability governance structure is clearly depicted in the following diagram, which highlights the responsibilities and roles of each tier in managing the material sustainability matters within the Group:



The Group's Sustainability Governance Structure

It is led by the Board of Directors ("the Board"), which provides oversight of the Group's sustainability agenda progress and approves the policies, strategies, and initiatives related to sustainability within the Group. Furthermore, the Board is responsible for approving the Sustainability Statements that are to be disclosed in the Annual Report.

While the Sustainability Committee is accountable for providing progress reports to the Board and focuses on the effective implementation of sustainability strategies, including but not limited to integrating sustainability into business planning, reviewing internal guidelines and targets, and recommending the annual Sustainability Statement for the Board's approval.

Whereas the Sustainability Working Committee plays a vital role as the secretariat by coordinating, processing, gathering, and analysing data, monitoring material sustainability matters, and reporting to the Sustainability Committee on the Group's progress towards sustainability goals.

Apart from the above roles, the Group's Risk Working Committee and the Internal Auditors play significant roles, as they are responsible for preparing reports periodically on the Group's sustainability risks and reviewing the Sustainability Statement to ensure its accuracy and completeness before seeking approval and recommendations from the Sustainability Committee.

STAKEHOLDERS' ENGAGEMENT

Stakeholder engagement is a cornerstone of the Group's sustainability strategies, ensuring transparency in addressing stakeholders' needs and expectations while fostering long-term relationships. During FY2024, the Group actively engaged with various stakeholder groups to understand their concerns and efficiently address them in line with the Group's sustainability strategies and practices.

The Group believes that by maintaining consistent and proactive engagement with its stakeholders, it will gain valuable insights into its sustainability focus areas, enabling better alignment between sustainability strategies and business operations.

The Group applied various engagement methods over the year based on the frequency needed to ensure impactful interactions with its stakeholders. Among the significant methods are the following:

Stakeholder Group	Engagement Methods (Frequency)
Shareholders and Investors	• Stakeholders' Engagement Survey (Annually) • Annual General Meeting (Annually) • Annual Reports (Annually) • Announcements to Bursa Securities (As needed) • Company's Corporate Website (As needed)
Government and Regulatory Authorities	• Stakeholders' Engagement Survey (Annually) • Regulatory Compliance and Licensing (As needed) • Project Site Inspection (As needed) • Seminars/ Briefing on New or Changes in Laws/ Rules (As needed) • Circulation on Authorities'/ Regulators' Policies
Organizations/ Communities	• Stakeholders' Engagement Survey (Annually) • Seminars/ Briefings/ Trainings (As needed) • Corporate Social Responsibility (CSR)/ Community Engagement Events (As needed)

Stakeholder Group	Engagement Methods (Frequency)
Clients	• Stakeholders' Engagement Survey (Annually) • Contractual Engagement (As needed) • Tender Meetings/ Briefings (As needed) • Progress Reports & Meetings (As needed)
Sub-Contractors, Suppliers and Vendors	• Stakeholders' Engagement Survey (Annually) • Suppliers' Performance Evaluation Form (Annually) • Approved Sub-Contractors/ Suppliers List (Annually) • Contractual Engagement (As needed) • Daily operations (As needed)
Financiers	• Stakeholders' Engagement Survey (Annually) • Regular Meetings/ Briefings (As needed) • Communications via e-mail, phone-calls and face-to-face (As needed)
Employees	• Stakeholders' Engagement Survey (Annually) • Employees' Performance Appraisal (Annually) • Seminar/ Training/ Briefing Sessions (As needed) • Induction Session for New Employee (As needed) • Regular Department Meetings (As needed) • Employee Engagement Activities (As needed) • Communications via e-mail and face-to-face (As needed) • Daily operations (As needed)

MATERIALITY ASSESSMENT

The Group asserts that accurately identifying the most material sustainability matters is crucial for strategically allocating resources to effectively address them and achieve optimal results in accordance with the Group's sustainability strategies and practices.

As there have been no significant changes to the Group's business operations, the material prioritisation determined since FY2021 is considered the most practical and applicable for the preceding years up to FY2024. The Group has conducted its annual Stakeholders' Engagement Survey ("the Survey"), which was circulated in both hardcopy and softcopy formats to the Group's stakeholders throughout FY2024. The Survey is also available on the Company's website for easy access by stakeholders, and the results are regularly monitored by the Group.

The Group's Sustainability Most Material Matters

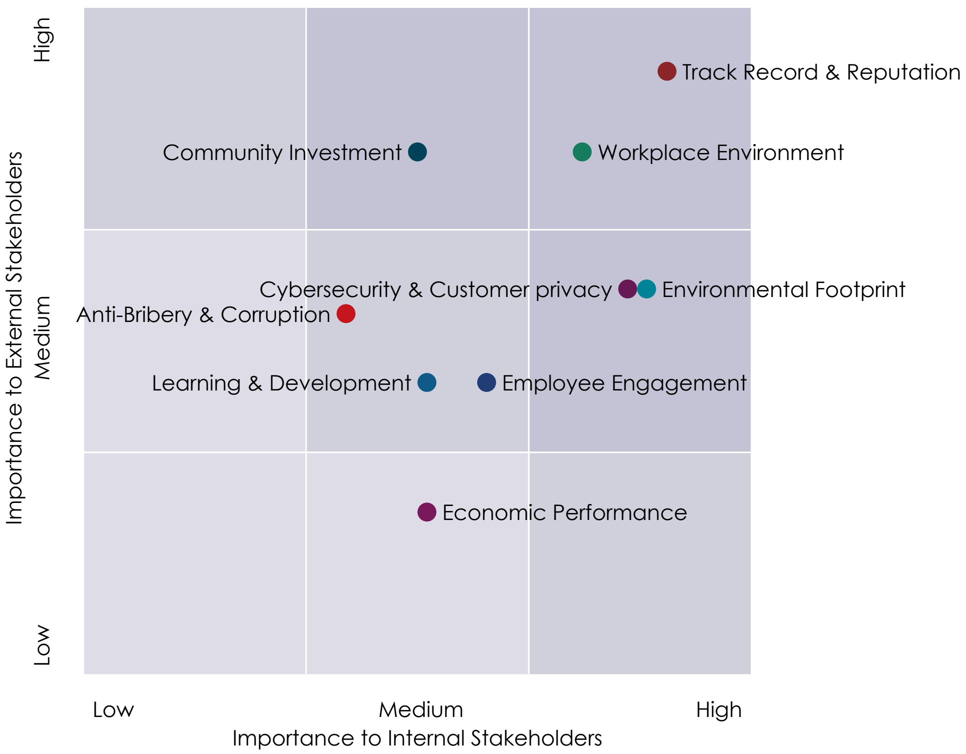
In FY2024, the Group conducted its annual Stakeholders' Engagement Survey ("the Survey") using the Group's nine (9) most material sustainability matters that remained relevant to the Group and its stakeholders. These matters have been evaluated and integrated with the three (3) elements of the Group's sustainability strategy as follows:

SUSTAINABILITY STRATEGY

Strategy 1	Strategy 2	Strategy 3
Social Sustainability	**Quality, Safety, Health & Environment (QSHE) Sustainability**	**Economic Sustainability**
Community Investment	Workplace Environment	Cyber Security & Customer Privacy
Employee Engagement	Environmental Footprint	Economic Performance
Employee Development		Track Record & Reputation
		Anti-Bribery & Corruption

The outcome of the Survey conducted by the Group has further helped to set its sustainability targets and performance metrics, guiding the Group's initiatives in addressing these matters effectively. The importance of each material matter to stakeholders and their respective influence on the Group's business operations is best illustrated in the following materiality matrix:

MATERIALITY MATRIX



Based on the above matrix, it can be concluded that the Group's sustainability most material matter in 2024 remains unchanged from the previous reporting year, 2023, whereby all stakeholders agreed that Track Record and Reputation should be the Company's top priority. The stakeholders recognized that the Group's continual progression is essential for building a sustainable business, strengthening the Company's viability, and enhancing its competitiveness within the industry. Further elaboration on this is provided under the Economic Sustainability section of this Statement.

In the same breath, both internal and external stakeholders, through the 2024 surveys, acknowledged that the Workplace Environment holds vital importance, necessitating the Group to devote more attention to it. The priority of this matter was also emphasized by all stakeholders in the 2023 surveys. Focusing on the Workplace Environment is crucial for the Group, as it directly impacts employee well-being, productivity, and overall performance. A strong workplace reputation enhances the Group's image among investors, partners, and customers.

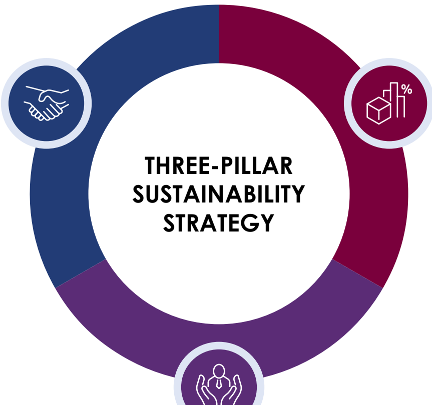
The Company takes note of the external stakeholders' concerns regarding the importance of addressing Anti-Bribery and Corruption in 2024 and will continuously work to address this matter effectively. Recognizing that ethical business practices are essential for long-term sustainability and trust, the Company will continue to strengthen its policies, enhance monitoring mechanisms, foster a culture of integrity, spread awareness within the Group, and uphold the highest standards of transparency and accountability while mitigating risks associated with bribery and corruption.

The Group's improved financial performance, compared to 2023 when it faced challenges in overcoming the impact of COVID-19, has led both internal and external stakeholders to rank Economic Performance as their lowest priority in 2024. Nevertheless, the Group should not see this as an opportunity to overlook this matter, but should continue to maintain and strengthen its financial stability to ensure sustained business growth.

Amidst the conclusions drawn, the Company values the internal stakeholders' emphasis on prioritising the social materiality pillars of Employee Engagement and Learning & Development. These aspects have risen in priority, shifting from the lowest importance in the 2023 surveys to medium importance in the 2024 surveys, which indicates increased expectations for talent retention, skill enhancement, and engagement initiatives. The Company will proactively take measures to enhance its employee engagement initiatives and strengthen its learning and development programs by offering more upskilling opportunities and career development pathways to ensure the continuous growth of its employees.

THE GROUP'S SUSTAINABILITY FRAMEWORK

In accordance with the Group's commitment to leading sustainability practices, and based on insights from stakeholders through the materiality assessment, the Group has aligned key sustainability matters with its three-pillar sustainability strategy. This alignment provides valuable opportunities for the Group to enhance its sustainability performance and serves as the Group's sustainability framework.



Social Sustainability
a) Enriching Community Investment
b) Embracing Employees' Welfare
c) Empowering Adversity in Workforce
d) Encouraging Employees' Development

Economic Sustainability
a) Strengthening Corporate Governance
b) Continuing Outstanding Track Record and Reputation
c) Promoting Anti-Bribery and Corruption Practice
d) Protecting Data Security
e) Enhancing Cybersecurity
f) Stimulating Local Supply Chain
g) Sustaining and Growing the Business

QSHE Sustainability
a) Ensuring Quality of Works
b) Fostering A Safe and Healthy Workplace
c) Managing Environmental Footprint Effectively

This Sustainability Framework serves as the foundation for the Group to integrate its sustainability strategy into the Group's business operations and achieve its objective of creating a sustainable future. The framework should be read alongside the Group's Sustainability Policy, which further elaborates on the Group's sustainability stance and operational guidelines for managing risks and enhancing its positive impact on the Group's business operations.

SOCIAL SUSTAINABILITY

Enriching Community Investment

Enlarging Corporate Social Responsibility

This is the Group's initiatives aimed at contributing positively to society and the environment. For these initiatives, the Group spent a total of RM226,256.00 on various institutions and programs, such as Tabung Kebajikan Angkatan Tentera, Kelab Rekreasi dan Kebajikan Balai Polis Hulu Kelang, Borneo Ultra Ocean Clean Up, UPSI Kollokium Thalatha Tisa'a, Tabung Pendidikan MBAM Education Fund Scholarship for UITM students, the Malaysian Representative Team for Formula 1 in Schools, and many more.

Apart from that, the establishment of the TRC Edu-Centre at Politeknik Ungku Omar (PUO), Ipoh, since 2018, has benefited the institution by providing avenues for the Group's own talents, as well as other academicians and experts in various subjects, to share their experiences and knowledge with PUO students.

The Group also provided talks and knowledge-sharing sessions by our senior employees to PUO students to give them an overview of the expectations when they work in the construction industry. Providing training and development programs like this is one of the Group's commitments to helping them grow and prepare for the challenging working world, making them sought-after candidates for future employers.

Escalating Yayasan TRC (YTRC)'s Functions

The Group actively participates in programs and initiatives with various communities, primarily under the oversight of YTRC, a foundation established by the Group. YTRC's main objective is to undertake charitable and philanthropic activities, promote the welfare of the Group's employees, and support the surrounding communities, particularly those near the Group's headquarters and project sites.

YTRC is currently led by General (R) Tan Sri Dato' Seri Mohd Shahrom Bin Dato'Hj Nordin, the former Chairman of the Company, who has shown extraordinary commitment and dedication to the foundation. The Group's employees also act as supportive pillars for the foundation on an ad hoc and voluntary basis when necessary.

Contributions by YTRC during FY2024

Category	Total
Internal (Employee Welfare & Engagement)	RM95,364.80
External (Community Investment)	RM58,889.56
Total Contribution by YTRC	**RM154,254.36**

Throughout FY 2024, YTRC allocated RM58,889.56 from its total fund to support various community engagement activities, benefiting local communities, schools, higher educational institutions, welfare centres, and local authorities. These initiatives included financial aid for underprivileged families, infrastructure improvements for special needs students' classes, scholarship programs for students, and financial aid and in-kind contributions to local welfare centres.

Spreading joy across cultures — YTRC celebrates the spirit of giving inconjunction with Ramadhan and Chinese New Year

SOCIAL SUSTAINABILITY (CONT'D)

Highlights on the Community Investment by the Group during FY 2024

Category	Amount	Beneficiaries
The Group	RM226,256.00	14 Organisations
YTRC	RM58,889.56	566 Individuals
Total Contribution by YTRC	**RM285,144.56**	**580**

Honored to support SK Cheras Jaya in the National Baseball Championship Game

Scholarship Program between YTRC and Universiti Tun Hussein Onn (UTHM)

Embracing Employee Welfare

Workplace Incentives/ Benefits

The Group firmly believes that providing good benefits and investing in the welfare of employees can lead to a more engaged and committed workforce, ultimately contributing to the success of the Group. Therefore, various activities and initiatives for employees have been carried out by the Group in FY2024, such as:

- Spending a significant amount on contributions through employee engagement activities, gifts, festive dinners, etc., amounting to RM296,107.17;
- Providing meals during night shifts at the sites and daily lunches for HQ employees on workdays, amounting to RM459,305.51;
- In FY2024, the Group spent RM790,411.19, an increase of 17.6% compared to RM671,750.96 in FY2023, to cover its employees' insurance schemes, including Group Term Life (GTL), Group Personal Accident (GPA), Group Hospitalization and Surgical (GHS), and Worker Hospitalization and Surgical (WHS); and
- Additionally, the Group spent RM333,681.37 in FY2024, compared to RM326,000.00 in FY2023, for its employees' outpatient medical expenses.

Percentage Increment for the Groups' Contribution to Its Employees' Healthcare since FY2023 to FY2024

Contribution to Its Employees' Healthcare	Year		Percentage Increment
	2023	2024	
Insurance Schemes	RM671,750.96	RM790,411.19	17.6%
Outpatient Medical Expenses	RM326,000.00	RM333,681.37	2.35%

SOCIAL SUSTAINABILITY (CONT'D)

In addition, the Group, in collaboration with its foundation, YTRC, made a notable contribution throughout FY 2024 to enhance employee welfare. Among the significant initiatives coordinated by YTRC were financial assistance and monetary gifts for employees and their children's education, financial aid for health-related expenses, support for cases of bereavement and natural disasters, monetary gifts for employees' marriages and childbirths, as well as in-kind contributions for various festive celebrations, amounting to RM95,364.80.

Back to School Program

Empowering the YTRC Beneficiaries

Employees Engagement Activities

Employee engagement is a key driver of organizational success, offering numerous benefits such as enhanced productivity, improved employee retention, stronger team collaboration, and the cultivation of a positive workplace culture. Engaged employees are more motivated, invested in their roles, and contribute significantly to a thriving work environment.

Throughout FY2024, the Group organized and coordinated a wide range of employee engagement activities designed to foster connection, collaboration, and well-being. These initiatives not only provided employees with opportunities to interact and grow together but also reinforced the Group's commitment to creating an inclusive and supportive workplace where everyone feels valued and empowered. By continuously prioritizing employee engagement, the Group aims to strengthen relationships, boost morale, and maintain a productive, high-performing workforce. Among those activities are as follows:

Sport Activities

Bowling & Badminton Tournament
Fun Run
MBAM Badminton Tournament
Hiking

A Session with Subject Matter Expert (SME)

Knowledge sharing by SOCSO and EPF Officers

Get Together

CNY Dinner
Iftar Ramadhan
Family Day
Year End Hi-Tea
Birthday Celebrations
Majlis Doa Selamat

Knowledge Sharing by SOCSO and EPF Officers

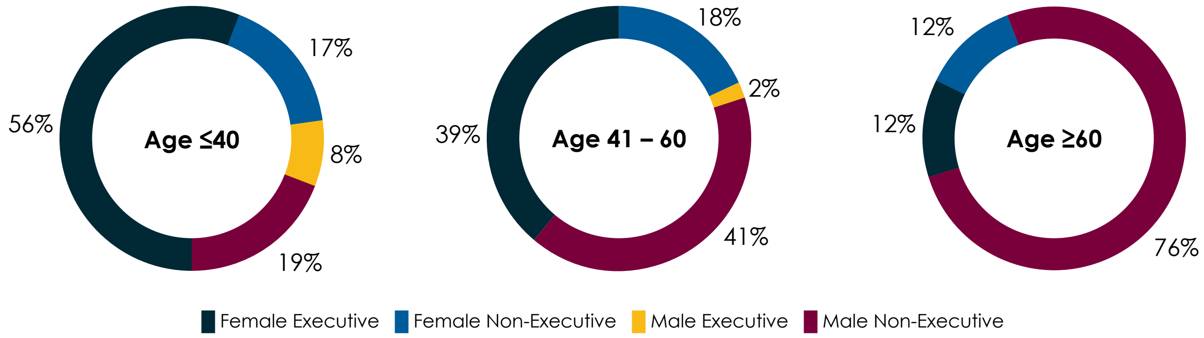
Bowling Tournament

SOCIAL SUSTAINABILITY (CONT'D)

Empoweing Adversity in Workforce

Talent Management

Our people are a key aspect of the Group's success, making up its workforce. These individuals are not just workers; they are people with unique talents, skills, and experiences that contribute to the overall success of the Group.

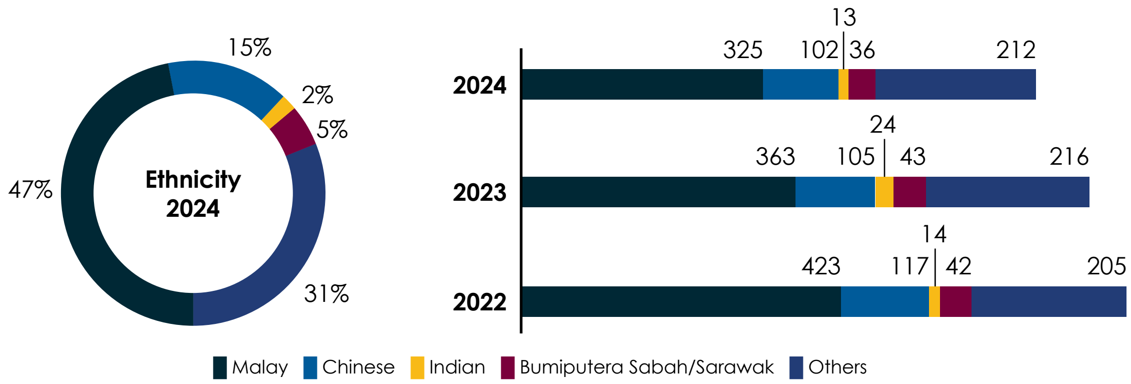


The Group's workforce in FY2024 consists of a total of 688 employees. The largest segment of this workforce comprises fixed-term contract staff (both full-time and part-time), who account for 67.30% of the total employees, with 117 in executive roles (17.01%) and 347 in non-executive roles (50.29%), primarily in project-based positions. Employing fixed-term staff for project-based roles allows organizations to remain flexible, control costs, and meet the specific demands of each project. It also enables the Group to manage risks more effectively, as it can adjust staffing levels based on project progress, ensuring that the right talent is available when required.

Category	Executive & above	%	Non-Executive	%	Total	%
Fixed Term Contract	117	17.01	347	50.29	463	67.30
Permanent	205	29.80	20	2.91	225	32.70
Total	**322**	**46.80**	**366**	**53.20**	**688**	**100.00**

We value the diversity of our workforce and are committed to cultivating an inclusive culture where employees from all ethnic backgrounds feel respected, valued, and empowered. We believe that a diverse workforce drives success by enabling different viewpoints, fostering collaboration, and improving decision-making processes.

Our commitment to diversity extends beyond recruitment. We aim to promote equal opportunities for career advancement, training, and leadership development, regardless of ethnicity. The Group continues to refine its policies and practices to eliminate potential barriers to success for underrepresented ethnic groups and ensure that every employee has the support and resources needed to thrive.



SOCIAL SUSTAINABILITY (CONT'D)

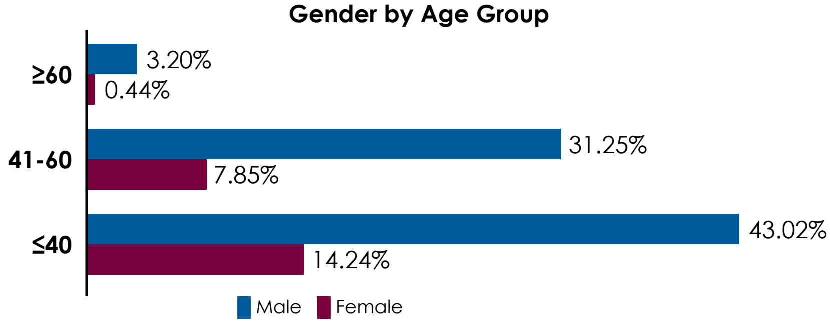
Gender Balance

In FY2024, women comprised 23% of the Group's total workforce, a slight increase from 22% in FY2023. The number of female employees reached 155; however, men remain the dominant group, representing 77% of the workforce. This gender distribution is partly attributed to the nature of the Group's activities, which primarily involve 3D work—tasks that are often considered physically demanding, hazardous, or dirty, thereby attracting more male employees.

However, the Group is committed to fostering a more inclusive environment by developing internal talent and supporting the career advancement of women across all levels. Efforts include initiatives aimed at promoting women's leadership development, eliminating gender bias in recruitment and promotion practices, and enhancing the visibility and representation of women in leadership roles.

Gender	Category	Age Group						Total	%
		≤ 40	%	41 - 60	%	≥ 61	%		
Female	Executive	68	9.9	49	7.1	3	0.4	120	17.4
	Non-Executive	30	4.4	5	0.7	0	0.0	36	5.1
	Sub-Total	**98**	**14.2**	**54**	**7.8**	**3**	**0.4**	**156**	**22.5**
Male	Executive	74	10.8	109	15.8	19	2.8	202	29.4
	Non-Executive	222	32.3	106	15.4	3	0.4	331	48.1
	Sub-Total	**296**	**43.0**	**215**	**31.3**	**22**	**3.2**	**533**	**77.5**
Grand Total		**394**	**57.3**	**269**	**39.1**	**25**	**3.6**	**688**	**100.0**

Gender by Age Group



Women Representation & Leadership

In FY2024, the Company maintained a strong representation of women at the Board level, with three (3) female members, making up 37.5% of the Board. At the Group level, 36% of leadership and management positions were held by female employees (52 out of 146), while 64% were held by male employees. This marks an 11% increase in female representation in management compared to the previous year, reflecting the Group's commitment to providing equal opportunities for female employees to advance to managerial roles.

Board of Directors

Gender	Age Group		Grand Total	%
	41 - 60	≥ 61		
Female	2	1	3	37.5
Male	1	4	5	62.5
Grand Total	3	5	8	100.0

Top Management, Senior Management and Middle Management

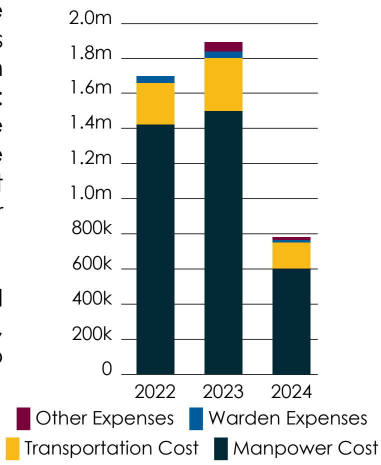
SOCIAL SUSTAINABILITY (CONT'D)

Yellow Ribbons Program

Through collaboration with the Malaysian Prison Department since 2019, the Group has hired Persons Under Surveillance (PUS) as part of its ongoing efforts to support rehabilitation and create a positive impact on the community. In FY2024, the Group employed 25 PUS at the Group's project site, 8MD3 Project: TRC Mixed Development in Putrajaya, a decrease from 100 PUS in FY2023. Since the program's inception, a total of 336 PUS has successfully completed the program at the Group's construction sites. Throughout FY2024, the Group spent RM777,166.51 on salaries, allowances, transportation, and other expenses for the program, compared to RM1,887,727.71 in FY2023.

This initiative aligns with the Group's commitment to social responsibility and community engagement. By participating in the PUS employment program, we contribute to reducing recidivism and support individuals in their journey to becoming productive members of society.

Yellow Ribbon Expenditure



Internship & Work Based Learning

39	18%	RM60,093.79	70%
Trainees Placement	Trainees hired as employee	Training allowance for education programme	Trainees from IPTA

The Group actively facilitates internship opportunities for students across various disciplines through initiatives such as the Work-Based Learning (WBL) Program. In FY2024, a total of 39 students and graduates participated in these programs, with 10 being carryovers from the previous year. An allocation of RM60,093.79 was designated to cover their training allowances.

Beyond offering internship placements, the Group provides employment opportunities for trainees and graduates upon the completion of their programs. Many of these individuals continue their careers with the Group on fixed-term contracts. In FY2024, seven (7) interns transitioned into full-time employees or Protégé placements, compared to fourteen (14) in FY2023.

	Certificate	Diploma	Degree	Total
Level of Attainment	7	13	19	39
Percentage	17.95%	33.33%	48.72%	100.00%

Career Fest at Politeknik Ungku Omar (PUO)

Completion of Internship Program

SOCIAL SUSTAINABILITY (CONT'D)

Work Based Learning at TRC Head Office

Work Based Learning at 8MD3 Project Site

Encouraging Employee Development

Performance and Career Progression

The Group believes that the growth and success of our employees are integral to the overall success of the organization. As part of our commitment to fostering a culture of continuous learning and improvement, we actively encourage employee development, performance excellence, and career progression at all levels.

Gender	Category	Year & Percentage					
		2022	%	2023	%	2024	%
Female	Executive & above	3	10.3	2	7.4	12	7.5
	Non-Executive	7	24.1	7	25.9	1	25.9
	Sub-Total	**10**	**34.5**	**9**	**33.3**	**13**	**33.4**
Male	Executive & above	6	20.7	10	37.0	19	37.0
	Non-Executive	13	44.8	8	29.6	16	29.6
	Sub-Total	**19**	**65.5**	**18**	**66.7**	**35**	**66.7**
Female & Male	**Grand Total**	**29**	**100.0**	**27**	**100.0**	**48**	**100.0**

By prioritising employee development, performance, and career progression, we not only invest in our employees' success, but also contribute to building a more skilled, motivated, and engaged workforce that will drive the long-term success of the Group.

Mental Health Workshop at TRC Head Office

Microsoft Excel Training at TRC Head Office

SOCIAL SUSTAINABILITY (CONT'D)

Long-life Learning Programs

Throughout FY2024, the Group invested approximately RM456,152.29 in training and development activities for its 381 employees and an additional RM106,485.10 from FY2023's amount spent. By continuously investing in its employees to equip them with the right skills, competencies, and experiences, the Group is on the right track to creating a sustainable workforce within the organization.

In FY2024, the Group utilized 61% of the contributed HRDC levy and provided nearly 8,531.5 formal training hours for its employees, with an average of 22 hours per employee who attended training in FY2024, which is similar to FY2023.

Category	2023		2024	
	Total Number Employee Attended Training	Total Training Hours Attended	Total Number Employee Attended Training	Total Training Hours Attended
Executive	267	6,268.0	312	7,269.0
Non-Executive	65	1,018.5	69	1,262.5
Grand Total	**332**	**7,286.5**	**381**	**8,531.5**

Turnover Rates

In FY2024, 133 employees left the organization for various reasons, representing a 19% attrition rate that includes both voluntary and involuntary attrition. This reflects a reduction of 7% from the previous year's attrition rate (26% in FY2023). However, the rate of voluntary attrition slightly increased to 12%, compared to 9% in the previous year, primarily due to employees securing new job offers as their employment contracts with the Group were coming to an end.

QSHE SUSTAINABILITY

Ensuring Quality of Work

The Group's vision and mission statement reinforces that QSHE remains a top priority, guiding its business and operations toward long-term sustainability. In pursuing QSHE excellence, the Group's main subsidiary and major revenue contributor, Trans Resources Corporation Sdn Bhd ("TRC"), which is ISO certified, continuously monitors compliance with the QSHE Policies adopted by the Group. These policies are regularly reviewed to strengthen and improve QSHE performance continuously.

VISION STATEMENT

To be a leading company in sustainable construction and creating values for stakeholders.

MISSION STATEMENT

1. **We provide superior quality products and professional construction services to our clients.**
2. **We develop effective teams by offering continuous training and an inclusive working experience.**
3. **We enrich communities through sustainable practices.**

QSHE SUSTAINABILITY (CONT'D)

The Group is committed to ensuring its sustainability practices as a means of supporting the Government's sustainability commitments, such as achieving the Sustainable Development Goals (SDGs) and the Net Zero Target by 2050. The Group has also initiated a comprehensive QSHE Manual that fulfills the ISO requirements related to QSHE in order to validate the Company's ISO 9001, 14001, and 45001 certifications. A controlled hard copy of the QSHE Manual has been distributed to each department and project site for reference, which is part of the QSHE Management System Documentation. New employees are requested to acquaint themselves with the manual. The manual is updated regularly to keep pace with any modifications to the ISO requirements.

Quality improvements within a business, especially when compelled by ISO standards, help the Group evaluate and enhance its efficiency, reduce waste, and improve its management processes. This, in turn, can enhance the Group's competitive advantage. The ISO Standards practiced within the Group have contributed significantly to this goal.

Since most of the Group's projects involve interaction with the public, it is undeniable that the Company owes not only an ethical and legal duty to provide a safe workplace for its employees but also to the general public. Therefore, the Company must ensure that standard operating procedures (SOPs) are in place to mitigate the effects on those who may be at risk. Examples of the Company's application of the SOPs since 2019 are shown below.

Project	Community Affected/SOP Applied
	**TD2 - Kg Johan Setia** ● Maintenance of public road access. ● For vibration occurring due to piling works, surveys with photographic documentation are conducted before and after the works with TRC to repair any damage found upon comparison. ● Dust control via water bowser. ● In the event of a flood, TRC is to rectify the existing drainage and provide CSR to flood victims such as manpower and machinery for the clean-up.
	**8MD3 - Precinct 8, Putrajaya** ● Noise complaint and mitigated by the Environmental Department. ● Road closures. ● Dust control via dust control canvas and water bowser. ● Silt curtain for lake protection.
	**MINT - Seksyen 15, Shah Alam** ● Dust control via water bowser. ● Maintenance of public road access.
	**P163 - Menara DBKL, Kuala Lumpur** ● Maintenance of public road access.

QSHE SUSTAINABILITY (CONT'D)

Project	Community Affected/SOP Applied
	**EBG - Taman Jasa Utama, Gombak** ● Noise monitoring to monitor noise level. ● Water sampling to monitor river water quality.
	**SECA - Sultan Abdul Aziz Shah Airport, Subang** ● Maintenance of public road access. ● Silt trap and silt fence to control water quality discharge into Damansara River.
	**SPAC - Sarawak Performance Art Centre, Kuching** ● Renovation of building. ● Dust control via water bowser. ● Silt trap and silt fence to control water quality discharge into Sarawak River.

In order for the Group to conform to the requirements of its QSHE Policies and the QSHE Manual, internal audits specifically addressing QSHE issues are conducted twice annually. The resultant Audit Reports serve as guidelines for improvement. The Group also provides adequate Personal Protective Equipment (PPE) to all workers.

Fostering A Safe & Healthy Workplace

A safe working environment, the prevention of work injuries and illnesses, and access to healthcare are of utmost importance to the Group. The Group is committed to protecting the health and safety of all employees, as well as its subcontractors, suppliers, and workers. The Group ensures adherence to health protocols by adjusting its business operations and activities based on the requirements set by relevant health officials.

The Group focuses its priorities on:

- The protection and safety of its employees, workers, and subcontractors by maximizing all precautionary measures that can be put in place.
- The continuity of its business operations to fulfil its commitments and obligations.

At the Group's Head Office, there is a Safety, Health, and Environmental (SHE) Committee whose mission is to promote and enhance employees' safety and well-being at work. The committee meets quarterly to discuss topics requiring special attention and brings forward issues raised by employees in the organization to the Management.

QSHE SUSTAINABILITY (CONT'D)

Number of incidents, fatality, injuries, permanent disability

The Group reported that there was no fatality cases recorded, with one (1) Lost Time Incident reported in FY2024. The Group will strive to maintain excellent records in the upcoming years. Additionally, the Group has recorded the Lost Time Incident Rate (LTIR) for each of the projects under its management. The calculation of the LTIR is conducted using the following formula:

$$\frac{A}{B} \text{ X } 200{,}000$$

Where
A: Number of lost time injuries in the reporting period
B: Total number of hours worked in the reporting period

The LTIR for each of the projects under the Group was compared with the LTIR from the previous three years. The records are as follows:

Project	Lost Time Incident Rate		
	2022	2023	2024
MINT	0	0	0
8MD3	0	0	0
LRT3-TD2	0	0	0
P163		0	0
SECA			0
EBG			0
SBSB-10			0
SPAC			1.29*

*A = 1, B = 154,288

The overall trend reveals a strong safety performance across multiple projects, with only 1 Lost Time Incident (LTI) case in 2024. A thorough investigation was conducted to determine the root cause of the incident, ensuring that all preventive measures can be reinforced.

The Group will continue to focus on its safety performance by ensuring proactive safety measures, incident reporting, and continuous training, maintaining the previous years' achievement of zero Lost Time Injury (LTI) incidents. This commitment is further emphasised by two key QSHE objectives:

- To achieve zero Lost Time Injuries (LTI) for every 500,000 man-hours on projects valued at less than RM 300 million.
- To achieve zero Lost Time Injuries (LTI) for every 1,000,000 man-hours on projects valued at more than RM 300 million.

All project sites within the Group are urged to achieve these objectives. Any Lost Time Injury (LTI) incident is considered a deviation from these goals and triggers a comprehensive response. This response includes a thorough accident investigation and report, as well as corrective action procedures to prevent similar occurrences in the future.

QSHE SUSTAINABILITY (CONT'D)

Training related to Quality, Safety, Health & Environment

The Group is committed to engaging regularly with and educating its employees. Scheduled training sessions are conducted to ensure that all employees and workers are equipped with relevant and up-to-date information to meet safety and health requirements.

Apart from in-house training, the Group has also sent its employees for external training, especially for competent personnel such as Safety and Health Officers to collect Continuous Education Program (CEP) points.

Besides the CEP points training, other key employees were also sent for safety and health-related training, such as Lifting Supervisor and Basic Occupational First Aid training.

Various training sessions were conducted throughout FY2024, including internal and external training such as workshops, seminars, and conferences. A total of 174 employees attended the safety and health-related training, accumulating a total of 3,227.5 training hours.

Key Highlights on the Safety & Health Training for FY2024

Safety & Health Training	No. of Participants
Authorised Gas Tester & Entry Supervisor for Confined Space (AGTES)	8
Authorised Entrant & Standby Person for Confined Space (AESP)	21
Basic Occupational First Aid, CPR & AED	28
Certified Design for Safety - OSHCIM Professional Course	14
Lifting Supervisor Training	2
OSH Coordinator Course	8
Scaffold Inspector Courses (Basic, Intermediate & Advanced)	7
Site Safety Supervisor	2
Working Safety at Height	2
Total	**92**

Regular Health Awareness Program

The PERKESO Health Screening Program 3.0 is an initiative aimed at promoting the early detection of non-communicable diseases and enhancing overall health awareness among employees. By providing free health screenings, the program encourages participants to take proactive steps toward a healthier lifestyle. The participants comprised 73.50% male and 26.50% female employees, with a total of 117 employees participating in the program. The screenings were conducted at three locations: the Putrajaya (8MD3) Project site, the Subang (SECA) Project site, and the TRC Head Office.

Apart from that, a health workshop was organized in collaboration with PERKESO and MSOSH for a total of 36 participants, focusing on physical and mental health. These initiatives reinforce TRC's commitment to employee well-being and proactive health management.

Health Screening Program at 8MD3 Project Site

Health Day 2024 at SECA Project Site

QSHE SUSTAINABILITY (CONT'D)

Complaints Against Human Rights

Active monitoring and continuous improvement of labour practices and performance are paramount to protecting the well-being of employees at all levels. Upholding high standards of labour and human rights within the Group's operations safeguards the rights and dignity of all individuals involved.

Throughout FY2024, the Group received zero substantiated complaints against human rights.

ZERO
Complaint against human rights

Managing Environmental Footprint Effectively

Environmental responsibility is not just a goal but an integral part of our company culture. As a company in the construction sector, the Group is committed to minimizing our environmental impact and fostering a sustainable future. Therefore, the Group actively pursues initiatives to enhance environmental awareness among our workforce, particularly at project sites where our activities have a greater environmental footprint.

The three categories below represent significant activities that were successfully implemented and widely embraced by all involved throughout FY2024:

1. **General Activities**

- Safety, Health, and Environment ("SHE") induction training sessions were held at all project sites before work commencement and attended by all project staff and workers
- SHE briefings which cover environmental issues such as waste management, air pollution, noise pollution, water pollution, and erosion and sediment control were conducted during kick-off meetings prior to sub-contractors starting work. 3R (Reduce, Reuse, Recycle) programmes were also held in compliance with ISO 14001: 2015
- Weekly SHE inspections at all project sites to comply with the Department of Environment and local authority requirements and DOSH
- Monthly environmental monitoring of noise, vibration, and ambient air and water quality at all project sites
- Monthly SHE Committee Meetings at all project sites and quarterly at the Headquarters
- Internal QSHE Audit at all project sites carried out based on schedule.
- SHE Campaign involving top management
- Quarterly SHE Corporate Meetings
- Annual Management Review Meeting

OSH Coordinator Training at SECA Project Site

QSHE SUSTAINABILITY (CONT'D)

2. Training

Several series of training programmes on environmental awareness were organised throughout FY2024. The sessions which covered the following topics were aimed at continuously reminding all site staff and workers of the importance of environmental sustainability:

- Waste Management
- Erosion and Sediment Control
- Pollution on Environment (Air, Noise, Vibration, and Water)
- Flood Mitigation Control
- Environmental Aspect and Impact
- Life Cycle Perspective Table
- Environmental Regulations and Legislation
- Environmental Management Plan
- Scheduled Waste Management
- Sewage Management
- Sustainability Awareness

3. Environmental personnel are certified as competent to obtain certification

- Certified Environmental Professional in Scheduled Waste Management
- Certified Inspector of Sediment Erosion Control
- Certified Erosion and Sediment and Storm Water Inspector

In addition to the above, the QSHE department conducted several awareness training sessions for all personnel within the Group from every department and project site to ensure that the objectives and policies regarding environmental sustainability are understood and met.

The Group has also established key areas to be monitored, such as air, water, energy, and waste. It is through data collection and monitoring that the Group can achieve its set goals and objectives for sustainability efforts.

Continuous Awareness Efforts

The Group encourages a green mindset among its employees through their participation in sustainable office practices such as the **3Rs—Reduce, Reuse, and Recycle**. Appropriate signage, posters, and other means of communication are in place to promote awareness among employees.

Other means of creating awareness include turning off computers and other electrical appliances when not in use, pre-setting air conditioning temperatures at 24° Celsius in common areas and offices, and installing LED fluorescent bulbs in open spaces. The Group also shared educational information and messages on environmental awareness during various Company SHE meetings.

In addition, the Group is equipped with internationally recognized working standards, particularly in safety and health, to improve employee safety, reduce workplace risks, and create better, safer working conditions. The integrated management system (IMS) complies with various management system standards, such as ISO 14001, ISO 9001, and ISO 45001, and considers other international standards, including the International Labour Organization's ("ILO") Occupational Safety and Health Guidelines, various national standards, and the ILO's international labour standards and conventions.

These commitments to raising awareness of QSHE (Quality, Safety, Health, and Environment) excellence are reflected in the Group's mission statement, QSHE policies, and other SHE programs. All related policies, procedures, and programs are regularly reviewed at several levels of the working committee for continuous improvement.

QSHE SUSTAINABILITY (CONT'D)

Apart from the above, the Group's continuous commitment to environmental sustainability has driven its foundation, YTRC, to collaborate with the Local Government Authority, Ampang Municipal Council (MPAJ) and Kloth Circularity to organize a fabric recycling initiative known as the 'Sustainable Kloth Recycling Program' on 14 December 2024. This remarkable collaboration had successfully collected an impressive 3.472 tonnes of fabric waste, underscoring YTRC's dedication to sustainability and its efforts to raise awareness about textile waste management.

Sustainable Kloth Recycling Program in collaboration with MPAJ and Kloth Circularity

Commitment to the Environment

Energy Management

The Group regularly monitors and keeps track of the amount of energy usage within the Group. The comparative energy usage data from all project sites and the Head Office within the scope of the Statement are as follows:

Sites	Energy Consumption (GJ)		
	2022	2023	2024
Head Office	1070	1400.52	1349.00
TD2	219	63.36	0.00
8MD3	1963	2,673.54	2,898.83
PHQ		341.39	-
MRSM-R	2,277.10	82.18	-
P163		23.04	0.00
MINT	359	31.18	191.83
SECA	-	-	393.81
EBG	-	-	0.76
SBSB-10	-	-	155.85
SPAC	-	-	64.61
Total	**5,888.1**	**4,615.20**	**5,054.69**

Data could not be obtained due to incomplete data collection from the previous years
Completed project
New project

QSHE SUSTAINABILITY (CONT'D)

From year 2024 data, Building Energy Intensity (BEI) was calculated for Head Office by the formula of:

$$\textbf{Building Energy Intensity} = \frac{\textit{Total Energy Consumption (kWh per year)}}{\textit{Net Floor Area } (m^2)}$$

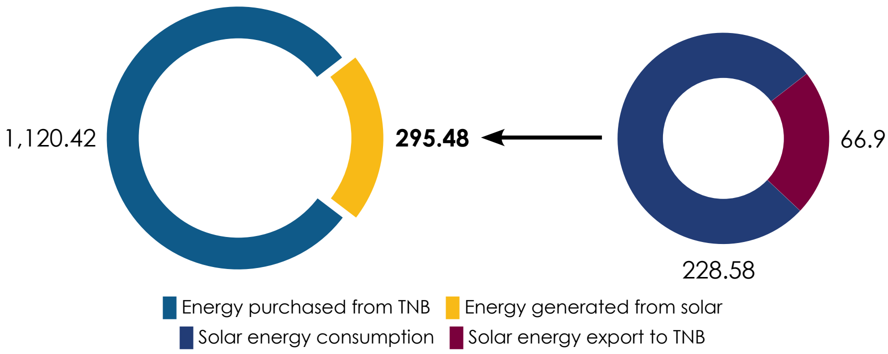
Where, total net floor area of the Group's Head Office = **4938.56 m²**

The Head Office's 2024 energy consumption of 1349 GJ (374,722.22 kWh) and a BEI of 75.88 GJ, achieving a 5-star National Building Energy Intensity Labelling. The Group revealed a positive trend in building energy efficiency represents 3.67 % decrease from the BEI in FY2023, which was 78.77. This sets a strong benchmark for our sustainability goals for future energy-saving initiatives and contribute to our overall commitment to environmental stewardship. The ranking of the National Building Energy Intensity Labelling can be viewed as follows:

BEI Range	Star Rating
BEI ≤ 100	5-star
100 ≤ BEI ≥ 130	4-star
130 ≤ BEI ≥ 160	3-star
160 ≤ BEI ≥ 250	2-star
BEI ≥ 250	1-star

The BEI was calculated only for the Head Office, as there is no absolute net floor area that can be obtained from the Project Site; the net floor area would change inconsistently according to the project progress. Of the 1,349 GJ used for the Head Office, 228.58 GJ (16.71%) of energy consumption came from Renewable Energy (Solar Power), which was installed on the Group's Head Office rooftop in April 2022. The energy usage for the Head Office can be tabulated as follows:

Energy Generation and Consumption at Head Office (GJ)



As shown in the pie chart above, a total of 295.48 GJ was generated from the solar panels. Of the 295.48 GJ, 228.58 GJ (77.36%) was consumed by the Head Office operations, while 66.90 GJ (22.64%) was exported to TNB. Other forms of solar energy generation were also observed in the Group, such as using tower lights and machinery equipped with solar panels. The solar power output from those machines was quantified at the SECA project site, with solar energy usage recorded at 8.65 GJ in 2024. This practice will be expanded to other project sites in the following years. The Company has also promoted good habits among employees, such as pre-setting the air conditioning to 24°C in common areas. Additionally, LED fluorescent bulbs have been installed in open spaces, and signs promoting electricity conservation are displayed in the power point areas.

QSHE SUSTAINABILITY (CONT'D)

Water Management

The water consumption within the Group primarily comes from purchased treated water supplied by Syarikat Air Selangor. However, there are some special occasions when water is extracted from natural resources such as rivers and rainwater harvesting for project sites. The data for water consumption can be viewed as follows:

Sites	Water Consumption (Megalitres)		
	2022	2023	2024
Head Office	5.216	7.584	8.243
TD2	5.031	13.161	1.528
8MD3	13.018	11.747	9.437
PHQ		7.045	-
MRSM-R	0.186	3.511	-
P163		2.400	0.000
MINT	7.366	31.18	0.000
SECA	-	-	177.312
EBG	-	-	0.025
SBSB-10	-	-	0.684
SPAC	-	-	2.240
Total	**30.817**	**45.488**	**199.469**

Data could not be obtained due to incomplete data collection from the previous years

No data was obtained from MINT as the project's water consumption was shared with the client's bill while for P163 project exhibits minimal and lean water usage.

Completed project

New project

From the total water consumption at project sites of 191.226ML, 0.96 ML was extracted from the detention pond at TD2. The use of untreated water has reduced the amount of treated water consumption by 0.50% in FY2024.

Water consumption at the Head Office saw a slight increase of 0.659ML in FY2024 compared to FY2023. To address this, the Group continuously implemented at both the Head Office and project sites initiatives and awareness including using water-efficient products and displaying water-saving signage at taps.

Water-saving Signage in Washrooms and Pantries at TRC Head Office

QSHE SUSTAINABILITY (CONT'D)

Waste Management

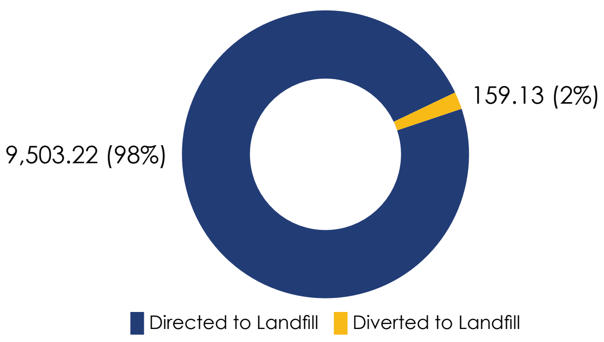
The Group is playing its role in reducing waste and its burden on the environment. In reducing waste from being end up in final disposal (cradle to grave), recycling or recovery methods are used as an approach to diverting waste from landfill (cradle to cradle). The comparative data on the Group's waste management are as follow:

Sites	Waste Generation (MT)					
	2022		2023		2024	
	Directed to Landfill	Diverted from Landfill	Directed to Landfill	Diverted from Landfill	Directed to Landfill	Diverted from Landfill
Head Office		0.42	4.88	0.32	4.29	0.25
TD2	617.19	25.16	698.92	4.81	280.94	0.00
8MD3	1,649.00	63.97	3,444.77	106.38	657.22	111.11
PHQ			135.80	2.77	-	-
MRSM-R	8,980.00		4,275.00	504.91	-	-
P163			10.50	0.00	0.00	0.00
MINT			36.16	0.00	43.44	0.00
SECA	-	-	-	-	8,517.29	47.78
EBG	-	-	-	-	0.04	0.00
SBSB-10	-	-	-	-	0.00	0.00
SPAC	-	-	-	-	0.00	0.00
Total	**11,246.16**	**89.55**	**8,606.03**	**619.19**	**9,503.22**	**159.13**
Grand Total	**11,335.71**		**9,225.22**		**9,662.35**	

Data could not be obtained due to incomplete data collection from the previous years
Completed project
New project

The total wastes directed to and diverted from landfill in FY2024 is presented in pie chart below:

Proportion of Wastes Directed to Landfill and Diverted from Landfill, 2024



The generation of waste is compared to the interim payment applications of each project to provide a proper comparison in Ringgit Malaysia as an indicator of the actual amounts of disposed waste between project sites (waste intensity). The waste intensity for 2024 was calculated using the following formula:

$$\textbf{Waste Intensity} = \frac{\text{Total Amount of Wastes Generation (MT per year)}}{\text{Amount if Interim Payment Application (RM)}} \times 1{,}000{,}000$$

QSHE SUSTAINABILITY (CONT'D)

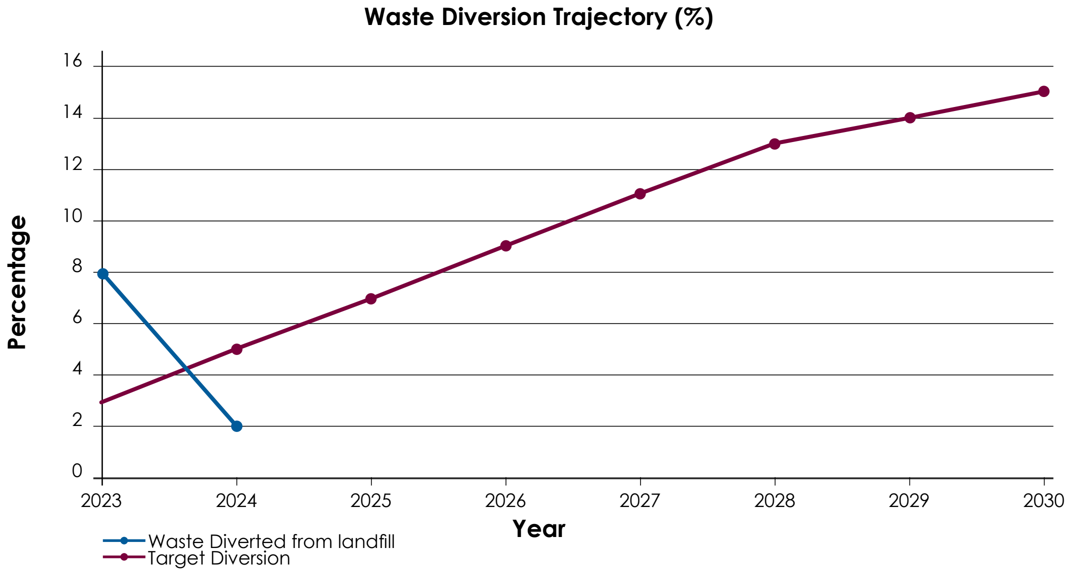
The wastes intensity can be viewed as follows:

Sites	Directed to Landfill (MT)	Wastes Intensity (MT/million RM)	Diverted from Landfill (MT)	Wastes Intensity (MT/million RM)
TD2	280.94	2.46	0.00	0.00
8MD3	657.22	5.65	111.11	0.9553
P163	0.00	0.00	0.00	0.00
MINT	43.44	0.79	0.00	0.00
SECA	8517.29	79.60	47.78	0.4466
EBG	0.04	0.02	0.00	0.00
SBSB-10	0.00	0.00	0.00	0.00
SPAC	0.00	0.00	0.00	0.00
Total	**9498.93**	**88.53**	**158.89**	**1.4019**

By comparing the waste intensity, it can be observed that the projects, listed from most to least waste-intensive, are SECA, 8MD3, TD2, and followed by MINT. For FY2024, the Group's percentage of diverted waste from landfill is 2%, while the percentage of waste directed to landfill is 98%.

Despite dedicated efforts to minimize waste and maximize recycling, our Group continues to face challenges in significantly diverting waste from landfills. A substantial portion of our waste stream remains landfilled, primarily due to high levels of contamination and mixed waste that are difficult to sort and process for recycling. In these cases, landfill disposal often becomes the most viable option.

To address this, the Group has set a target of diverting 15% of all waste from landfills by 2030. The Waste Diversion Trajectory are presented as follow:



QSHE SUSTAINABILITY (CONT'D)

In FY2023, the percentage of waste diverted from landfill was approximately 8%, but it significantly dropped to around 2% in FY2024, falling well below the target of 5% for that year. It is concerning, as the decline is largely attributed to several major demolition projects initiated that year such as Project SECA which generated substantial amounts of non-recyclable materials, leaving landfill disposal as the only viable option. In contrast, the low volume of recyclable materials reported during the same period highlights a significant disparity between the waste diverted and the amount ultimately directed to landfills.

This chart highlights a concerning short-term decline in performance between FY2023 to FY2024, emphasizing the need for strategic interventions to realign with the upward trend required to meet long-term diversion targets. To achieve this, the Group will focus more on recycling and recovery campaigns at the Group's Project Sites, recognizing their significantly higher waste generation compared to that of the Head Office.

Emission Management

In support of Malaysia's Net Zero Target by 2050 and the commitment to reducing GHG emissions intensity by 45% relative to GDP by 2030 (based on 2005 emissions intensity) as outlined in the Paris Agreement, the Group is committed to tracking and reducing its GHG emissions by implementing green initiatives within the Group.

The Group has continued to measure its GHG emissions in FY2024 for Scope 1, which includes stationary combustion and mobile combustion sources, Scope 2 emissions, and Scope 3 emissions for Category 6: Business Travel and Category 7: Employee Commuting. The emissions data for Scope 1 (stationary combustion) and Scope 2 can be viewed as follows:

Sites	Scope 1 emissions (tCO_2e)*	Carbon Intensity (tCO_2e/million RM)	Scope 2 emissions (tCO_2e)	Carbon Intensity (tCO_2e/million RM)
HQ	0.00	-	235.91	-
TD2	29.52	0.26	0.00	0.00
8MD3	245.39	2.11	610.37	5.25
P163	2.13	7.94	0.00	0.00
MINT	62.02	1.12	40.39	0.73
SECA	362.54	3.39	82.92	0.78
EBG	0.00	0.00	0.16	0.09
SBSB-10	1.60	0.10	32.82	2.08
SPAC	62.33	8.77	13.60	1.92
Total	**765.53**	**23.69**	**1,016.17**	**10.85**

*Emission data of scope 1 for stationary combustion only

Where, the carbon intensity was calculated by the formula of:

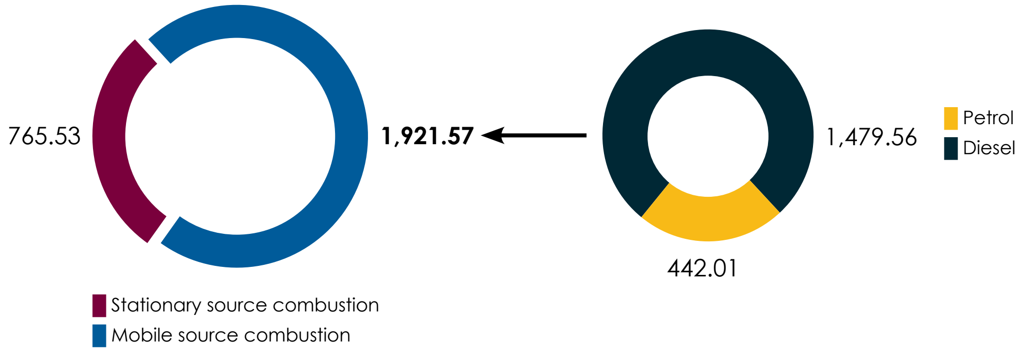
$$\textbf{Carbon Intensity} = \frac{\text{Total Amount of GHG Emissions (tco}_2\text{e per year)}}{\text{Amount of Interim Payment Application (RM)}} \times 1,000,000$$

The carbon intensity for the Head Office was excluded because the Head Office did not have any progress claims to apply. However, absolute emissions were used to measure the Head Office's emissions. Since the Head Office used solar energy as one of its energy sources, it achieved a total of 62.22 tCO_2e avoidance throughout the year.

QSHE SUSTAINABILITY (CONT'D)

The distribution of the Group's Scope 1 Emissions by source of combustion is presented by pie chart as follows:

Scope 1 Emission Distribution for Stationary and Mobile Source Combustion



*Stationary source combustion consist of diesel only

For the FY2024, The Group has successfully included its mobile combustion in its scope 1 measurement as planned. The recorded mobile combustion for scope 1 is 1921.56 tCO_2e, which contributes to a total of 2687.09 tCO_2e for the whole scope 1 within the Group.

Apart from the Head Office's CO_2e avoidance from solar energy, the SECA project has also quantified its CO_2e avoidance at 1.82 tCO_2e. Together this has amounted to 6.30% of the total Scope 2 GHG emissions throughout the Group which in total of 1,016.17 tCO_2e for this FY2024.

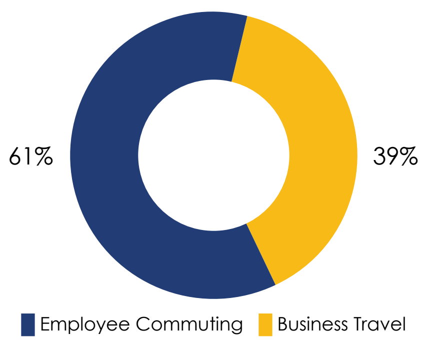
As for Scope 3, the Group has taken measures on how to report emissions in FY2024 for the business travel and employee commuting categories. For the employee commuting category, a survey was conducted among the Group's employees to obtain data on Greenhouse Gas (GHG) emissions.

The emission data for scope 3 by both categories can be viewed as below:

Scope 3 emissions (tCO_2e)	
Category 6: Business Travel	327.89
Category 7: Employee Commuting	521.12
Total	**849.01**

The distribution of Scope 3 Emissions by category is presented by pie chart below:

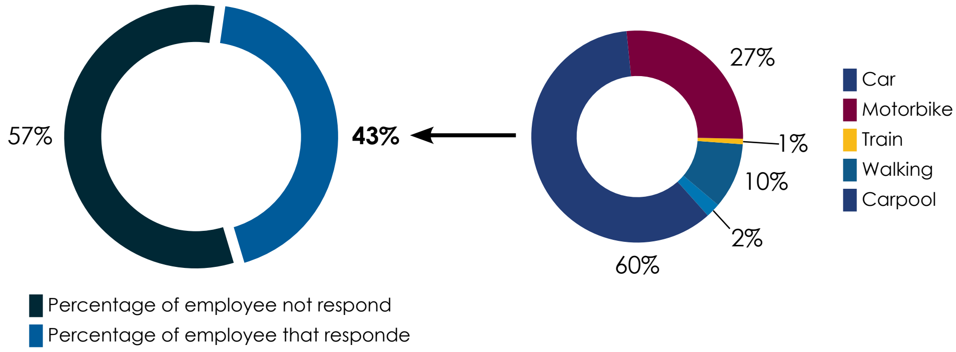
GHG Emissions: Scope 3 by Category



QSHE SUSTAINABILITY (CONT'D)

For the FY2024, participation of employees in the GHG Emissions: Employee Commuting survey according by responses is presented in pie chart below:

Breakdown of GHG Emissions: Employees Commuting Surveys by Responses



Out of 680 employees, 57% (390) did not respond, while 43% (290) provided responses. This indicates that the commuting data represents less than half of the workforce, suggesting that the actual overall emissions impact could be higher than reported.

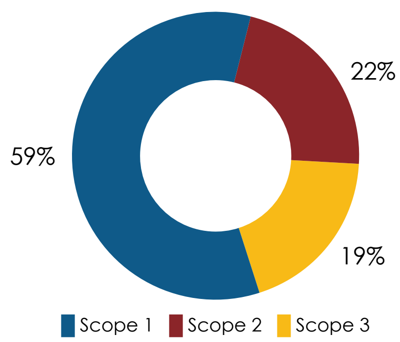
Among the employees who responded, the primary mode of transportation was cars, accounting for 60% of commuters. This suggests that a significant portion of employees rely on personal vehicles, which are known to contribute substantially to GHG emissions. The second most common mode of transport was motorbikes, used by 27% of employees. Although motorbikes are generally more fuel-efficient than cars, they still contribute to emissions.

A smaller percentage of employees adopted more sustainable commuting methods, with walking accounting for 10%, making it the most environmentally friendly option. Meanwhile, only 2% of employees carpooled, highlighting a potential area for improvement in reducing emissions through ride-sharing initiatives. These initiatives were supported by the provision of the Company's accommodation for employees. Out of the 290 responding employees, 28% (82) reside in company-provided accommodation. Lastly, 1% of employees used trains, suggesting that public transportation is not a widely adopted option among respondents.

Overall, the data indicates that personal vehicle usage is the dominant commuting method, significantly contributing to GHG emissions. Encouraging alternative transportation methods, such as public transit, carpooling, and walking, could help mitigate the environmental impact of employee commuting.

In summary, the distribution of the scopes of emissions produced by the Group throughout FY2024 is presented as follows:

Total Emission of Green House Gases (tCO_2e)



The total carbon dioxide equivalent (CO_2e) emissions are categorised into three scopes: Scope 1, Scope 2, and Scope 3. These categories represent different sources of emissions, each contributing to the overall environmental impact.

Scope 1 emissions account for 59% of total emissions, amounting to 2,687.09 tCO_2e. These emissions originate from direct sources controlled by the organization, such as fuel combustion in company-owned vehicles, machinery, and any fuel-burning equipment. The high percentage indicates that a significant portion of the company's carbon footprint comes from direct energy consumption.

QSHE SUSTAINABILITY (CONT'D)

Scope 2 emissions contribute 22% of total emissions, amounting to 1,016.17 tCO_2e. These emissions result from purchased electricity used by the organization. While not directly produced by the company, they arise from energy generation by external providers, namely Tenaga Nasional Berhad (TNB). This moderate percentage suggests that electricity consumption plays a crucial role in the company's overall carbon footprint.

Scope 3 emissions account for 19% of total emissions, amounting to 849.01 tCO_2e. These emissions originate from sources not owned or directly controlled by the company but are associated with its operations, such as employee commuting and business travel. The lower percentage compared to Scope 1 and Scope 2 suggests that indirect operational activities contribute less to the overall emissions, but they still have significant environmental implications.

The data highlights that direct emissions (Scope 1) are the largest contributor to the company's total carbon footprint, followed by indirect emissions from purchased energy (Scope 2) and other indirect emissions (Scope 3). To reduce overall emissions, the Group has focused on improving its energy efficiency, transitioning to renewable energy sources, and implementing best management practices.

Sustainable Practices and Efforts by Element Melbourne Richmond Hotel

Since inception, the Hotel which is operated in suburban Melbourne Australia has demonstrated a continuous dedication to sustainability by incorporating eco-conscious practices throughout the property, including:

- water-efficient taps and fixtures;
- energy-efficient appliances;
- motion sensor lighting controls in all the public areas around the hotel;
- smart energy in room;
- energy-saving LED lighting and controls;
- an extensive recycling program;
- daylight glare control to reduce use of air conditioning;
- CO_2 sensors to monitor indoor and car park air quality; and
- rain water harvesting and non-chemical water treatment.

Additionally, the Hotel has sustainable elements and practices available for guests to enjoy such as:

- simple furniture using organic and natural materials in all lobby, dining, meeting, and guest room spaces;
- carbon neutral flooring;
- a Bike-to-Borrow Program;
- electric vehicle charging stations;
- in-room linen change program for guests;
- option of contactless check in – mobile check in and mobile key; and
- QR Code Food and Beverage ordering system.

The hotel prides itself on maintaining a very small plastic footprint. For example, shampoo and body wash dispensers are provided in rooms as an alternative to individual plastic amenities. Instead of traditional plastic water bottles, the hotel offers eco-friendly and refillable water bottles.

The Hotel has installed a state-of-the-art filtration system at its water source, providing filtered water at every faucet in the Hotel. Guests are encouraged to refill the eco-friendly bottles provided rather than purchase plastic bottles.

The function and meeting rooms are set with linen-free tables, and 100% recycled materials are used for all stationery throughout the Hotel. The Executive Chef tends to his own outdoor herb garden at the Mint Lane Restaurant, where the ingredients are featured in numerous dishes. Our beer and wine list offered to guests features all Victorian-based beverages.

The Hotel has also signed up for Earth Check accreditation and is working towards a Sustainability Certification in 2025. The hotel has also recently completed a full Level 2 Energy Assessment and Audit.

ECONOMIC SUSTAINABILITY

Strengthening Corporate Governance

The Company firmly believes that good corporate governance will lead to enhanced economic sustainability for the Group, as it can improve the overall efficiency and effectiveness of its business activities. Therefore, the Group is committed to achieving excellence in corporate governance. It endeavors to ensure that the highest standards of corporate governance are practiced throughout the Group as a fundamental part of discharging its responsibilities to create, protect, and enhance shareholders' value.

Hence, the Group fully supports the principles and best practices outlined in the Listing Requirements, the Malaysian Code on Corporate Governance ("the Code"), and other prevailing rules and regulations to enhance business prosperity and maximize shareholders' value.

The Group understands its duty as a public listed company to disclose accurate and timely information to its shareholders and other stakeholders. In addition to making timely announcements to Bursa Malaysia and the Group's website, the Group is also committed to good corporate governance practices, guided by ethical foundations and responsible interactions with stakeholders.

The Group has established a Board Charter, Code of Conduct, Boardroom Policy, Sustainability Policy, Anti-Bribery and Corruption Policy, and Whistleblowing Policy and Procedures, which are published on the Company's website at www.trc.com.my. These documents are regularly reviewed and updated by the relevant Board committees.

The Group's corporate governance practices are reported in the Corporate Governance Overview Statement of this Annual Report, which should be read together with the Company's 2024 Corporate Governance Report. The Board will continuously evaluate the Group's corporate governance practices and procedures, and where appropriate, will adopt and implement the best practices enshrined in the Code in the best interests of the Company's economic sustainability.

Continuing Outstanding Track Record and Reputation

The Company recognizes that the Group's sound business conduct, especially its successful implementation of projects in its construction, property development, and investment activities, will have a significant impact on the Group's overall reputation, which will ultimately affect its economic sustainability.

Based on the above premises, the Board will ensure that all work undertaken by the Group is completed on time and to the highest standard of quality, in line with the expectations of clients as outlined in the Group's Quality Management System in accordance with ISO 9001:2015.

As part of the Group's sustainable development initiative, the Group ensures that most of its development projects conform to QLASSIC (Quality Assessment System in Construction – CIS7). One of the recently assessed development projects, PPAM, has obtained a QLASSIC score of 70% (assessed by CREAM in December 2023). Furthermore, the QLASSIC programme is being expanded to two currently ongoing projects: 8MD3 (a mixed development project) and PHQ (Prasarana Head Quarters). These two projects are scheduled for QLASSIC assessment by CIDB in 2024. The Group has been initiating and providing various QLASSIC and quality-related training to increase the knowledge and competency of its relevant personnel.

SCORE Award Recipient for FY2024

ECONOMIC SUSTAINABILITY (CONT'D)

Additionally, the Group has achieved a certificate of award for the 'Excellent Achievement of 5 Million Man-Hours Without Lost Time Injury (LTI) up to November 2023.' This award was presented by Putrajaya Holding Sdn Bhd for Project 8MD3 (a mixed development project).

To equip itself with internationally recognized working standards, the Group has been pursuing ISO certifications since 2002. In 2019, the Group was accredited with ISO 45001 (Safety and Health Standard) and ISO 14001 (Environmental Standard). Moving forward, the Group has initiated the necessary processes for ISO/IEC 17025, General Requirements for the Competence of Testing and Calibration Laboratories. In addition, the Group has successfully maintained its lab accreditation (SAMM) from Jabatan Standard Malaysia, which is valid until June 2028. Furthermore, we have established an accredited site lab at 8MD3 (a mixed development project) to support project needs.

In continuation of the above, the Group voluntarily participated in the Safety and Health Assessment System in Construction assessment conducted for Project PHQ – Prasarana Head Quarters (received a 5-star rating for an excellent Occupational Safety and Health [OSH] management system, planned and implemented with proactive commitment from top management to manage OSH at all times). This was a voluntary safety and health assessment program conducted by CIDB to evaluate the level of safety and health compliance at the Group's projects.

Nevertheless, the Group will continue to promote greater value for money for industry clients while upholding environmental responsibility in its delivery process. Alongside this, it aims to enhance the viability and competitiveness of domestic construction enterprises and optimize the contributions of all participants and stakeholders through process improvements, technological and institutional advancements, and human resource development.

Promoting Anti-Bribery and Corruption Practice

In line with Chapter 15.29 of the Listing Requirements and Bursa Securities' anti-bribery guidelines, and in compliance with the Malaysian Anti-Corruption Commission (Amendment) Act 2018, the Group has adopted its Anti-Bribery and Corruption Policy since the date of its endorsement by the Board of Directors on November 27, 2020.

The objective of this policy is to provide the Group with information and guidance on the required standards of behaviour, including how to identify and address bribery and corruption. Compliance with the Group's Anti-Bribery and Corruption Policy is mandatory for all employees. The Group ensures that its engagements with government authorities, investors, suppliers, contractors, and business partners adhere to high ethical standards, reflecting its commitment to integrity and compliance with this policy.

In FY2024, the Group is focusing on targeting 85% of executive-level employees to receive training related to Anti-Bribery and Corruption practices, as they have greater access to and risk of bribery and corruption. A total of 282 out of 322 executive-level employees (88%), representing 61% of the total targeted workforce has received training on the Anti-Bribery and Corruption Policy set by the Group. Moving forward, the Group aims to ensure that 100% of targeted employees understand the policy and best practices to avoid any form of bribery and corruption within the organization.


Anti-Bribery and Corruption Policy Briefing Awareness Program at TRC Head Office

ECONOMIC SUSTAINABILITY (CONT'D)

Complementing these efforts, the Group's Whistleblowing Policy governs the reporting and escalation of suspected misconduct for both internal and external stakeholders. Both policies, along with other guidelines, are communicated to Directors, employees, and all third parties, including but not limited to agents, subcontractors, suppliers, and joint ventures, through multiple channels such as new hire induction, regular anti-bribery training sessions, and the Group's official website.

There were zero confirmed incidents of corruption across the Group's business operations, and there were zero monetary losses arising from legal proceedings associated with charges of bribery or corruption in FY2024.

Subsequently, to strengthen the Group's commitment to upholding integrity, accountability, and transparency in its business operations, the Group's wholly-owned subsidiary and construction arm, Trans Resources Corporation ("TRC"), is embarking on the Anti-Bribery Management System ("ABMS"). The Group aims to be accredited with the relevant certification by the year 2026 and consistently reaffirms its compliance with local laws and regulations relating to bribery and corruption.

Protecting Data Security

As a property developer and construction company, the Company manages substantial amounts of personal data, particularly client information collected in connection with the sale and purchase of the properties it develops. In compliance with the Personal Data Protection Act 2010 ("PDPA"), the Company is committed to maintaining the confidentiality and privacy of all personal data and will not disclose it to third parties unless required by law or authorized enforcement agencies.

At present, in compliance with the PDPA, the Company's subsidiaries, ADS Projek Sdn Bhd and TRC Land Sdn Bhd, are registered with the Department of Personal Data Protection (DPDP). The Group collects all data with the clients' explicit consent, ensuring they are fully informed and aware of its collection for internal purposes as agreed upon. To safeguard against data privacy breaches, the Company upholds high security standards for its systems. Access to the system storing client data is restricted to authorized personnel only, as approved by the Management, and requires the use of customized IDs.

Throughout FY2024, we had no substantiated complaints or cases of customer data breaches, leaks, theft, or loss. The Group remains dedicated to protecting its stakeholders' data privacy.

ECONOMIC SUSTAINABILITY (CONT'D)

Enhancing Cybersecurity

The Group has implemented a comprehensive cybersecurity strategy to mitigate risks in response to the growing cybersecurity threats worldwide. Protecting data and information belonging to stakeholders against security breaches is crucial, given the increasing threats to cybersecurity. Concerns related to these areas have been paramount from the stakeholders' perspective, as demonstrated by the results of the Engagement Surveys conducted by the Company since 2021.

In this regard, the Company acknowledges that cybersecurity and customer privacy are central to its reputation and the trust that the Group engenders as an organization, notwithstanding the increasing frequency and sophistication of cybersecurity incidents directed at companies in various industries.

During the year, the Information and Communications Technology ("ICT") Department is committed to ensuring compliance with ethical business conduct as well as maintaining ethical and responsible data privacy through cybersecurity management, in addition to providing a secure working environment:

a) Utilizing up-to-date technologies and tools to protect information, including multi-factor authentication, firewalls, and intrusion detection and prevention systems;
b) Providing awareness training for employees on data privacy and cybersecurity, covering a broad range of security topics, including password protection, social engineering, and compliance;
c) Implementing incident response measures and procedures to ensure timely and accurate resolution of computer security incidents;
d) Continually educating staff on issues related to cybersecurity and customer privacy;
e) Implementing a Computer Usage Policy as guidance to create a safe computer environment within the Group; and
f) Strengthening internal measures to prevent information leakage during the transfer process of computer or laptop usage, especially from staff who resign or retire to new staff.

In FY2024, no reports of cybersecurity attacks on the Group's business activities have been made.

Henceforth, the Group will continuously work to improve its cybersecurity control measures through investments in both IT infrastructure and systems. The Group will also rapidly increase awareness of the evolving landscape of cyber threats and emphasise the importance of cybersecurity practices across the Company's business operations.

Additionally, the Group aims to proactively identify vulnerabilities, safeguard sensitive information, and foster a culture of security awareness at all levels of the Company.

Stimulating Local Supply Chain

The Group believes that sourcing construction-related materials, machinery, and equipment through local supply chains reduces the environmental footprint, particularly when importing goods or services from abroad. This approach lowers costs, shortens lead times for supply fulfillment, and diminishes environmental impact due to shorter logistical distances, while also supporting local employment and the economy.

The Group prioritises engaging local contractors, suppliers, and service providers whenever possible, directly contributing to the development of the local economy and communities. Engaging a local supply chain is also more efficient, as they understand local requirements better and help promote the Group's business operations, facilitating better credit facilities.

Moreover, the Group believes that local supply chains ultimately elevate local procurement, encouraging job opportunities, promoting the development of local businesses, and generating economic multiplier effects that benefit local communities.

ECONOMIC SUSTAINABILITY (CONT'D)

Highlights of the Local Sourcing during FY2024

Sites	No. of Local Suppliers	Percentage of Local Contents
8MD3	53	100%
EBG	6	100%
MINT	21	100%
SECA	25	100%
TD2	10	100%
Total	**115**	**100%**

In addition, the Group adheres to the MS ISO 9001:2015 Quality Management Systems standards and has implemented an Integrated Management System (IMS) for procurement. This commitment enables the Group to coordinate its performance effectively, achieve excellence in value delivery, and ensure that quality, health, safety, and environmental factors are seamlessly integrated into all operations.

All suppliers, subcontractors, vendors, and service providers are evaluated based on technical proficiency and overall capability through an annual assessment conducted over the year. The assessment includes environmental concerns among its considerations. This is part of the company's continuous efforts to integrate sustainability matters into its daily business operations and support the development and implementation of enterprise sustainability plans.

Looking ahead, the Group aims to extend its values and principles to suppliers, subcontractors, vendors, and service providers in order to foster trust and provide long-term benefits to all stakeholders in the Group's supply chain.

Sustaining and Growing Business

The Company and its stakeholders both agree that economic sustainability is the most important material sustainability matter. The Company recognises that prioritising financial value alone is not conducive to a sustainable business framework. The Company believes that the adequate financial strength of an organization allows it to address all other materiality issues with precision, ease, and without any financial hindrances. The Group's diverse sustainability initiatives and policies are made possible through significant financial investment.

During FY2024, the Group's key focus remained on preserving its capability to generate value for all its stakeholders. Therefore, the Group strongly focused on business sustainability and growth to create economic value for its stakeholders.

The Group's economic performance is directly proportional to project progress; hence, the Group encourages forward planning to manage its risks, develop appropriate mitigation measures, and create clear and reasonable goals. The Group's financial performance for FY2024 is disclosed and further explained in the Management Discussion and Analysis section of this Annual Report.

The Company firmly believes that construction and property development are fundamental to societal progress and remain a priority in the Government's strategic plan. Hence, the Group is consistently exerting its maximum effort to play a role in the industry alongside stronger domestic demand, stabilized construction material prices, and an improving labor market.

THE GROUP'S SUSTAINABILITY OVERSIGHT

In its pursuit of sustainability, the Group remains committed to managing its business in a balanced and responsible manner. Moving beyond mere words, the Group strives for meaningful action with a significant impact, recognising that sustainability is not just a theoretical ideal but a practical necessity. By all measures, it is the most practical approach while embracing a well-balanced way of life. With this in mind, the Group is devoted to working closely with its stakeholders, whenever and wherever feasible, to achieve business objectives while promoting sustainability across environmental, economic, and social aspects, driving positive outcomes in these areas.

Sustainable development is more than a goal. It is our responsibility to our planet and future generation

António Guterres
United Nations Secretary General

BURSA MALAYSIA ESG REPORTING PLATFORM PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2024	2023
Bursa (Community/Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	285,144.56	127,387.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	580	193
Bursa (Diversity)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Executive and Above Under 40	Percentage	20.6	19.97
Executive and Above Between 41-60	Percentage	23.0	21.06
Executive and Above Above 61	Percentage	3.2	2.56
Non-executive Under 40	Percentage	36.7	38.87
Non-executive Between 41-60	Percentage	16.1	16.19
Non-executive Above 61	Percentage	0.4	1.35
Gender Group by Employee Category			
Executive and Above Male	Percentage	29.4	28.34
Executive and Above Female	Percentage	17.4	15.25
Non-executive Male	Percentage	48.1	50.07
Non-executive Female	Percentage	5.1	6.34
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	62.5	66.7
Female	Percentage	37.5	33.3
Under 40	Percentage	0	0
Between 41-60	Percentage	37.5	33.3
Above 61	Percentage	62.5	66.7
Bursa (Labour practices and standards)			
Bursa C6(a) Total hours of training by employee category			
Executive and Above	Hours	7,269.0	6268
Non-executive	Hours	1,262.5	1019
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	67.3	68.7
Bursa C6(c) Total number of employee turnover by employee category			
Executive and Above	Number	29	43
Non-executive	Number	104	145
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Bursa (Health and safety)			
Bursa C5(a) Number of work-related fatalities	Number	1	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	1.29	0
Bursa C5(c) Number of employees trained on health and safety standards	Number	174	215
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	1340.59	1282.00
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	199.47	45.48
Bursa (Data privacy and security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Executive and Above	Percentage	61	0
Non-executive	Percentage	0	0
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0	0
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100	80
Bursa (Waste management)			
Bursa C10(a) Total waste generated	Metric tonnes	9662.35	0
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	159.13	0
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	9503.22	0
Bursa (Emissions management)			
Bursa C11(a) Scope 1 emissions in tonnes of CO_2e	Metric tonnes	2687.09	0
Bursa C11(b) Scope 2 emissions in tonnes of CO_2e	Metric tonnes	1016.17	0
Bursa C11(c) Scope 3 emissions in tonnes of CO_2e (at least for the categories of business travel and employee commuting)	Metric tonnes	849.01	0

Internal assurance	External assurance	No assurance	(*)Restated

CORPORATE STRUCTURE

TRC SYNERGY BERHAD
199601040839 (413192-D)

- 100% **ADS PROJEK SDN BHD** 201201037346 (1021828-M)
- 100% **ADS SENTRAL SDN BHD** 200401006674 (645178-P)
- 100% **TRC ENERGY SDN BHD** 200301014028 (616448-K)
- 100% **TRC (AUST) PTY LTD** (ACN137500611)
  - **TRC (AUST) HOTEL PTY LTD** (ACN 629339466) 100%
- 100% **TRANS RESOURCES CORPORATION SDN BHD** 198401007746 (120265-P)
  - **TRC NIAGA SDN BHD** 198601002256 (151401-V) 100%
  - **TRC (B) SDN BHD** (RC/00008574) 90%
  - **TRANS HANDAN BRIDGE SDN BHD** 201701047775 (1261951-T) 70%
  - **ETPJV SDN BHD** 201601029333 (1200274-H) 51%
  - **HEXIDE ENGINEERING SERVICES SDN BHD** 200301035518 (637939-H) 30%
- 100% **TRC LAND SDN BHD** 199701028663 (444162-W)
  - **TRC DEVELOPMENT SDN BHD** 199401023567 (309248-U) 100%
  - **TRC LAND (CAMBODIA) LIMITED** (6234/09E) 100%
    - + 34% **DELTA GARDEN LIMITED** (11524/08P)

CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Sri Dr Ahmad Kamarulzaman Ahmad Badaruddin
Chairman
Independent Non-Executive Director

Tun Jeanne Binti Abdullah
Independent, Non-Executive Director
Immediate Past Chairperson

Tan Sri Dato' Sri Sufri Bin Hj Mohd Zin
Managing Director

Dato' Abdul Aziz Bin Mohamad
Deputy Group Managing Director

Dato' Richard Khoo Teng San
Executive Director

Dato' Sr. Abdull Manaf Bin Hj Hashim
Independent Non-Executive Director

Fadzilah Binti Mohd Salleh
Independent Non-Executive Director

Puteri Liza Elli Sukma
Independent Non-Executive Director

Siti Sarlina Binti Abdul Rahman
Alternate Director to
Dato' Abdul Aziz Bin Mohamad

Abdul Aziz Bin Mohamed
Alternate Director to
Tan Sri Dato' Sri Sufri Bin Hj Mohd Zin

COMPANY SECRETARY

Abdul Aziz Bin Mohamed
(LS0007370)
(SSM PC No. 201908003187)

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
Main Market (Construction)
Stock No. 5054

WEBSITE

www.trc.com.my

REGISTERED OFFICE/PRINCIPAL PLACE OF BUSINESS

TRC Business Centre, Jalan Andaman Utama,
68000 Ampang, Selangor.
Tel.: 603-41038000
E-mail: info@trc.com.my *(for general information and inquiries)*
alert@trc.com.my *(for whistleblowers)*

BRANCH OFFICE

3rd Floor, Lot 3627, Lorong Rock 2, 93200 Kuching, Sarawak.
Tel: 082-231906 Fax: 082-231853

AUDITOR

SBY Partners PLT (AF0660)
9-C Jalan Medan Tuanku, Medan Tuanku, 50300 Kuala Lumpur.
Tel: 603-26938837 Fax: 603-26938836

SHARE REGISTRAR

Mega Corporate Services Sdn Bhd
Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail,
50250 Kuala Lumpur.
Tel: 603-26924271 Fax: 603-27325388 & 603-27325399

PRINCIPAL BANKERS

RHB Bank Berhad
AmBank (M) Berhad
Affin Bank Berhad
HSBC Bank Malaysia Berhad
Standard Chartered Bank Malaysia Berhad
Bangkok Bank Berhad
Hong Leong Bank Berhad
Malayan Banking Berhad
Kuwait Finance House (Malaysia) Berhad

SOLICITORS

Messrs Noorzilan & Partners
Messrs C.C. Choo, Hazila & Teong
Messrs Zain Megat & Murad
Messrs Jeff Leong, Poon & Wong
Messrs Adam Bachek & Associates

BOARD OF DIRECTORS

Sitting (From left to right)
Dato' Richard Khoo Teng San (Executive Director)
Tan Sri Dato' Sri Sufri Bin Hj Mohd Zin (Managing Director)
Tan Sri Dr Ahmad Kamarulzaman Ahmad Badaruddin (Chairman, Independent Non-Executive Director)
Dato' Abdul Aziz Bin Mohamad (Deputy Group Managing Director)
Abdul Aziz Bin Mohamed (Alternate Director to Tan Sri Dato' Sri Sufri Bin Hj Mohd Zin)

Standing (From left to right)
Puteri Liza Elli Sukma (Independent Non-Executive Director)
Siti Sarlina Binti Abdul Rahman (Alternate Director to Dato' Abdul Aziz Bin Mohamad)
Fadzilah Binti Mohd Salleh (Independent Non-Executive Director)
Dato' Sr. Abdull Manaf Bin Hj Hashim (Independent Non-Executive Director)

Not in the photo
Tun Jeanne Binti Abdullah (Independent, Non-Executive Director) (Immediate Past Chairperson)

PROFILE OF DIRECTORS

TAN SRI DR. AHMAD KAMARULZAMAN AHMAD BADARUDDIN

Chairman
Independent Non-Executive Director

66

Tan Sri Dr Ahmad Kamarulzaman was appointed as a Director of the Company on 25 April 2019. He was then re-designated as Chairman of the Company on 1 March 2024.

He graduated from the University of Strathclyde Business School, Scotland in 1999 with a Master Business Administration. He also obtained a Master of Arts in Defense Studies and International Relations from the Universiti Kebangsaan Malaysia in 2003. He also completed the Executive Program in Business Management at Kenan-Flagler Business School, University of North Carolina, USA. Tan Sri Dr Ahmad Kamarulzaman also completed the Advanced Management Program at Harvard Business School, Harvard University, Boston USA in 2019.

He has served King and country for 42 years and has held numerous positions in the Navy and Joint Services including that of the Chief of Staff of the Malaysian Armed Forces Headquarters and the Joint Force Commander of the Malaysian Armed Forces. He achieved a peak in his career as he assumed command of the 16th Royal Malaysian Navy Chief on 18 November 2015 before he effectively retired on 30 March 2019.

He attended five (5) Board of Directors Meetings held during the financial year ended 31 December 2024.

TUN JEANNE BINTI ABDULLAH

Independent Non-Executive Director
Immediate Past Chairperson

72

Tun Jeanne Binti Abdullah Tun Jeanne Binti Abdullah was appointed as a Director of the Company on December 1, 2017 and subsequently as chairman on 27 February 2018. On 1 March 2024 she was redesignated as the Chairman of the Sustainability Committee. She was appointed as a member of Audit and Risk Management Committee on 27 June 2024. The Honourable Tun Jeanne is the wife of the Former Prime Minister of Malaysia, Tun Abdullah Ahmad Badawi.

Tun Jeanne is the Chancellor of the Open University Malaysia as well as the Chairman of Landscape Malaysia and Tropical Rainforest Conservation and Research Centre, the Executive Chairman of Sekretariat Malaysia Prihatin, and Patron of the Malaysian Paralympic Council.

She received an honourary degree in Sustainability Science from Universiti Malaysia Kelantan and another honourary degree from the University of Nottingham for her outstanding advocacy for conservation. She is also the patron of the Sustainability Committee.

During the financial year ended 31 December 2024, Tun Jeanne attended all five (5) Board of Directors Meetings held during the year.

TAN SRI DATO' SRI SUFRI BIN HJ MOHD ZIN
Managing Director

69

Tan Sri Dato' Sri Sufri Bin Hj Mohd Zin is the founder of the TRC Group of Companies. He was appointed as the Managing Director of TRC Synergy Berhad on 29 March 2002. He held the position of Executive Chairman of the Company before being re-designated as Managing Director. He is also the Managing Director of the Group's subsidiary Companies.

Tan Sri Sufri graduated from the MARA Institute of Technology in 1982 with a Diploma in Business Studies. He began his career with Standard Chartered Bank before joining Bank Bumiputera Malaysia Berhad in 1982 as an International Banking Division Officer. He then went on to pursue a Bachelor's Degree in Jurisprudence at University of Malaya (UM) and he has since obtained a Master's Degree in Business Law and National University of Malaysia (UKM) in 2014.

In August 2009, he received an Outstanding Entrepreneurship Award organized by Enterprise Asia. He achieved a great personal milestone when he was honoured as CEO of the Year by the Construction Industry Development Board (CIDB) that same year. CIDB also named him as Winner of Contractor of the Year at their Malaysian Construction Industry Excellence Awards 2011. In 2024, he was awarded with Master Entrepreneur Award during Asia Pacific Enterprise Awards (APEA) 2024 under construction industry.

Tan Sri Sufri has been actively involved as a Council Member of the Master Builders Association Malaysia (MBAM) since 2004. Since 2022, Tan Sri Sufri is the Immediate Past President of MBAM. He was elected as the President of MBAM for the period of 2020 to 2022. Throughout his involvement in MBAM, he was a Director of MBAM Onebuild Sdn Bhd and currently an Advisor of Construction Labour Exchange Berhad (CLAB). Tan Sri Sufri also represented MBAM as the Board of Director in the Construction Industry Development Board Malaysia (CIDB) and Construction Labour Exchange Berhad (CLAB) from 2020 to 2022 during his presidential term.

On 16 August 2023, he was appointed as Chairman of Board of Director Universiti Malaysia Perlis (UniMAP) by Minister of Higher Education.

Presently, he is a Trustee of Yayasan TRC and Chairman of Whistleblowing Committee of the Company.

During the Financial Year ended 31 December 2024, he attended four (4) out of five (5) Board of Directors Meetings.

DATO' ABDUL AZIZ BIN MOHAMAD

Deputy Group Managing Director

♂ 66

Dato' Abdul Aziz Bin Mohamad was appointed as an Executive Director of the Company on 29 March 2002. He was then re-designated as Deputy Group Managing Director of the Company on 15 June 2021. He started his career in Trans Resources Corporation Sdn Bhd, a subsidiary of the TRC Group, in 1994 when he was designated as a Senior Contracts Executive prior to becoming the Chief Executive Officer in 2009 until 2019.

Dato' Abdul Aziz received his early education at the Malay College Kuala Kangsar and later furthered his studies in England where he graduated from Trent Polytechnic, Nottingham in 1983. He is a Quantity Surveyor by profession and is a member of the Royal Institution of Surveyors Malaysia. His career began in 1982 with the position of Assistant Quantity Surveyor at Rider Hunt & Partners, England. He later joined Jabatan Kerja Raya Kuala Lumpur in 1983 as a Quantity Surveyor where he administered the contractual aspects of projects under their purview before going on to make his contribution towards TRC's success.

He is a Member of the Sustainability Committee and a member of the Board of Trustees of Yayasan TRC and Yayasan Ulul Albab.

Dato' Abdul Aziz attended all five (5) Board of Directors Meetings held during the financial year ended 31 December 2024.

DATO' RICHARD KHOO TENG SAN

Executive Director

♂ 60

Dato' Richard Khoo Teng San was appointed as a Director of the Company on 25 February 2020. He has been with TRC Group since 1991 when he joined the Group as a Project Coordinator on 13 December 1991. In 2009 Dato Richard was appointed as Chief Operating Officer of Trans Resources Corporation Sdn Bhd, a subsidiary of the TRC Group.

Prior to joining TRC Group, he started his career in 1989 when he joined W.A. Fairhurst & Partners Limited, United Kingdom as a Design Engineer for the years 1989 to 1991.

Throughout his career in TRC Group, he assumed important positions such as Project Coordinator, Region Manager (East Malaysia), and Chief Project Coordinator for various mega projects undertaken by the Group.

He graduated with a Bachelor of Engineering (Civil Engineering) from the University of Strathclyde, United Kingdom in 1989.

Dato' Richard Khoo Teng San attended all five (5) Board of Directors Meetings held during the financial year ended 31 December 2024.

DATO' SR. ABDULL MANAF BIN HJ HASHIM

Independent Non-Executive Director

♂ 70

Dato' Sr. Abdull Manaf Bin Hj Hashim was appointed as a Director of the Company on 1 April 2021. He was appointed as the Chairman of the Audit and Risk Management Committee on 1 March 2024. He is also a member of the Nominating and Remuneration Committee as well as the Whistleblowing Committee.

He is a qualified Consultant Quantity Surveyor by profession with a Bachelor's Degree in Quantity Surveying from the University of Technology Malaysia. He has more than 38 years of professional experience in Quantity Surveying and Contract Management. He started his career in Jabatan Kerja Raya Malaysia (JKR) and moved up the ranks. His last position was Deputy Director General of JKR Malaysia from 2012 to 2016. He has also served as a Director in the Quantity Surveyor Division of the Drainage & Irrigation Department Malaysia (DID) from 2001 to 2004.

Dato' Sr. Abdull Manaf held several positions in professional bodies. He was the President of the Board of Quantity Surveyors Malaysia (BQSM) from 2006 to 2017. He was the President of The Royal Institute Surveyors Malaysia (RISM) in 2012 and is still a Fellow of RISM since 2006.

Dato' Sr. Abdull Manaf was bestowed the Kesatria Mangku Negara (2007) and Darjah Indera Mahkota Pahang (2006). He has received numerous awards and recognitions such as Tokoh Alumni Universiti Teknologi Malaysia (2009).

During the financial year ended 31 December 2024, he attended all five (5) Board of Directors Meetings held.

FADZILAH BINTI MOHD SALLEH

Independent, Non-Executive Director

♀ 53

Fadzilah Binti Mohd Salleh was appointed as an Independent and Non-Executive Director on 1 June 2018. She is the Chairman of the Nominating and Remuneration Committee effective from 1 March 2024. She is also a member of the Audit and Risk Management Committee and the Sustainability Committee.

She received an early education from Sekolah Seri Puteri Kuala Lumpur and has graduated from the International Islamic University, Malaysia in 1996 with a Bachelor of Accounting (Hons). She is a Chartered Accountant and a member of the Malaysian Institute of Accountants.

She began her career with Kumpulan Naga where she was involved in audit, accounting, taxation, and company secretarial work amongst other business advisory work. She has about 15 years of experience at the managerial level in audit firm before going on to operate her own practice, FMSalleh & Co (Chartered Accountants). She is also a managing partner of Fadzilah & Co, a financial management firm.

She attended all five (5) Board of Directors Meetings held during the financial year ended 31 December 2024.

Fadzilah Binti Mohd Salleh will retire at the conclusion of the forthcoming Annual General Meeting on 24 June 2025 and will not seek for re-election.

PUTERI LIZA ELLI SUKMA

Independent, Non-Executive Director

53

Puteri Liza Elli Sukma was appointed as an Independent and Non-Executive Director on 1 January 2025. She was appointed as a member of Audit and Risk Management Committee and Nominating and Remuneration Committee on 1 March 2025. She has over 25 years of diversified experience covering Finance and Accounting, Corporate Finance, Strategic Planning, Risk Management, Organisational Realignment, Procurement and Audit.

She graduated with a Bachelor of Commerce (Accounting) Degree from University of New South Wales, Australia. She is a qualified Chartered Accountant and a member of the Institute of Chartered Accountants, Australia and New Zealand (CAANZ). She has attended PETRONAS Senior Leadership Programme (DUKE) during her professional tenure in PETRONAS.

She began her career as an Auditor with KPMG Melbourne, Australia in 1994. Upon returning to Malaysia in 1997, she joined the Corporate Finance Division of Petroliam Nasional Berhad (PETRONAS) before moving to the Corporate Planning and Development Division in 2001, where she was subsequently promoted to Senior Manager. She then moved to the Finance Division of PETRONAS Gas Berhad in 2007 and was later appointed as the Chief Financial Officer (CFO) of PETRONAS Trading Corporation Sdn Bhd in 2009. In 2013, she assumed the CFO position of PETRONAS Dagangan Berhad, a role she held until 2017. She also served as a Board Member of PETRONAS' subsidiaries both locally and internationally until her career break in 2017.

From 2022 to 2024, she served as an Independent Non-Executive Director of Pelaburan Hartanah Berhad. Presently, she is a member of the Board of Pelaburan Hartanah Berhad's subsidiaries, PHB Property Ventures Berhad and PHB Facility Management Berhad since May 2024.

SITI SARLINA BINTI ABDUL RAHMAN

Alternate Director to Dato' Abdul Aziz Bin Mohamad

55

Siti Sarlina Binti Abdul Rahman is currently a Chief Executive Officer ("CEO") of Trans Resources Corporation Sdn Bhd, a construction arm to TRC Synergy Berhad. She is also a CEO of Yayasan TRC a philanthropic arm to the Group. She was appointed as the Alternate Director to Dato' Abdul Aziz Bin Mohamad on 28 November 2016. She is currently a member of the Sustainability Committee.

She joined the Group as a Quality Assurance Manager in 2002 and since 2005, she has been directly involved in various projects undertaken by the Group and has assumed key positions such as Project Head and General Manager.

Her career began in an IT company in 1994 where she was a Sales Engineer. She then moved to Airod Sdn Bhd as a Planning Engineer in 1995. She joined Pesaka Gammon in 1996 as a Site Planning and Quality Control Engineer. In 1997, she worked as a Quality Assurance Engineer at Putra Perdana Construction Sdn Bhd until 2002.

She holds an American Associate Degree in Applied Science from Kolej Persediaan Pengajian Mara, Subang Jaya and a degree in Aerospace Engineering from the State University of New York at Buffalo, New York, United States. She also holds a Master's Degree in Human Resource Management from Open University Malaysia.

ABDUL AZIZ BIN MOHAMED

Alternate Director to Tan Sri Dato' Sri Sufri Bin Hj Mohd Zin

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Abdul Aziz bin Mohamed was appointed as an Alternate Director to Tan Sri Dato' Sri Sufri Bin Mhd Zin on 21 June 2024. He joined the Group as Company Secretary in April 2002 and has since held that position. Prior to contributing his services to the Group, his career began in 1996 during which he was reading in the chambers of Messrs Hisham, Sobri & Kadir (Advocates & Solicitors). He then pursued a corporate career path whereby he worked as a Legal Executive at Johore Tenggara Oil Palm Berhad from 1996 until 1999 when he was appointed as Company Secretary/Legal Officer. From 2001 to 2002, he acted as Company Secretary at Halim Mazmin Berhad.

He graduated with a Bachelor of Laws (Minor in Syariah) from the International Islamic University Malaysia in 1995. He is also a Licensed Secretary under Section 235 of the Companies Act 2016 (LS0007370).

Notes:

Save as disclosed above,

1. *None of the Directors have:*
    - *any family relationship with any director and/or major shareholder of the Company;*
    - *any conflict of interest with the Company; and*
    - *any conviction for offences (other than traffic offences) within the past five (5) years.*
2. *Save and except for Tan Sri Dr Ahmad Kamarulzaman Ahmad Badaruddin who is also a Chairman of Lagenda Properties Berhad, none of the Directors hold a directorship in other public companies and listed issuers.*

PROFILE OF KEY SENIOR MANAGEMENTS

SITI SARLINA BINTI ABDUL RAHMAN
Chief Executive Officer
Trans Resources Corporation Sdn Bhd

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Siti Sarlina Binti Abdul Rahman was a Deputy Chief Executive Officer from 1 July 2015 before being redesignated as Chief Executive Officer of Trans Resources Corporation Sdn Bhd. She was appointed as the Alternate Director to Dato' Abdul Aziz Bin Mohamad on 28 November 2016.

She joined the Company as Quality Assurance Manager in 2002 and tasked to set up and implement the Company's Quality Management System and assumed the role of Internal Lead Quality Auditor for the company from 2002 to 2005.

Since 2005, she has been directly involved as Project Head for various major projects undertaken by the Group. She also assumed other key positions in the company, as General Manager overseeing several support departments such as Administration, Human Resources and Quality, Safety, Health and Environmental (QSHE).

She started her career with an IT company in 1994 and then moved to Airod Sdn Bhd as a Planning Engineer in 1995 mostly for the maintenance of USAF C130 fleet. She then joined Pesaka Gammon in 1996 as a Site Planning and QC Engineer. This was when her career in the construction industry started. In 1997, she worked as a QA Engineer at Putra Perdana Construction Sdn Bhd and was based on site in Putrajaya until 2002. There she was involved in the construction and completion of several roadworks and government buildings in the then new Putrajaya township.

She holds an American Associate Degree in Applied Science from Kolej Persediaan Pengajian Mara, Subang Jaya and a graduate of the State University of New York at Buffalo, New York, United States with a degree in Aerospace Engineering. She also holds a Master's Degree in Human Resource Management from Open University Malaysia (OUM).

HOO YEN TONG
Chief Operating Officer
Trans Resources Corporation Sdn Bhd

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Hoo Yen Tong was appointed as a General Manager (Construction) on 1 September 2015. In July 2022, he has been promoted to a Deputy Chief Operating Officer, subsequently promoted to Chief Operating Officer ("COO") on 1 June 2024. He joined the Group as a Project Engineer in 2001. He has since been directly involved in various projects undertaken by the Group and has assumed key positions such as Project Manager, Project Coordinator and Project Director.

He graduated from the Oklahoma State University with a Bachelor of Science in Civil Engineering. He also holds an Engineer-in-Training Certificate from U.S.A.

He started his career as Civil Engineer at Berger, Lehman Associates, P.C. (U.S.A) in 1988 until 1992 which was involved in the designing of major infrastructures packages within the Tristate area namely state of New York, New Jersey and Connecticut.

He then pursued his career in Malaysia as an Assistant Resident Engineer at Berakah Jurutera Perunding Sdn Bhd in 1993 and subsequently joined Engineering & Environmental Consultants Sdn Bhd in 1997 (KLIA project).

Since joining the group in 2001, he has started working as a project engineer involved in various major Infrastructure, government quarters and residential projects in Putrajaya and also other projects within the Klang Valley. He was subsequently tasked to lead on execution & completion of major infrastructure projects for MRT Line 1 (Sg Buloh Depot, S1 stations, and Pasar Seni Paid Link), MRT line 2 projects (Serdang Depot,S208 stations), LRT 3 Depot, and Prasarana HQ. Currently he is appointed as COO and in charge of overall company operation.

MAHATHIR BIN MOKHTAR
Senior General Manager (Contracts)
49

Mahathir Bin Mokhtar began his professional journey in 1999 as a Quantity Surveyor with Perunding Unikon, a firm specialising in quantity surveying and project management consultancy. In November 2000, he joined Trans Resources Corporation Sdn Bhd (TRC) as a Project Quantity Surveyor. Demonstrating consistent dedication and leadership, he was promoted in January 2023 to Senior General Manager (Contracts). In this role, he oversees the company's entire tendering process and post-contract management activities, while also managing corporate registrations with key regulatory bodies including CIDB, PKK, and MOF.

He holds a Diploma in Quantity Surveying and a Bachelor of Quantity Surveying (Hons) from Universiti Teknologi MARA (UiTM), and has recently completed a Master of Facility Management from Open University Malaysia (OUM).

With over 24 years of service at TRC, Mahathir has played a pivotal role in the successful execution of major construction projects across various sectors, including roads and bridges, prison and security complexes, commercial developments, and higher education institutions. His contributions have been particularly significant in specialised projects such as infrastructure works in Putrajaya, the New Prison Complex in Bentong, Pahang, UniKL in Pasir Gudang, airport runway extensions in Kuala Terengganu and Kota Bharu, and the refurbishment and upgrading of the Bangunan Parlimen Malaysia.

Since 2011, he has also been actively involved in the rail and metro transit infrastructure sector, contributing to the construction of viaduct guideways, stations, and depots for LRT2, LRT3, MRT1, and MRT2. Mahathir's extensive expertise and strong professional reputation continue to add significant value to TRC's project delivery and strategic growth.

NASARUDDIN BIN MAHMUD
General Manager (Development)
61

Nasaruddin Bin Mahmud was appointed as a General Manager (Development) on 1 September 2016. He joined the group as a Senior Engineer in 2008. He has since been directly and actively involved in various residential and commercial development projects undertaken by the Group.

Prior to joining the Group, he was the Head of Project Implementation at Peremba Jaya Holdings Sdn Bhd where he was involved in the development of the government quarters in Putrajaya.

He graduated from the University of Wyoming, USA with a degree in Chemical Engineering in 1986.

DATO' LEONG KAM HENG
Director/Chief Operating Officer
TRC (Aust) Pty Ltd
70

Dato' Leong Kam Heng graduated from Monash University, Melbourne, Australia with an Honours Degree in Civil Engineering in 1979. Upon returning to Malaysia in 1980, he joined the Public Works Department ("PWD") as a Building Engineer. In 1984, he resigned from the PWD and ventured out into the building and construction industry.

He joined TRC Synergy Berhad in January 2009 as the Head of Corporate and International Investment. He is also the Director as well as the Chief Operating Officer of TRC (Aust) Pty Ltd, a wholly-owned subsidiary of TRC Synergy Berhad which is based and operating in Melbourne, Australia.

SAMSON ENTEBANG
General Manager (Finance)
59

Samson Entebang joined the Group in June 1996 as a Project Accountant. In 2010, he was promoted to Group Operation Accountant and subsequently promoted to Deputy General Manager of Finance in 2013. Two years later he was further promoted to General Manager of Finance in 2015, the post he still holds today.

He graduated with a Diploma in Business Studies from Institute Technology Mara (ITM) in 1988. In 1994, he pursued his studies at Emile Woolf College in London United Kingdom and graduated with a Chartered Institute of Management Accountants (CIMA) in 1995. He continued furthering his studies at University Malaysia Sarawak (UNIMAS) and graduated with a Corporate Master of Business Administration (CMBA) majoring in Finance in 2003.

He is now an Associate member of the Chartered Global Management Accountant (CGMA) UK, a member of the Association of International Certified Professional Accountants (AICPA) and a Chartered member of the Malaysian Institute of Accountants (MIA).

Before joining TRC, he worked as an Audit Assistant with Al Jeffry & Co., an Internal Audit Officer with Harwood Timber Sdn Bhd, and a Credit Officer with Malaysian Industrial Development Finance (MIDF).

LEE GAIK SIEW
General Manager (Accounts)
56

Lee Gaik Siew joined the Group as an Accountant in year 1999 and her position was subsequently re-designated as Deputy General Manager (Group Accounts) in year 2013. She is now the General Manager (Accounts).

She graduated with a professional qualification as an associate member of the Association of Chartered Certified Accountants (ACCA). She registered herself as a Chartered Accountant of the Malaysian Institute of Accountants in April 1999. She started her career in an accountancy firm and her last position before pursuing her career to gain commercial experience in the Group was Assistant Audit Manager.

ABDUL AZIZ BIN MOHAMED
(LS0007370)
General Manager
(Company Secretary)
54

Abdul Aziz bin Mohamed joined the Group as Company Secretary in April 2002 and has since held that position. Prior to contributing his services to the Group, his career began in 1996 during which he was reading in the chambers of Messrs Hisham, Sobri & Kadir (Advocates & Solicitors). He then pursued a corporate career path whereby he worked as a Legal Executive at Johore Tenggara Oil Palm Berhad from 1996 until 1999 when he was appointed as Company Secretary/Legal Officer. From 2001 to 2002, he acted as Company Secretary at Halim Mazmin Berhad.

He graduated with a Bachelor of Laws (Minor in Syariah) from the International Islamic University Malaysia in 1995. He is also a Licensed Secretary under Section 235 of the Companies Act 2016 (LS0007370).

Additional Information
Save as disclosed above,
1. *None of the Key Senior Management have:*
   - *any family relationship with any director and/or major shareholder of the Company;*
   - *any conflict of interest with the Company; and*
   - *any directorship in other public companies and listed issuers.*
2. *None of the key Senior Management have been convicted of any offences (other than traffic offences) within the past five (5) years and there were no public sanctions and/or penalties imposed upon them by the relevant regulatory bodies during the financial year.*

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("the Board") of TRC Synergy Berhad ("the Company") is pleased to present this Corporate Governance Overview Statement ("this Statement"), which outlines the corporate governance ("CG") practices of the Company and its subsidiaries ("the Group") in place during the financial year ended 31 December 2024 ("FY2024"). This Statement is prepared in compliance with Paragraph 15.25 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("the Listing Requirements") and is based on the three (3) key CG principles set out in the Malaysian Code on Corporate Governance ("the MCCG").

i. Principle A: Board leadership and effectiveness;
ii. Principle B: Effective audit and risk management; and
iii. Principle C: Integrity in corporate reporting and fostering meaningful relationships with stakeholders.

This Statement should be read in conjunction with the Company's Corporate Governance Report ("CG Report 2024"), which can be accessed on the Company's website at www.trc.com.my under the Corporate Governance section, or on Bursa Securities' website at www.bursamalaysia.com.

In general, the Group has applied all applicable practices set out in the MCCG throughout FY2024, except for the following:

i. Practice 5.6 - In identifying candidates for the appointment of directors, the Board does not solely rely on recommendations from existing Board members, management, or major shareholders. The Board utilizes independent sources to identify suitably qualified candidates.
ii. Practice 8.2 - The Board discloses the remuneration components of the top five senior management personnel on a name basis, including salary, bonus, benefits in kind, and other emoluments in bands of RM50,000.

The explanations for the above departures and the measures taken in relation to them are provided in the CG Report 2024.

The Group's overall application of the practices can be summarized in the following table:

	Total	Applied	Departure	Not Applicable	Not Adopted	Adopted
Recommended practices	43	40	2	1	-	-
Step-up Practices	5	-	-	-	1	4

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

1. Board Leadership

The Company is led and governed by the Board, which is headed by the Chairman and guided by the Group Managing Director, who is assisted by his deputy and the Executive Director. They possess detailed knowledge and extensive experience in the construction industry. The remaining Board Members bring a diverse range of skills and experiences from various industries, including construction, finance, and general management, across both the private and public sectors, which are suitable for managing the Group's businesses. A brief profile of each Director is presented in the "Profile of Directors" section of this Annual Report.

The primary role of the Board is to provide overall strategic guidance on CG and the management of the Group's business affairs to safeguard shareholders' interests and the Group's assets. The Board is also committed to maintaining high standards of corporate governance, driven by the ultimate objective of protecting and enhancing shareholder value and the financial performance of the Group.

In discharging its fiduciary duties and oversight functions in specific responsibility areas, the Board has established and delegated certain responsibilities to the following four (4) Board Committees:

i. Audit and Risk Management Committee
ii. Nominating and Remuneration Committee
iii. Sustainability Committee
iv. Whistleblowing Committee

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

1. Board Leadership (cont'd)

Each committee operates within its terms of reference approved by the Board, which are periodically reviewed. The Board also delegates the authority to implement the Group's strategies and responsibility for managing the day-to-day business activities of the Group to the Group Managing Director, his deputy, the Executive Director, and supported by a highly qualified Management team who are responsible for overseeing business development, implementing corporate strategies and business plans, and establishing policies and controls.

2. Board Responsibilities

The Board has overall responsibility for the stewardship of the Group's direction and performance. It is also primarily responsible for determining the Company's strategic objectives and policies and for monitoring the progress made toward achieving those objectives and policies. In this regard, the Board is guided by a Board Charter, which outlines the roles and responsibilities of Directors and other functions as recommended by the MCCG. The Board Charter aims to promote high standards of corporate governance and is designed to provide guidance and clarity for Directors and Management regarding their roles and the roles of the Board's committees.

The Board is committed to conducting the business activities of the Group ethically and legally by complying with all applicable laws, including the Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018). In this regard, the Group has implemented the Anti-Bribery and Corruption Policy, aimed at providing information and guidance to the Directors and employees of the Group on the standards of behavior they must adhere to, as well as how to recognize and deal with bribery and corruption.

In discharging its duties, the Board has formalized a Code of Conduct for the Directors that governs the underlying core ethical values and commitment to high standards of integrity, transparency, and accountability. This Code also promotes good business conduct and maintains a healthy corporate culture within the Group.

The Board Charter, the Directors' Code of Conduct, and the Anti-Bribery and Corruption Policy are available on the Company's website: www.trc.com.my.

3. Board Composition

The Board believes that the current composition of the Board is appropriate, given the collective skills, expertise, experience, and knowledge of the Directors. The Board is of the view that with the current size, there is a proportionate delegation of power and authority between Non-Independent and Independent Directors, which is adequate to facilitate effective and objective decision-making in light of the scope and nature of the Group's business and operations.

The Board currently consists of eight (8) members, comprising three (3) Executive Directors and five (5) Independent Non-Executive Directors. The Company fulfils the requirement of having at least one-third (1/3) of the Board Members as Independent Non-Executive Directors, as stated in Paragraph 15.02 of the Listing Requirements. The Board will continue to monitor and review its size and composition as needed.

The Listing Requirements limits the tenure of an independent director to a maximum cumulative period of twelve (12) years. In compliance with the Listing Requirements and as part of the Company's ongoing efforts to strengthen Board independence and quality, the Company currently has five (5) Independent Directors, all of whom have served as Board Members for a cumulative term of less than twelve (12) years.

4. Boardroom Diversity

The Group acknowledges and values the benefits of a diverse Board to enhance the effectiveness of both the Board and its Senior Management team. In this respect, the Company has implemented its Boardroom Policy, designed to reinforce the Board's commitment to diversity, including consideration of the tenure of independent directors to ensure turnover when appropriate.

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

4. Boardroom Diversity (cont'd)

This policy formalizes the Board's current practices related to promoting and implementing diversity, as well as limiting the tenure of independent directors. In light of this, the Board has formalized its long-standing practice of limiting the tenure of independent directors to a maximum of seven (7) years or two (2) re-elections by shareholders.

The Board acknowledges the mandate under Chapter 15.02 of the Listing Requirements, which requires the Group to ensure that at least one (1) director is a woman. The Board strongly supports and endorses the initiative to promote female participation on the Board, as well as within its Senior Management team. Currently, the Company has three (3) female Independent Non-Executive Directors, which represent 37.5% of the Board's total composition. Additionally, the Company has one (1) female Alternate Director who is also the CEO of its major subsidiary.

Having considered the recommendations from the Nominating and Remuneration Committee ("NRC"), the Board agrees that the current qualifications of individual Board members and their mix of skills augur well for the Group's current business activities.

5. Recruitment and Annual Assessment of Directors

The appointment of new directors would involve a formal selection process that considers the evaluation of each candidate's abilities in terms of skills, knowledge, experience, expertise, and integrity to fulfil their responsibilities. A formal checklist has been tailored to provide a common and well-defined understanding of the criteria for considering a proposed candidate and to facilitate a smooth recommendation process from the NRC to the Board.

Based on the evaluation and recommendations from the NRC and the current nature of the business activities undertaken by the Group, the Board will collectively assess whether the qualifications and skills of its Members are sufficient for fulfilling their roles and responsibilities.

As part of the Company's continuous efforts to improve Board effectiveness, the Company has expanded its Board performance assessment, as recommended by the MCCG. This assessment covers the performance of the Board as a whole, its committees, and the individual directors. The effectiveness of the Board, its committees, and directors is evaluated annually by the NRC pursuant to its terms of reference.

During FY2024, the Company improved the Board's performance evaluation process to include a review of its performance in addressing the Company's material sustainability risks and opportunities, as recommended by the MCCG.

The NRC met once during FY2024, and its activities are reported in Item 13 of this Statement.

6. Roles of Chairman and Managing Director

The Board recognizes the importance of having a clearly defined division of power and responsibilities at the head of the Company to ensure a balance of power and authority. The roles of the Chairman, Managing Director, and Executive Directors are distinct and separate, ensuring accountability and facilitating a clear division of responsibilities within the Company.

The Chairman is responsible for safeguarding the interests of all shareholders by promoting good corporate governance practices, leadership, effectiveness, and the conduct and governance of the Board. The Chairman moderates and guides all meetings and encourages active participation and contribution from all members of the Board. In conformity with Practice 1.4 of the MCCG, the Chairman is not a member of any Board Committee.

On the other hand, the Managing Director, assisted by the Deputy Group Managing Director and the Executive Director, along with the support of the Senior Management team, has overall responsibility for executing the Group's strategic plan, implementing the policies and decisions adopted by the Board, and overseeing the operations and business development of the Group.

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

7. Qualified and Competent Company Secretary

The Board members have direct access to the advice and services of the Company Secretary, who is qualified to act in accordance with the requirements of the Companies Act 2016. The Company Secretary is responsible for ensuring that relevant meeting procedures, governance matters, applicable rules, and statutory regulations are adhered to. Additionally, the Company Secretary advises the Board on any new statutory requirements and oversees adherence to Board policies and procedures. He also briefs and updates the Board on the proposed contents and timing of material announcements to be made to regulators. He attends all Board and Board Committee meetings, as well as Shareholder Meetings, ensuring that all such meetings are properly convened and that accurate records of proceedings and resolutions passed are duly taken and maintained.

The Group's Secretarial Department is led by Abdul Aziz Mohamed, a Licensed Secretary under Section 235 of the Companies Act 2016. He graduated from the International Islamic University in 1996 with a Bachelor of Laws and has worked in the secretarial departments of several publicly listed companies in various positions since then.

8. Access to Information and Advice

All Directors, including Independent Non-Executive Directors, have unrestricted and timely access to all information pertaining to the Group's business and affairs, whether as full Board members or in their individual capacities, to carry out their duties and responsibilities effectively. The Chairman undertakes primary responsibility for organizing the information to be distributed to the Board. Directors also have direct access to the advice and services of the Company Secretary, the Senior Management team, internal and external auditors, solicitors, and other independent professionals at all times and at the Company's expense. However, Directors need to consult the Chairman or discuss in Board meetings prior to seeking independent professional advice.

On a quarterly basis, the Company Secretary notifies the Directors and Principal Officers of the Company about the closing period for trading the Company's shares pursuant to Chapter 14 of the Listing Requirements. The Company Secretary also circulates relevant guidelines and updates on statutory and regulatory requirements to the Board from time to time and, if necessary, tables them at Board Meetings.

For Board Meetings, the agenda is set and Board papers are circulated within a reasonable time, not shorter than three (3) days prior to the scheduled meetings, via email or physical copies. This ensures that Directors have sufficient time to read the Board papers and seek any necessary clarifications from Management, or consult the Company Secretary or independent advisers before the meeting. This process enables Directors to discuss the issues effectively during the Board Meetings.

9. Whistleblowing Policy and Procedures

The Company has implemented its Whistleblowing Policy and Procedures, which provide an avenue for all of the Group's staff, stakeholders, and members of the public to disclose any legitimate concerns they may have regarding improper conduct within the Group.

The Whistleblowing Committee is responsible for assisting the Board in protecting the interests of the Company and stakeholders by investigating complaints of alleged misconduct received on an independent and confidential basis and taking any necessary actions. The policy and procedures of the Whistleblowing Committee are available on the Company's website, www.trc.com.my.

During FY2024, the Company received no complaints or disclosures from staff, stakeholders, or the public regarding any concerns about improper conduct within the Group.

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

10. Directors' Training

The Board believes that continuous training is essential for the Board Members to ensure they are updated with the appropriate skills and knowledge necessary to discharge their duties effectively. Therefore, they are encouraged to attend training programs at least once a year to supplement their knowledge and stay abreast of recent developments in the business environment, relevant changes in laws and regulations, and areas related to their duties.

The details of the training programs attended by the Directors during FY2024 are as follows:

Directors	Training Programme	Date	Organiser
Tan Sri Dr Ahmad Kamarulzaman Ahmad Badaruddin	1) Awareness Programme on the Group's Anti-Bribery and Corruption Policy Briefing 2) Mandatory Accreditation Programme Part II : Leading for Impact (LIP)	29 August 2024 9-10 October 2024	TRC Synergy Berhad Institute of Corporate Directors Malaysia
Tun Jeanne Binti Abdullah	1) Awareness Programme on the Group's Anti-Bribery and Corruption Policy Briefing	29 August 2024	TRC Synergy Berhad
Tan Sri Dato' Sri Sufri Bin Hj Mohd Zin	1) Seminar Institusi Raja (SIRaj VII): Adat Istiadat Melayu 2) Awareness Programme on the Group's Anti-Bribery and Corruption Policy Briefing 3) Conference on Conflict Avoidance and Dispute Resolutions	9 May 2024 29 August 2024 24 October 2024	Universiti Malaysia Perlis & Dewan Bahasa Dan Pustaka TRC Synergy Berhad Master Builders Association Malaysia (MBAM)
Dato' Abdul Aziz Bin Mohamad	1) Awareness Programme on the Group's Anti-Bribery and Corruption Policy Briefing	29 August 2024	TRC Synergy Berhad
Dato' Richard Khoo Teng San	1) Awareness Programme on the Group's Anti-Bribery and Corruption Policy Briefing	29 August 2024	TRC Synergy Berhad
Dato' Ir. Abdullah Bin Abd Rahman *(retired on 26 June 2025)*	Nil	Nil	Nil
Dato' Sr. Abdull Manaf Bin Hj Hashim	1) Awareness Programme on the Group's Anti-Bribery and Corruption Policy Briefing 2) International Construction Week (ICW)	29 August 2024 22-24 October 2024	TRC Synergy Berhad CIDB Malaysia
Fadzilah Binti Mohd Salleh	1) Awareness Programme on the Group's Anti-Bribery and Corruption Policy Briefing	29 August 2024	TRC Synergy Berhad

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

10. Directors' Training (cont'd)

In addition to the aforementioned, active participation in relevant associations has equipped the Managing Director with the latest information and technologies in the construction industry.

The Company Secretary also plays an important role in educating the Board by highlighting and updating relevant guidelines on statutory and regulatory requirements from time to time. The external auditors will also brief the Board on any changes to the Malaysian Financial Reporting Standards that affect the Group's financial statements during the year.

All Directors of the Company have successfully completed Part I of the Mandatory Accreditation Programme ("MAP"). As for MAP Part II, which aims to equip them with the necessary knowledge on sustainability matters and enhance their collective understanding in this area, as prescribed by Bursa Malaysia, the Directors' attendance is as follows:

Directors	MAP Part II Training
Tan Sri Dr Ahmad Kamarulzaman Ahmad Badaruddin	Attended
Tun Jeanne binti Abdullah	Scheduled to attend on 14-15 May 2025
Tan Sri Dato' Sri Sufri bin Hj Mohd Zin	Attended
Dato' Abdul Aziz bin Mohamad	Attended
Dato' Richard Khoo Teng San	Attended
Dato' Ir. Abdullah Bin Abd Rahman (Retired on June 26, 2024)	Not Applicable
Dato' Sr. Abdull Manaf Bin Hj Hashim	Scheduled to attend on 14-15 May 2025
Fadzilah Binti Mohd Salleh	Due date to attend MAP Part II is before August 2025
Puteri Liza Elli Sukma	Due date to attend MAP Part II is on or before June 2026
Siti Sarlina Binti Abdul Rahman (Alternate Director to Dato' Abdul Aziz bin Mohamad)	Attended
Abdul Aziz Bin Mohamed (Alternate Director to Tan Sri Dato' Sri Sufri bin Hj Mohd Zin)	Scheduled to attend on 6-7 August 2025

Annually, the Board, through the NRC, reviews the training programs attended by the Directors for each financial year and assesses the training needs of its members to assist them in discharging their duties as Directors.

11. Time commitment

The Board is satisfied with the level of time commitment and focus demonstrated by the Directors in fulfilling their roles and responsibilities as Directors of the Company, as none of them, except for Tan Sri Dr Ahmad Kamarulzaman Ahmad Badaruddin, holds directorship in other public company.

The Board agrees to meet at least four (4) times a year, with additional meetings convened as necessary. During FY2024, the Board met five (5) times, and the attendance record for each Director is as follows:

Name	No. of Meeting Attended	% of Attendance
Tan Sri Dr Ahmad Kamarulzaman Ahmad Badaruddin	5/5	100
Tun Jeanne binti Abdullah	5/5	100
Tan Sri Dato' Sri Sufri bin Hj Mohd Zin	4/5	80
Dato' Abdul Aziz bin Mohamad	5/5	100
Dato' Richard Khoo Teng San	5/5	100
Dato' Ir. Abdullah Bin Abd Rahman *(retired on 26 June 2024)*	3/3	100
Dato' Sr. Abdull Manaf Bin Hj Hashim	5/5	100
Fadzilah Binti Mohd Salleh	5/5	100

11. Time commitment (cont'd)

All Directors have met the minimum requirement of at least 50% attendance at Board meetings during the financial year, as stipulated in the Listing Requirements.

In the appointment of new directors, the Board has agreed that time commitment will be one of the determining factors for selection. An informal discussion between the Board representatives and the identified candidates will be held prior to their appointment to ascertain their suitability as well as their level of time commitment in fulfilling their roles and responsibilities as Directors of the Company.

12. Sustainability Strategies

The Board is fully aware of the importance of the Group's sustainable business strategy, which will create long-term benefits for the organization and its employees while being mindful of conserving and protecting resources. The strategy, which incorporates economic, environmental, and social factors into the Group's policies, practices, and processes, is well embedded in the Company's Sustainability Policy. In addition, the Company's Sustainability Policy is also aimed at:

- Endeavor to integrate the principles of sustainability into the Group's strategies, policies, and procedures;
- Promote sustainable practices;
- Ensure that the Board and Senior Management are involved in the implementation of this policy and in the review of the Group's sustainability performance; and
- Create a culture of sustainability within the Group and the community, with an emphasis on integrating environmental, social, and governance considerations into decision-making and the delivery of outcomes.

The details of sustainability practices adopted by the Group are spelled out in the Sustainability Statement of this Annual Report. The Sustainability Statement helps the Company communicate both the positive and negative impacts of its actions on the environment, society, and economy, and accordingly sets priorities.

13. Nominating and Remuneration Committee ("NRC")

The NRC was established by the Board. All members of the NRC are Independent Non-Executive Directors. The establishment of the Committee is intended to support and advise the Board in fulfilling its responsibilities to shareholders by ensuring that the Board and Senior Management of the Group comprise individuals with an optimal mix of qualifications, skills, and experience. Additionally, the Committee assists the Board in assessing the remuneration packages of its members and Senior Management of the Group.

Details of the members of the NRC and their respective attendance at meetings during FY2024 are as follows:

NRC Members	Meeting Attendance
Dato' Ir. Abdullah Bin Abd Rahman (Chairman) *(retired on 26 June 2024)*	1/1
Fadzilah Binti Mohd Salleh	2/2
Dato' Sr. Abdull Manaf Bin Hj Hashim	2/2

During FY2024, the NRC met twice and made the necessary assessments, reviews, and recommendations to the Board as follows:

i. Reviewed the evaluation results of the Board, Board Committees, and Directors' Performance Self-Assessment, which is conducted annually through the circulation of a set of questionnaires;

ii. Evaluated the effectiveness of the Board as a whole, the various Committees, and each individual Director's contribution to the Board's decision-making process, and notified the Board of areas for potential improvement;

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

13. Nominating and Remuneration Committee ("NRC") (cont'd)

During FY2024, the NRC met twice and made the necessary assessments, reviews, and recommendations to the Board as follows (cont'd):

iii. Assessed the composition of the Board and Board Committees and recommended to the Board regarding adjustments within the Board Committees that are deemed necessary to ensure that the Board continues to maintain the right balance of skills, knowledge, experience, and diversity in each of the Board Committees;

iv. Assessed the competency of the Board by considering the mix of skills, character, competencies, qualifications, experience, integrity, financial standing, declaration of interest (if any), and time commitment necessary to effectively discharge their roles and responsibilities;

v. Recommended to the Board regarding the re-election/re-appointment of Directors pursuant to the provisions in the Company's Articles of Association, the Listing Requirements, and the Company's Boardroom Policy for shareholders' approval at the 2024 AGM;

vi. Reviewed the training programmes attended by the Directors for the year 2024 and determined their training needs; and

vii. Reviewed the proposed allowance payments to the Executive Directors, the Company Secretary and Chief Executive Officer to support the Company's tax planning and ensure alignment with the Company's Remuneration Policy.

14. Remuneration Policies and Procedures

14.1 Policies and Procedure

The Board acknowledges that the remuneration of the Directors and Senior Management should reflect the extent of their responsibilities and contributions toward the successful and efficient running of the Group's activities.

To assist in discharging its duties, the NRC is guided by the Remuneration Policy and Procedures adopted by the Company since 29 November 2022. Guided by this Policy, the NRC will review and recommend the remuneration packages of each individual member of the Board of Directors and the Senior Management of the Group to attract and retain competent executives who can add value to the Company. The determination of remuneration packages for Board members, particularly those of Non-Executive Directors and Senior Management, is a matter for the Board. The individuals concerned shall abstain from participating in discussions regarding their own remuneration.

14.2 Remuneration Packages

The Board believes that the level of remuneration offered by the Company is sufficient to attract and retain both Executive and Non-Executive Directors, as well as the Senior Management needed to run the Group. The aggregate remuneration of the Directors and the Senior Management received and receivable from the Company and its subsidiaries during FY2024 is detailed in the CG Report 2024, which should be read in conjunction with this Statement. The CG Report 2024 is available on the Company's website at www.trc.com.my.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

1. Audit and Risk Management Committee ("ARMC")

The establishment of the ARMC is pivotal in assisting the Board in fulfilling its fiduciary responsibilities, particularly in relation to business ethics, policies and practices, and financial management and control. The primary objectives of the ARMC are as follows:

i) to provide assistance to the Board in fulfilling its statutory and fiduciary responsibilities, and to ensure that the internal and external audit functions of the Group are carried out adequately and effectively;

ii) to assist the Board in the effective discharge of its primary responsibilities by identifying principal risks and implementing appropriate systems and risk assessment processes to manage such risks for the Group.

Currently, the ARMC comprises three (3) Non-Executive Directors, all of whom are Independent Directors. The ARMC is chaired by Dato' Sr. Abdull Manaf Bin Hj Hashim, who is an experienced Quantity Surveyor. He is presently assisted by Tun Jeanne Binti Abdullah and Fadzilah binti Mohd Salleh, who is a Chartered Accountant with the Malaysian Institute of Accountants.

During FY2024, the ARMC met five (5) times, and the details of the activities undertaken by the Committee are set out in the Audit and Risk Management Committee Report.

The ARMC is guided by the terms of reference, which can be viewed on the Company's website at www.trc.com.my.

2. Risk Management and Internal Control Framework

The Board recognizes that effective risk management and internal control are important aspects of a company's governance, management, and operations. The Board takes overall responsibility for maintaining the effectiveness and adequacy of the Group's system of risk management and internal control, including the establishment of appropriate risk management and control frameworks as an ongoing process for reviewing and monitoring the integrity of these systems. The entire control process will cover not only financial aspects but also controls related to operations, risk management, and compliance with statutory rules and regulatory guidelines to sustain ethical values and promote effective governance structures.

The Board is of the view that the system of risk management and internal control in place for FY2024 is sound and sufficient to safeguard the Group's assets, as well as the shareholders' investments and the interests of customers, regulators, employees, and other stakeholders. A detailed analysis of the system is set out in the Statement on Risk Management and Internal Control in this Annual Report.

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

1. Communication with Stakeholders

The Board is fully aware that a key element of good CG is the effective communication and proper dissemination of all important issues and major developments concerning the Company to all shareholders and investors. Effective communication channels with the Company's shareholders, investors, and the public are maintained through timely announcements and disclosures made to Bursa Malaysia, and, when necessary, the distribution of press releases.

During FY2024, the Company organized several face-to-face and online meetings and briefings with financial analysts and investors to establish a better understanding of the Company's business and performance, as well as to convey other information that may affect shareholders' interests.

The Company also maintains a cordial relationship with reporters who play a very effective role in conveying the Group's information to the public, shareholders, and investors. Press releases are occasionally organized to clarify certain matters related to the Company and its operating units.

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

1. Communication with Stakeholders (cont'd)

The Company has consistently leveraged technology to broaden its channels for disseminating information and to enhance the quality of engagement with stakeholders. For this reason, the Company has established a corporate website (www.trc.com.my), which provides an avenue for sharing information about the Company and the Group.

Stakeholders can also provide their feedback on the Company's sustainability practices through the Stakeholder Engagement Survey, which is available on the Company's website. In addition to the website, the Company has also established its Facebook page and Instagram account to expand communication channels.

2. Conduct of General Meetings

The Company's General Meetings remain the primary channel of communication with its shareholders, particularly private investors. At each General Meeting, shareholders are encouraged and given sufficient time and opportunities to participate in the proceedings, raise questions, and engage in discussions pertaining to the operations and financial aspects of the Group. They may seek clarification on the Group's performance, major developments, and the resolutions being proposed. All Board Members, the Senior Management team, and the Company's external auditors are available to respond to relevant questions raised by shareholders at the Meeting.

The Company has implemented an electronic voting process since 2017 and continues to explore opportunities to leverage technology to enhance shareholder engagement. All members participating in the AGM cast their votes electronically using the Digital Ballot Form.

Furthermore, in line with good CG practices, the notice of the 28th Annual General Meeting ("AGM") of the Company was issued more than 28 days before the date of the AGM.

For its 28th AGM, the Company will conduct the meeting physically as required by the Bursa Securities to allow active participation from the shareholders.

ADDITIONAL COMPLIANCE INFORMATION

In compliance with the Listing Requirements, the following information is provided:

Utilization of proceeds

For FY2024, no proceeds were raised from any exercises.

Share buybacks

As of 31 December 2024, the Company held a total of 9,208,400 treasury shares. During FY2024, the Company did not purchase its own shares under the Share Buybacks scheme.

Sanctions and / or penalties

There were no sanctions and/or penalties imposed on the Company and its subsidiaries, Directors, or Management by the relevant regulatory bodies during FY2024.

Non-Audit Fees

The non-audit fees paid to external auditors amounted to RM5,000.00 for FY2024. The details of the fees paid or payable to the external auditors are reported in the Financial Statements of this Annual Report.

ADDITIONAL COMPLIANCE INFORMATION (CONT'D)

Material Contracts

There were no material contracts between the Company and its subsidiaries involving the interests of any Directors or major shareholders during FY2024.

Recurrent Related Party Transaction

The Company did not enter into any recurrent related party transactions that require shareholders' mandate during the financial year ended 31 December 2024.

STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENTS

The Board is responsible for ensuring that the Financial Statements are prepared in accordance with the provisions of the Companies Act 2016 and any applicable approved accounting standards in Malaysia, to provide a true and fair view of the state of affairs of the Group and the Company as of the end of each financial year, as well as their results and cash flows for that financial year then ended. The Board is also responsible for maintaining accounting records that disclose, with reasonable accuracy, the financial position of the Group and the Company, enabling them to ensure that the Financial Statements comply with the Companies Act 2016.

The Directors have general responsibilities for taking reasonable steps to safeguard the assets of the Group, as well as to detect and prevent fraud and other irregularities.

The Directors are satisfied that, in preparing the Financial Statements of the Group for FY2024, appropriate accounting policies have been adopted and applied prudently and consistently. They are also satisfied that reasonable and prudent judgments and estimates were made, and that all applicable approved accounting standards in Malaysia have been adhered to accordingly.

This CG Overview Statement was approved by the Board of Directors of the Company on 22 April 2025.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors of TRC Synergy Berhad ("the Board") is pleased to present the Statement on Risk Management and Internal Control, which outlines the state of the risk management and internal control framework of the Company and its subsidiaries ("the Group") for the financial year ended 31 December 2024 ("FY2024"). This statement is prepared pursuant to paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("the Listing Requirements") and is guided by the latest Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("the Guidelines").

BOARD'S RESPONSIBILITY

The Board recognizes the importance of maintaining a sound system of risk management and internal control within the Group and affirms its overall responsibility for it to safeguard shareholders' interests and the Group's assets, as required by the Malaysian Code on Corporate Governance ("the MCCG") issued by the Securities Commission of Malaysia. The overall control process is not limited to financial aspects but also includes other controls related to operations, risk management, and compliance with statutory rules and regulatory guidelines in order to sustain ethical values and promote effective governance structures.

The internal control system covers the core business of the Group with the aim of achieving the business objectives by managing emerging risks that may arise. The system of internal control also aims to:

i) Ensure that the existing controls over all significant operations meet the Group's objectives economically;
ii) Ensure that proper documentation and accounting records are maintained; and
iii) Ensure that the documentation and financial information generated by the system are reliable.

The Board is fully aware that this system, by its nature, can only provide reasonable, but not absolute assurance against the risk of material misstatement of financial information and records, or against financial losses due to fraud and error. The system is designed to manage and mitigate, rather than eliminate, the risk of failure to achieve the business objectives of the Group. The Board remains responsible for the governance of risk and for all actions of the Board Committees with regard to the execution of delegated oversight responsibilities.

The Audit and Risk Management Committee ("ARMC") confirms the existence of an ongoing process to identify, analyse, evaluate, treat and monitor significant risks faced by the Group. Additionally, the ARMC conducts quarterly reviews of this process to ensure its alignment with the Guidelines and the Listing Requirements. If necessary, the ARMC will escalate to the Board for the necessary action.

The Board's responsibility for internal control does not extend to the associated companies, which are managed separately. Notwithstanding this, Management oversees and monitors the administration, operations and performance of these material joint ventures.

MANAGEMENT'S RESPONSIBILITY

The Management is responsible for implementing the Group's policies and procedures on risk management and internal control. The Management will identify, evaluate, and report any risks as well as the effectiveness of the internal control system, while also taking appropriate and timely remedial actions as required.

In fulfilling its responsibilities, the Management will identify and evaluate the risks relevant to achieving the business objectives and strategies of the Group. It will also formulate appropriate policies and procedures to manage these risks, as well as design, implement, and monitor their effective execution. Management will report to the ARMC in a timely manner.

RISK MANAGEMENT

The Board considers risk management a critical component of the Group's corporate governance agenda. It is an ongoing process that involves management from various business units working together to identify, evaluate, monitor, manage, and mitigate the risks that may impact the achievement of the Group's business and corporate objectives.

RISK MANAGEMENT (CONT'D)

The Group adopts a decentralized approach to risk management by encouraging all business units to participate and take ownership of their identified risks. The Risk Working Committee ("RWC") and the Group's senior management oversee the risk management process and policy implementation, reporting to the Board through the ARMC.

Additionally, the risk management framework is integrated into the Quality Policy in accordance with ISO 9001:2015, as practiced by Trans Resources Corporation Sdn Bhd ("TRC"), a wholly-owned subsidiary that is a major revenue contributor to the Group. For certain sizable projects, the project teams, alongside Project Delivery Partners, must comply with risk management procedures established by the clients.

To equip business units with adequate knowledge and awareness of risk management controls, annual risk training was conducted for all available key staff. This annual session aimed to refresh, foster, and renew their understanding of risk management, thereby facilitating the respective business units in addressing any emerging risks and the consequential issues that may arise. The Group has also assigned a Risk Coordinator to attend various risk-related seminars and workshops pertaining to the construction industry and enterprise risk management practices. This initiative will enrich the RWC with current knowledge of global risk management practices and governance.

In 2024, the RWC conducted four (4) series of brainstorming workshops to comprehensively review associated risks for departments and projects. These quarterly sessions aimed to foster a culture of risk-based thinking across all business units within the Group, which is crucial for effective risk management. Subsequently, the outcomes of the workshops and brainstorming sessions were compiled and prepared quarterly for review by the ARMC.

The Group recognizes the importance of managing corruption risk within its business processes. Therefore, since 2022, the Company has established an Anti-Bribery and Corruption Policy and a Whistleblowing Policy in accordance with Paragraph 15.29 of the Listing Requirements. Additionally, the Group's wholly-owned subsidiary, Trans Resources Corporation Sdn Bhd ("TRC"), is embarking on the implementation of the Anti-Bribery Management System ("ABMS"). The Group aims to achieve ISO 37001:2016 certification by the year 2026 and consistently reaffirms its compliance with the prevailing laws and regulations related to bribery and corruption.

Risk Management Framework

The Group's risk management activities are guided by the COSO internal control framework. The risk universe encompasses a wide range of activities that shape the risk profile inherent to the nature of the business, which could compromise business objectives if not properly addressed. Risk factors are classified into two main categories: external and internal risks.

Risk Identification, Evaluation and Ranking

The management of each business unit, along with the projects undertaken by the Group, is required to identify and document all potential risks that could impact their objectives. It is the responsibility of the operational managers and heads of departments to identify risks that may affect the achievement of their respective business objectives.

RISK MANAGEMENT (CONT'D)

Risk Identification, Evaluation and Ranking (cont'd)

The risk identification process will consider specific risks related to achieving business objectives, as well as risks that may impact the success and continuity of the business. The identified risks are evaluated based on the following criteria:

- Probability or likelihood of occurrence
- Significance or magnitude of the risk impact

Qualitative risk analyses are conducted using the enterprise's established risk matrices to assess risk significance and determine the priority and magnitude of the necessary risk responses. An appropriate quantitative risk analysis may be employed to assess specific high-priority risks, providing a deeper understanding of the potential risk exposure.

This methodology will support the organization in making informed decisions at all levels while striving to keep risks as low as reasonably practicable.

Risk Mitigation Measure

Risk mitigation measures are formulated to manage risks, including the following:

- Sustaining strong client relationships
- Being responsive to public relations
- Ensuring adequate insurance coverage
- Employing competent and experienced personnel
- Monitoring projects within budgeted costs, profit margins, and timelines
- Adhering to stringent quality and safety standards
- Implementing an efficient procurement management system
- Closely monitoring construction work progress
- Ensuring compliance with statutory requirements

Recognizing the seriousness of cyber threats, the Group has prioritized these issues by formulating and implementing necessary measures to ensure that all activities related to the procurement and provision of Information and Communications Technology ("ICT") services run continuously without disruptions that could compromise the security of the Group's operations.

The Group has established a Computer Usage Policy that aims to provide guidance to all staff regarding the use of computers, software, and the internet. Awareness training on data privacy and cybersecurity, covering a broad range of security topics, has also been provided to employees. These measures are implemented to mitigate the risk of cyber threats and ensure the responsible use of technology in the workplace. The Computer Usage Policy, along with cybersecurity awareness, has been integrated into the training module for staff recruitment induction within the Group.

Risk Reporting and Monitoring

Significant risks identified from each business unit or project are tabulated in the risk assessment report and presented to the RWC, senior management, and the ARMC. These risks are then recommended to the Board for deliberation and attention, while matters and decisions made within the purview of the ARMC and senior management are escalated to the Board for their notation. Significant issues arising from changes in the business environment are continuously reviewed to ensure minimal impact on the Group. Monitoring of inherent risks is an ongoing process, with the top ten risks presented to the ARMC for consideration.

INTERNAL CONTROL

The key elements of the Group's internal control system are described below:

Internal Audit Function

The Board establishes, approves, and supports the authority, role, and responsibility of the internal audit function conducted by the Internal Audit Department (IAD). The primary task of the IAD is to provide objective assurance on internal controls and governance to the ARMC in the discharge of its duties and responsibilities. Its role includes delivering independent and objective reports on the organization, management, and accounting records related to accounting policies to both the ARMC and the Board. As required by the Listing Requirements, the internal auditors report directly to the ARMC and operate independently of the activities they audit. They provide periodic reports to the ARMC on the outcomes of their audits, which are then reviewed and evaluated by the committee.

Internal audit activities are conducted in accordance with the annual audit plan approved by the ARMC and the Board. The internal audit process assesses the adequacy, efficiency, and effectiveness of the Group's existing internal control system and recommends improvements related to those controls. The results of the audit reviews are reported periodically to the ARMC.

Additionally, the internal auditors carry out follow-up visits to ensure that recommendations for improving control systems are implemented. The presence of the internal audit function provides a necessary level of assurance regarding the effectiveness and credibility of the Group's system of internal control.

Throughout FY2024, the IAD has undertaken several independent audit assignments in accordance with the approved audit plan. The details of the internal audit activities are reported in the Internal Audit Function section of the Audit and Risk Management Committee Report in this Annual Report. In addition, the sustainability data on ESG to be disclosed in the 2024 Annual Report will be reviewed by the IAD to ensure that it is accurate, relevant, complete, and timely.

None of the weaknesses or issues identified during the FY2024 review resulted in non-compliance with any relevant policies or procedures, the Listing Requirements, or any other recommended industry practices that require disclosure in the Group's Annual Report.

Lines of Reporting

Clear definitions of the terms of reference, including the functions, authorities, and responsibilities of the committees established by the Board for all aspects of the business, have been defined within the Group. This also encompasses detailed job descriptions and specifications provided to each employee, which are further reinforced through a well-defined organizational structure.

Dissemination of Information within the Group

Regular operational meetings held monthly at headquarters will discuss all operational risks and issues affecting the Group. Subsequently, important (high-priority) risks and issues will be presented and discussed by senior management, who will meet quarterly. During these meetings, in addition to routine operational matters, comprehensive information covering financial performance, key business indicators, key operating statistics, key business risks, and legal, environmental, and regulatory matters will also be disseminated and deliberated. Key issues affecting the Group are brought to the attention of the ARMC and reported to the Board regularly.

Detailed Budgeting Process

A detailed budgeting process has been implemented, requiring operating units to prepare budgets for their respective projects, which are then deliberated upon at Senior Management meetings. The budgets are monitored quarterly against actual results, with major variances explained and considered. If necessary, management actions and follow-ups will be initiated to ensure alignment.

INTERNAL CONTROL (CONT'D)

ARMC

The ARMC, on behalf of the Board, regularly reviews and holds discussions with senior management and External Auditors regarding matters related to internal control and corporate governance highlighted during their statutory audit of the Group's financial statements.

The Report on the ARMC, as outlined in the Audit and Risk Management Committee Report of this Annual Report, contains further details on the activities undertaken by the ARMC in 2024.

Board

The Board holds regular discussions with the ARMC, senior management, and External Auditors, reviewing their reports on internal controls and deliberating on their recommendations for implementation.

The Board has taken all reasonable steps to ensure that adequate internal control systems are in place to safeguard the Group's assets through the prevention and detection of fraud, irregularities, and material misstatements in the financial statements.

The Board believes that the internal control system is operating effectively and is adequate to protect the Group's business operations, ensuring that risks are maintained at an acceptable level within the context of the Group's business environment.

The Board is not aware of any significant weaknesses in the internal control system that could substantially affect the Group's business operations or result in material losses.

ISO STANDARDS

Quality Policy

TRC, the Group's primary revenue contributor, maintains a clear and well-documented Quality Policy in accordance with ISO 9001:2015. This policy, along with the related procedures, is communicated to staffs for implementation. The salient features of the Quality Policy are as follows:

i) Internal quality audits are conducted at planned intervals to assess whether the Quality Management System is effectively implemented, maintained, and conforms to the established requirements of the internal standard, ISO 9001:2015.

ii) An overall Internal Quality Audit Plan is devised annually, encompassing every department and project. This plan considers the status and importance of relevant processes, the areas to be audited, and the results of previous audits.

iii) Certified Internal Quality auditors are assigned to execute audit tasks according to the Internal Quality Audit Plan. Their reports are examined, analyzed, and presented to Management during the Management Review Board Meetings.

iv) As part of the Quality Management System, Management meets monthly to discuss and deliberate on all issues related to the Group's business.

v) An annual Management Review Board Meeting is held to report and discuss the overall performance of the Quality Management System and the projects undertaken. The Review Board members also discuss and endorse any identified action plans for further improvements.

vi) The ARMC has access to relevant reports related to Quality Management, and if necessary, these matters shall be discussed further in the Board Meeting.

Among the initiatives to ensure the success of undertaken projects is the implementation of risk management strategies by identifying the project's strengths, weaknesses, opportunities, and threats, whether from internal or external factors. This exercise is conducted early in the project lifecycle, and if such risks are identified or occur, appropriate methods for addressing them are established.

ISO STANDARDS (CONT'D)

Quality Policy (cont'd)

Monitoring of these risks is performed on a monthly basis by the respective project team members, and red flags will be raised if any risks pose a threat to the project's health, allowing for immediate and necessary actions to be taken.

The ISO 9001 Standard was accredited to TRC in 2002. To equip the Group with internationally recognized working standards, TRC also received accreditation for ISO 45001 (Safety and Health Standard) and ISO 14001 (Environmental Standard) in April 2019.

MANAGING DIRECTOR AND GROUP'S ACCOUNTANT ASSURANCE

In line with the Guideline, the Managing Director and the Accountant of the Group have provided assurance to the Board that the Group's risk management and internal control systems are operating adequately and effectively in all material aspects. The Board believes that the risk management and internal control systems in place during the financial year 2024 are sound and sufficient to safeguard shareholders' interests and the Group's assets.

REVIEW OF STATEMENT BY EXTERNAL AUDITORS

Pursuant to paragraph 15.23 of the Listing Requirements, the External Auditors have reviewed this statement for inclusion in the 2024 Annual Report and reported to the Board that nothing has come to their attention to cause them to believe that the Statement intended for inclusion in the 2024 Annual Report is not prepared in all material aspects or is factually inaccurate.

CONCLUSION

This statement is made in accordance with the MCCG, paragraph 15.26(b) of the Listing Requirements, and Practice Note 9 issued by Bursa Malaysia Securities Berhad. It is also made in compliance with the resolution provided by the Board of Directors on 22 April 2025.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors of TRC Synergy Berhad ("the Board") is pleased to present the Audit and Risk Management Committee Report ("the Report") for the financial year ended 31 December 2024.

1. INTRODUCTION

The Board established the Audit Committee pursuant to Chapter 15 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("the Listing Requirements") on 22 May 2002. The Committee's primary objective was to assist the Board in fulfilling its fiduciary responsibilities, particularly relating to business ethics, policies, and practices, as well as those relating to financial management and control. In addition to its primary objective, the Audit Committee was also tasked with overseeing the risk assessment of the company and its subsidiaries ("the Group")

In response to the recommendation from the Malaysian Code on Corporate Governance ("the MCCG") for listed issuers to establish a risk management committee, the Board decided on 19 May 2021, to officially establish such a committee by integrating the risk management function into the existing Audit Committee. Consequently, it was renamed the Audit and Risk Management Committee ("ARMC").

2. MEMBERS OF ARMC

For the financial year 2024, the ARMC comprised the following Independent Non-Executive Directors:

Chairman: **Tan Sri Dr Ahmad Kamarulzaman Ahmad Badaruddin**
(Independent Non-Executive Director)
(resigned on 1 March 2024)

Dato' Sr. Abdull Manaf Bin Hj Hashim
(Independent Non-Executive Director)
(appointed on 1 March 2024)

Members:

i) **Tun Jeanne Binti Abdullah**
(Independent Non-Executive Director)
(appointed on 27 June 2024)

ii) **Fadzilah Binti Mohd Salleh**
(Independent Non-Executive Director)
(Member of the Malaysian Institute of Accountants)

iii) **Dato' Ir. Abdullah Bin Abd Rahman**
(Independent Non-Executive Director)
(retired on 26 June 2024)

Secretary: **Abdul Aziz Bin Mohamed**
(Company Secretary)

The detailed profiles of the ARMC Members are disclosed in the Profile of Directors section of this Annual Report.

The current composition meets the requirements of Paragraph 15.09(1)(a) and (b) of the Listing Requirements and Practice 9.4 (Step Up) of the MCCG, as the ARMC consists solely of Independent Directors. None of the ARMC members have appointed alternate directors.

Notably, Fadzilah Binti Mohd Salleh is a member of the Malaysian Institute of Accountants. Therefore, the Company complies with Paragraph 15.09(1)(c) of the Listing Requirements.

3. TERMS OF REFERENCE

Following the decision to integrate the risk management function into the existing Audit Committee and rename it the ARMC, the Board has revised the Terms of Reference of the Audit Committee to include this function. The Terms of Reference are consistent with the Listing Requirements and the MCCG, and all requirements under the Terms of Reference are fully complied with. The Terms of Reference of the ARMC are available on the Company's website, www.trc.com.my.

4. SUMMARY OF ACTIVITIES OF ARMC

4.1 Meetings

During the financial year ended 31 December 2024, ARMC met five (5) times. The details of ARMC members' attendance are as follows:

No.	ARMC Members	Attendance
1.	Tan Sri Dr. Ahmad Kamarulzaman Bin Ahmad Badaruddin	1/1
2.	Dato' Sr. Abdull Manaf Bin Hj Hashim	4/4
3.	Tun Jeanne Binti Abdullah	2/2
4.	Dato' Ir. Abdullah Bin Abd Rahman	2/2
5.	Fadzilah Binti Mohd Salleh	5/5

The Group's Accountant, the Company Secretary (who is the secretary of the ARMC), the Group's Internal Auditors, and the representative of the Risk Working Committee ("RWC") will attend ARMC meetings on a regular basis. Other senior management and the Group's External Auditors will attend the meetings upon invitation.

Additionally, beyond the formally scheduled or organised meetings, the ARMC has unrestricted access to both the External and Internal Auditors without the presence of Executive Board Members and senior management as and when necessary.

4.2 Summary of Activities

The ARMC carried out the following activities in discharging its functions and duties for the financial year 2024, which are in line with its responsibilities as set out in its terms of reference:

a) Financial Statements

- Reviewed the quarterly unaudited financial results of the Group and the consolidated audited annual financial statements of the Company and the Group, for which the ARMC made recommendations to the Board for approval. The review aimed to ensure compliance with statutory reporting requirements, including but not limited to the applicable Malaysian Financial Reporting Standards, International Financial Reporting Standards, Chapter 9.22, Part A, Appendix 9B of the Listing Requirements, and the requirements of the Companies Act 2016, as well as the appropriate resolution of all accounting and audit matters requiring significant judgment.

- In its review of the quarterly unaudited financial reports and the consolidated annual audited financial statements, the ARMC discussed with the management and the External Auditors the financial reporting standards applied, including the judgments exercised in the application of those standards. They also discussed the critical accounting estimates and assumptions used in arriving at the reported amounts of items.

4. SUMMARY OF ACTIVITIES OF ARMC (CONT'D)

4.2 Summary of Activities (cont'd)

b) Matters relating to External Audit

- Reviewed together with the External Auditors their audit planning memorandum, which covered the audit scope, engagement team, materiality, audit methodology and timing of audit, audit focus areas, significant audit policies and disclosures, External Auditors' independence, directors' responsibilities, and auditors' responsibilities.

- Reviewed the External Auditors' report and significant audit findings highlighted in their report.

- Reviewed and evaluated the External Auditors' suitability, objectivity and independence, taking into consideration their technical competencies, audit quality and manpower resource sufficiency to perform the audit of the Group, and recommended their appointment to the Board.

- The ARMC reviewed the reasonableness of the audit fees charged against the size and complexity of the Group. The ARMC also assessed the non-audit services provided by the external auditors while ensuring there was no impairment of independence or objectivity. This included monitoring the total fees for non-audit work carried out by the external auditors to ensure they do not jeopardize the auditors' independence. In the financial year ended 31 December 2024, the non-audit fees paid to external auditors amounted to RM5,000.00 and are further reported in the Financial Statements of this Annual Report.

- For the selection and appointment of External Auditors, the ARMC is guided by the Policies and Procedures for the selection and appointment of External Auditors adopted by the Company. The Company appointed Messrs SBY Partners PLT as External Auditors of the Group on 14 October 2024.

c) Matters relating to Internal Audit

- Reviewed and approved the annual internal audit plan to ensure adequate scope and coverage of the Group's activities based on identified and assessed key risk areas. The ARMC also considered the adequacy of the manpower resources of the internal audit team to carry out the activities identified in the internal audit plan.

- Reviewed the internal audit reports issued by the Internal Auditors and thereafter discussed the management's actions taken to improve the system of internal control and any outstanding matters. The ARMC also reviewed the Internal Auditors' follow-up reports on outstanding audit issues to monitor the effectiveness of corrective actions taken by the management.

- Considered the internal auditors' recommendations and the Management's response regarding system and control weaknesses, and proposed that these weaknesses be rectified and recommendations implemented. During the financial year ended 31 December 2024, the ARMC was briefed about the significant need to establish an Anti-Bribery Management System ("ABMS") as initiated by the Internal Audit team and led by the Company's wholly-owned subsidiary, Trans Resources Corporation Sdn Bhd ("TRC"), which is a major revenue contributor to the Group.

4. SUMMARY OF ACTIVITIES OF ARMC (CONT'D)

4.2 Summary of Activities (cont'd)

d) Matters relating to Risk Management and Internal Control

- Reviewed the quarterly Risk Management Report issued by the Internal Auditors and the RWC, and thereafter discussed the management's actions with regard to risk management and internal control before tabled to the Board for notation

- Reviewed the adequacy and completeness of internal control and procedures. Since May 2019, the Internal Control Integrated Framework released by the Committee of Sponsoring Organizations of the Treadway Commission known as the COSO Framework had been applied across the organization as it provides flexibility and allows for judgment in designing, implementing, and conducting internal control.

- Reviewed and assessed the efficiency of the COSO Framework in which comprises five (5) integrated components and seventeen (17) principles to address governance, risk assessment, and internal control. These components are:

  i. Control environment: This sets the tone at the top, establishing standards, processes, and structures that underpin internal control. The Board and Senior Management ensure governance oversight, and clearly assign authority and responsibility.

  ii. Risk assessment: This is a dynamic process for identifying and analyzing risks to objective achievement, considering their potential impact.

  iii. Control activities: Management directs control activities - policies, practices, and procedures - designed to mitigate risks to objective achievement.

  iv. Information and communication: Relevant information is identified and communicated to support the other internal control components.

  v. Monitoring activities: Ongoing monitoring, including regular evaluations, ensures that all five internal control components are present and functioning effectively.

- Reviewed the Risk Management Report's findings which highlighted significant areas of concern for risk owners and responses taken by the RWC to mitigate or eliminate the identified risks.

e) Other Matters

- The ARMC reviewed the Audit Committee Report, Corporate Governance Overview Statement, and the Statement on Risk Management and Internal Control, and prepared in accordance with the MCCG. The Committee also recommended to the Board the inclusion of the aforementioned statements in the Annual Report.

- The ARMC produced and presented its reports and recommendations to the Board for inclusion in the Annual Report.

- The ARMC reviewed and considered the procedures related to related party transactions ("RPTs") and potential conflict of interest situations within the Company and the Group. Additionally, the ARMC monitored, tracked, and verified RPTs quarterly to ascertain that the guideline and procedures related to RPT have been complied with and to ensure they are within the authorization approved

5. INTERNAL AUDIT FUNCTION

The Group's internal audit function is performed in-house and is independent from the Group's main activities and operations. Its work is carried out in accordance with the approved annual audit plan by the ARMC and the Board. The IAD reports directly to the ARMC, and its principal role is to assist the Group in evaluating and improving the effectiveness of risk management, control, and governance processes. It also ensures that adequate internal controls are maintained to safeguard the Group's assets and the shareholders' interests.

Throughout the financial year ended 31 December 2024, the IAD undertook several independent audit assignments in accordance with the approved annual audit plan. The details of the activities performed during the financial year are as follows:

- Prepared the annual audit plan for deliberation and obtained approval from the ARMC and the Board.
- Examined and reviewed the existing controls over all significant Group operations and systems to ascertain reasonable assurance that the Group's objectives and goals are met efficiently and economically.
- Conducted operational audits and recommended appropriate control measures for improvement of weaknesses or deficiencies identified.
- Reviewed the adequacy of the scope, functions, capabilities, and resources of the IAD deemed necessary to carry out the audits.
- Reviewed the effectiveness of controls for the procurement and handling of materials at all project sites, including the custody and utilization of fixed assets within the Group.
- Reviewed the adequacy, relevance, and effectiveness of risk management practices for projects and departments.
- Collaborated and maintained constant communication with the Quality Management Team to strengthen the internal audit processes and procedures.
- Continuously followed up on reviews of recommendations and outstanding issues to ensure both are implemented and resolved accordingly.
- Engaged regularly with Company stakeholders to improve communication and mitigate potential risks and conflicts related to dissatisfaction, misalignment, and uncertainty.
- Reviewed the Environmental, Social, and Governance ("ESG") data and reports from the relevant business units to ensure they are accurate, relevant, complete, and timely.
- Identified, evaluated, and recorded all associated risks in the Quarterly Audit and Risk Management report, along with the corresponding remedial actions.

Upon completion of the assignments, the IAD will prepare an independent audit report for the ARMC, highlighting the key risk areas and weaknesses identified, and propose relevant recommendations for their consideration. All recommendations for rectifying any identified weaknesses shall be reviewed, discussed, and communicated accordingly to management. The IAD has also established follow-up reviews to monitor and ensure that the recommendations agreed upon by the ARMC have been effectively implemented.

The IAD is headed by Mr. Lee Deck Heng (age 57), who has extensive professional experience in internal audit and risk management. He is a member of the Chartered Institute of Management Accountants (CIMA) and the Institute of Internal Auditors Malaysia (IIAM). He is assisted by two (2) staff members in the Group. The internal audit personnel are free from any relationships or conflicts of interest that could impair their objectivity and independence. The total cost incurred for the internal audit and risk management functions for the financial year ended 31 December 2024, amounted to RM 243,818.00.

Going forward, the IAD will strengthen its capacity and enhance its efficiency to improve its contribution to the Group in accordance with the Audit Charter and the Internal Audit Plan as approved by the ARMC and the Board.

FINANCIAL STATEMENTS

DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding, general contractors and provision of corporate, administrative and financial support services to its subsidiaries.

The principal activities of the subsidiaries are disclosed in Note 9 to the financial statements.

There have been no significant changes in the nature of these principal activities of the Company and its subsidiaries during the year.

RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	12,693	5,357
Profit attributable to:		
Owners of the Company	12,573	5,357
Non-controlling interests	120	-
	12,693	5,357

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDEND

The amount of dividend paid by the Company during the year in respect of the year ended 31 December 2023, was as follows:

	RM'000
First and final single tier dividend of 1.20 sen per ordinary share, on 471,288,703 ordinary shares, paid on 15 July 2024	5,655

At the forthcoming Annual General Meeting, a provisional single tier dividend in respect of the year ended 31 December 2024 of 0.70 sen per ordinary share on 471,288,703 ordinary shares (net of treasury shares at the date of this report) amounting to a dividend payable of RM3,299,021 will be proposed for shareholders' approval. The financial statements for the current year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the year ending 31 December 2025.

ISSUE OF SHARES AND DEBENTURES

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

SHARE OPTIONS

No option was granted to any person to take up unissued shares of the Company during the year.

RESERVES AND PROVISIONS

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

SUBSIDIARIES

Details of the subsidiaries are set out in Note 9 to the financial statements.

DIRECTORS

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

Tan Sri Dr Ahmad Kamarulzaman Ahmad Badaruddin	
Tun Jeanne Binti Abdullah	
Tan Sri Dato' Sri Sufri Bin Hj Mohd Zin	
Dato' Abdul Aziz Bin Mohamad	
Dato' Richard Khoo Teng San	
Dato' Ir. Abdullah Bin Abd Rahman	(Retired on 26 June 2024)
Dato' Sr. Abdull Manaf Bin Hj Hashim	
Fadzilah Binti Mohd Salleh	
Puteri Liza Elli Sukma	(Appointed on 1 January 2025)
Siti Sarlina Binti Abdul Rahman (Alternate director to Dato' Abdul Aziz Bin Mohamad)	
Abdul Aziz Bin Mohamed (Alternate director to Tan Sri Dato' Sri Sufri Bin Hj Mohd Zin)	(Appointed on 21 June 2024)

DIRECTORS OF SUBSIDIARIES

The directors of the subsidiaries in office during the financial year and during the period from the end of the financial year to the date of this report are:

Dato' Rosli Bin Mohamed Nor	
Abdul Aziz Bin Mohamed	
Pehin Orang Kaya Seri Dewa Major General (B) Dato Seri Pahlawan Haji Mohammad Bin Haji Daud	
Loh Leh Wong	
Azizul Qahar Bin Abdullah	
Nasaruddin Bin Mahmud	
Lu Yew Hee	
Tan Khoon Kian	
Ren Bin Qing	
Philip Ting Siew Ming	
Samaon @ Samson Anak Entebang	
Dato' Leong Kam Heng	
Zachariah Leong Weisheng	
Mohmad Nazari Bin Rahman	(Appointed on 2 January 2024)
Yeoh Sook Keng	(Resigned on 2 January 2024)

DIRECTORS' INTEREST IN SHARES AND DEBENTURES

According to the register of directors' shareholdings required to be kept under Section 59 of the Companies Act 2016, the interests of directors in office at the end of the year in shares in the holding company during the year were as follows:

	No. of Ordinary Shares			
	01.01.2024	Bought	Sold	31.12.2024
Interests in the Company				
Direct interests				
Tan Sri Dato' Sri Sufri Bin Hj Mohd Zin	50,480,217	-	-	50,480,217
Dato' Abdul Aziz Bin Mohamad	8,011,497	-	-	8,011,497
Dato' Richard Khoo Teng San	12,211,897	399,500	-	12,611,397
Tan Sri Dr Ahmad Kamarulzaman Ahmad Badaruddin	600,000	-	-	600,000
Siti Sarlina Binti Abdul Rahman (Alternate director to Dato' Abdul Aziz Bin Mohammad)	7,000	-	-	7,000
Dato' Sr. Abdull Manaf Bin Hj Hashim	50,000	-	-	50,000
Abdul Aziz Bin Mohamed (Alternate director to Tan Sri Dato'Sri Sufri Bin Hj Mohd Zin)	395,012	-	(100)	394,912
Deemed interest				
Tan Sri Dato' Sri Sufri Bin Hj Mohd Zin*	124,795,200	-	(124,795,200)	-
Dato' Abdul Aziz Bin Mohamad*	124,795,200	-	-	124,795,200

* Deemed interest by virtue of their substantial shareholdings in TRC Capital Sdn. Bhd. and Kolektif Aman Sdn. Bhd.

Tan Sri Dato' Sri Sufri Bin Hj Mohd Zin and Dato' Abdul Aziz Bin Mohamad by virtue of their interest in shares in the holding company are also deemed to have interests in shares of its related companies to the extent the holding company has an interest.

TREASURY SHARES

At the Company's Annual General Meeting ("AGM") held on 26 June 2024, the Company obtained shareholders' approval on the renewal authority for the Company to purchase up to 10% of the share capital of the Company. During the year, the Company did not purchase any of its own shares and none of the treasury shares held was cancelled, sold or used for other purposes permitted under the Companies Act 2016.

As at 31 December 2024, the Company held 9,208,400 shares as treasury shares out of its total issued and paid-up share capital.

DIRECTORS' BENEFITS

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

Since the end of the previous year, no director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by the directors shown in the accounts or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with a director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

DIRECTORS' BENEFITS (CONT'D)

The details of the directors' remuneration of the Group and of the Company for the financial year are as follows:

	Group RM'000	Company RM'000
Fees	270	270
Salaries, allowances and bonus	5,371	518
Other emoluments	587	218
	6,228	1,006

INDEMNITY AND INSURANCE COST

During the financial year, the total amount of indemnity coverage and insurance premium paid for officers of the Group are RM500,000 and RM9,000 respectively.

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

OTHER INFORMATION

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

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

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

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

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

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

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

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

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

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

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

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

OTHER INFORMATION (CONT'D)

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

AUDITORS' REMUNERATION

To the extent permitted by laws, the Company has agreed to indemnify its auditors, as part of the terms of its audit engagement, against claims arising from the audit. No payment has been made to indemnify the auditors for the current year.

The amount paid or payable as remuneration of the auditors of the Group and of the Company for the financial year ended 31 December 2024 are as follows:

	Group RM'000	Company RM'000
Auditors' remuneration:		
Statutory audit		
- SBY Partners PLT	302	77
- Other auditors	134	-
Non-statutory audit	5	5
	441	82

AUDITORS

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

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

TAN SRI DATO' SRI SUFRI
BIN HJ MOHD ZIN
Director

DATO' ABDUL AZIZ
BIN MOHAMAD
Director

Kuala Lumpur,
Date: 22 April 2025

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 94 to 180 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of the financial performance and cash flows of the Group and of the Company for the financial year ended on that date.

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

TAN SRI DATO' SRI SUFRI
BIN HJ MOHD ZIN

DATO' ABDUL AZIZ
BIN MOHAMAD

Kuala Lumpur
22 April 2025

STATUTORY DECLARATION
PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, Lee Gaik Siew (MIA membership no.: 13839), being the officer primarily responsible for the financial management of TRC SYNERGY BERHAD, do solemnly and sincerely declare that to the best of my knowledge and belief the financial statements set out on pages 94 to 180 are correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by
the abovenamed, Lee Gaik Siew
in Kuala Lumpur on 22 April 2025

LEE GAIK SIEW

Before me:

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TRC SYNERGY BERHAD
Registration No.: 199601040839 (413192-D)
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of TRC SYNERGY BERHAD, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 94 to 180.

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

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

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

Key Audit Matters

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

Key Audit Matters	Our audit performed and responses thereon
Revenue recognition for construction contracts The revenue recognised on construction contracts during the financial year is amounting to RM433 million (Note 30), representing 86% of the group's revenue. We have identified revenue recognition for construction contracts as a key audit matter as significant management judgement and estimates are involved. In determining the progress towards complete satisfaction of performance obligation, the Group also considers the estimated contract work completed to date and the completeness and accuracy of its estimated total contract sum.	Our audit procedures, amongst others, included the following: (i) reviewed the workings prepared by management in respect of computation of percentage of completion. (ii) assessed the contract revenue against the signed letter of awards for construction contracts. (iii) agreed on sample of costs incurred to date to relevant documents such as sub-contractors' claim certificate and supplier invoices. (iv) inquired management of the Group to assess the merits of extension of time and exposure of liquidated ascertained damages.

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

Information Other Than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

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

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and 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 Groups and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

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: (cont'd)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purpose of the group audit. We remain solely responsible for our audit opinion.

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we also report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 9 to the financial statements.

Other Matters

(i) The financial statements of the Group and of the Company for the financial year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those financial statements on 23 April 2024.

(ii) The 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.

SBY PARTNERS PLT
Reg. No: 202106000003 (LLP0026726-LCA) AF: 0660
Chartered Accountants

CHONG YAW HUEI
03786/09/2025 J
Chartered Accountant

Kuala Lumpur,
Date: 22 April 2025

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

		Group		Company	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
ASSETS					
Non-Current assets					
Property, plant and equipment	5	191,046	217,495	-	-
Right-of-use assets	6	14,031	8,619	-	-
Investment properties	7	11,958	11,958	-	-
Inventories	8	23,554	23,283	-	-
Investment in subsidiaries	9	-	-	240,002	91,748
Investment in associates	10	4,655	1,481	-	-
Investment in joint venture	11	32,015	38,348	-	-
Other investments	12	66	66	-	-
Deferred tax assets	13	2,840	560	-	-
Total Non-Current Assets		280,165	301,810	240,002	91,748
Current Assets					
Inventories	8	29,352	31,220	-	-
Trade receivables	14	298,723	179,873	-	-
Other receivables	15	15,885	18,870	149	149
Contract assets	16	18,402	37,884	-	-
Contract cost assets	17	1,315	30	-	-
Current tax assets		1,016	1,315	178	-
Amount due from subsidiaries	18	-	-	9,501	158,102
Deposits, cash and bank balances	19	328,540	414,156	3,614	2,969
Toal Current Assets		693,233	683,348	13,442	161,220
Total Assets		973,398	985,158	253,444	252,968

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	20	240,457	240,457	240,457	240,457
Treasury shares	21	(2,460)	(2,460)	(2,460)	(2,460)
Reserves	22	22,288	37,489	-	-
Retained earnings	23	275,738	268,820	7,051	7,349
Equity attributable to Owners of the Company		536,023	544,306	245,048	245,346
Non-controlling interests		8,850	8,837	-	-
Total Equity		544,873	553,143	245,048	245,346
Non-Current Liabilities					
Borrowings	24	2,930	95,577	-	-
Deferred tax liabilities	13	4,605	5,037	-	-
Provisions	26	-	30,236	-	-
Total Non-Current Liabilities		7,535	130,850	-	-
Current Liabilities					
Borrowings	24	88,209	6,533	-	-
Provisions	26	17,387	25,159	-	-
Trade payables	27	175,390	128,989	-	-
Other payables and accruals	28	12,257	19,734	578	560
Contract liabilities	16	121,227	117,000	-	-
Current tax liabilities		6,512	3,742	-	32
Amount due to a director	29	8	8	8	8
Amount due to a subsidiary	18	-	-	7,810	7,022
Total Current Liabilities		420,990	301,165	8,396	7,622
Total Liabilities		428,525	432,015	8,396	7,622
Total Equity and Liabilities		973,398	985,158	253,444	252,968

The accompanying notes form an integral part of the financial statements

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Group		Company	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
Revenue	30	505,921	679,457	5,660	7,077
Cost of sales		(457,062)	(633,381)	-	-
Gross profit		48,859	46,076	5,660	7,077
Other income	31	2,613	14,931	-	-
Administrative expenses		(35,410)	(33,650)	(1,368)	(1,347)
Reversal of allowance for expected credit loss on trade and other receivables		-	78	988	-
Allowance for expected credit loss on trade and other receivables		(1,473)	(1,527)	-	-
Profit from operations		14,589	25,908	5,280	5,730
Finance income	32	10,161	10,607	89	75
Finance costs	33	(10,856)	(4,848)	(2)	(2)
Share of profit of associates		3,474	993	-	-
Share of profit/(loss) of joint venture		4,982	(113)	-	-
Profit before tax	34	22,350	32,547	5,367	5,803
Income tax expense	37	(9,657)	(6,944)	(10)	(79)
Profit for the financial year		12,693	25,603	5,357	5,724

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Other comprehensive (loss)/ income					
Items that may be reclassified subsequently to profit or loss:					
Revaluation gain on property, plant and equipment		-	27,453	-	-
Foreign currency translation differences for foreign operations		(15,308)	1,342	-	-
Other comprehensive (loss)/ income for the financial year, net of tax		(15,308)	28,795	-	-
Total comprehensive (loss)/income for the financial year, net of tax		(2,615)	54,398	5,357	5,724
Profit for the financial year attributable to:					
Owners of the Company		12,573	25,268	5,357	5,724
Non-controlling interests		120	335	-	-
		12,693	25,603	5,357	5,724
Total comprehensive (loss)/ income for the financial year attributable to:					
Owners of the Company		(2,628)	53,957	5,357	5,724
Non-controlling interests		13	441	-	-
		(2,615)	54,398	5,357	5,724
Earnings per share attributable to owners of the Company					
Basic (sen)	38	2.67	5.36	-	-
Diluted (sen)	38	2.67	5.36	-	-

The accompanying notes form an integral part of the financial statements

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Attributable to Owners of the Company						
	Non-Distributable			Distributable			
	Share capital RM'000	Treasury shares RM'000	Reserves RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
Group							
As at 1 January 2023	240,457	(2,460)	8,800	249,207	496,004	8,452	504,456
Dividends (Note 39)	-	-	-	(5,655)	(5,655)	-	(5,655)
Transaction with owners:							
Dividend of a subsidiary	-	-	-	-	-	(56)	(56)
Profit for the financial year	-	-	-	25,268	25,268	335	25,603
Revaluation gain on property, plant and equipment	-	-	27,453	-	27,453	-	27,453
Currency translation differences of foreign operations	-	-	1,236	-	1,236	106	1,342
Other comprehensive income for the year	-	-	28,689	-	28,689	106	28,795
Total comprehensive income for the financial year	-	-	28,689	25,268	53,957	441	54,398
As at 31 December 2023	240,457	(2,460)	37,489	268,820	544,306	8,837	553,143

	Attributable to Owners of the Company						
	Non-Distributable			Distributable			
	Share capital RM'000	Treasury shares RM'000	Reserves RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
Group							
As at 1 January 2024	240,457	(2,460)	37,489	268,820	544,306	8,837	553,143
Dividends (Note 39)	-	-	-	(5,655)	(5,655)	-	(5,655)
Profit for the financial year	-	-	-	12,573	12,573	120	12,693
Currency translation differences of foreign operations	-	-	(15,201)	-	(15,201)	(107)	(15,308)
Other comprehensive loss for the year	-	-	(15,201)	-	(15,201)	(107)	(15,308)
Total comprehensive loss for the financial year	-	-	(15,201)	12,573	(2,628)	13	(2,615)
As at 31 December 2024	240,457	(2,460)	22,288	275,738	536,023	8,850	544,873

	Share capital RM'000	Treasury shares RM'000	Retained earnings RM'000	Total equity RM'000
Company				
As at 1 January 2023	240,457	(2,460)	7,280	245,277
Dividends (Note 39)	-	-	(5,655)	(5,655)
Total comprehensive income for the financial year	-	-	5,724	5,724
As at 31 December 2023	240,457	(2,460)	7,349	245,346
Dividends (Note 39)	-	-	(5,655)	(5,655)
Total comprehensive income for the financial year	-	-	5,357	5,357
As at 31 December 2024	240,457	(2,460)	7,051	245,048

The accompanying notes form an integral part of the financial statements

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	22,350	32,547	5,367	5,803
Adjustments for:				
Allowance for expected credit loss on trade and other receivables	1,473	1,527	-	-
Amortisation of right-of-use assets	2,102	1,731	-	-
Amortisation of investment in joint venture	1,941	915	-	-
Bad debts written off:				
Amount due from subsidiaries	-	-	39	-
Trade receivables	148	-	-	-
Depreciation of property, plant and equipment	7,482	9,855	-	-
Interest expense	12,254	7,643	-	2
Loss on disposal of investment property	-	56	-	-
Property, plant and equipment written off	2	5	-	-
Unrealised loss/(gain) on foreign exchange	4,773	(8,138)	-	-
Dividend income	-	-	(5,660)	(5,680)
Gain on disposal of property, plant and equipment and right-of-use assets	(1,461)	(3,383)	-	-
Fair value gain on investment properties	-	(2,360)	-	-
Fair value gain on money market fund	(2,183)	(2,550)	(31)	(9)
Dividend income from money market fund	(1,326)	(436)	(3)	-
Interest income	(6,652)	(7,621)	(55)	(66)
Reversal of allowance for expected credit loss on trade and other receivables	-	(78)	(988)	-
Share of profits of associates	(3,474)	(993)	-	-
Share of (profits)/loss of joint venture	(4,982)	113	-	-
Operating profit/(loss) before working capital changes	32,447	28,833	(1,331)	50
Changes in inventories	1,597	10,773	-	-
Changes in contract assets/liabilities	23,710	(49,997)	-	-
Changes in contract cost assets	(1,285)	435,504	-	-
Changes in receivables	(121,671)	(181,446)	988	4
Changes in payables	(3,047)	(41,766)	18	(31)
Cash (used in)/generated from operations	(68,249)	201,901	(325)	23
Interest received	6,652	7,621	55	66
Interest paid	(13)	(60)	-	(2)
Tax paid	(8,994)	(9,776)	(220)	(314)
Net cash (used in)/from operating activities	(70,604)	199,686	(490)	(227)

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investment properties	-	(5)	-	-
Repayment from/(Advance to) subsidiaries	-	-	308	(6,695)
Purchase of property, plant and equipment and right-of-use assets*	(5,575)	(1,589)	-	-
Proceeds from disposal of property, plant and equipment and right-of-use assets	1,524	3,488	-	-
Proceeds from disposal of investment property	-	164	-	-
Distribution of profit received from joint venture	4,837	4,684	-	-
Dividend received	-	-	5,660	5,680
Net cash from/(used in) investing activities	786	6,742	5,968	(1,015)
CASH FLOWS FROM FINANCING ACTIVITIES				
Advances from subsidiaries	-	-	788	6,913
Withdrawal of/(Placement in) pledged fixed deposits and designated bank accounts	689	1,788	(55)	(45)
Drawdown of borrowings	996	-	-	-
Repayment of borrowings	(12,320)	(61,745)	-	-
Dividend paid	(5,655)	(5,655)	(5,655)	(5,655)
Dividend of a subsidiary paid to non-controlling interests	-	(56)	-	-
Interest paid	(6,604)	(7,269)	-	-
Net cash (used in)/from financing activities	(22,894)	(72,937)	(4,922)	1,213
Net (decrease)/increase in cash and cash equivalents	(92,712)	133,491	556	(29)
Effects of foreign exchange differences	2,833	2,831	-	-
Effects of changes in fair value of money market fund	3,509	2,986	34	9
Cash and cash equivalents at the beginning of the year	286,871	147,563	1,060	1,080
Cash and cash equivalents at the end of the year	200,501	286,871	1,650	1,060

The details of cash and cash equivalents are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances	109,692	126,819	646	55
Money market funds placed with fund managers	77,860	119,216	1,004	1,005
Short-term deposits with licensed banks	-	23,000	-	-
Fixed deposits with licensed banks	14,465	17,909	-	-
Bank overdrafts	(1,516)	(73)	-	-
	200,501	286,871	1,650	1,060

* Additions of property, plant and equipment and right-of-use assets were through the following:

	Group	
	2024 RM'000	2023 RM'000
Addition of property, plant and equipment	1,989	1,240
Addition of right-of-use assets	8,149	1,941
Less: Financed by finance lease arrangement	(4,563)	(1,592)
Cash paid during the year	5,575	1,589

The accompanying notes form an integral part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of the Bursa Malaysia Securities Berhad.

The principal activities of the Compare are investment holding, general contractors and provision of corporate, administrative and financial support services to its subsidiaries.

The information on the name of subsidiaries, place of incorporation and principal activities and effective interest held by the Company in each subsidiary is as disclosed in Note 9 to the financial statements.

The address of the registered office and principal place of business of the Company is located at TRC Business Centre, Jalan Andaman Utama, 68000 Ampang, Selangor Darul Ehsan.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Adoption of MFRS and amendments to MFRS standards

During the financial year, the Group and the Company have adopted the following MFRS and amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for the current financial year:

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Classification of Liabilities as Current or Non-Current
Amendments to MFRS 101	Non-Current Liabilities with Covenants
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangement

New MFRSs and amendments to MFRSs in issue but not yet effective

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

		Effective dates for financial periods beginning on or after
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurements of Financial Instruments	1 January 2026
Amendments to MFRSs	Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature Dependent Electricity	1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128	Sales or Contribution of Asset between an Investor and its Associate or Joint Venture	Deferred

3. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of accounting

The financial statements of the Group and of the Company have been prepared under the historical cost basis unless otherwise indicated in the material accounting policy information below.

(b) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency, and has been rounded to the nearest RM'000, unless otherwise stated.

(c) Investments in subsidiaries (separate financial statements)

In the Company's separate financial statements, investments in subsidiaries are measured at cost less impairment losses, if any. Impairment losses are charged to profit or loss.

On disposal, the difference between the net disposal proceeds and the carrying amount of the investments is recognised in profit or loss.

(d) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and of the entities controlled by the Company made up to the end of the year.

The Company controls an investee if and only if the Company has all the followings:

(i) power over the investee;
(ii) exposure, or rights, to variable returns from its involvement with the investee; and
(iii) the ability to use its power to affect its returns.

When the Company has no majority voting rights of an investee, it considers that it has power over the investee if the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All intra-group balances, transactions, income and expenses are eliminated in full on consolidation. Consolidation of an investee shall begin from the date the Company obtains control of the investee and cease when the investor loses control of the investee.

Non-controlling interests are initially measured at fair value. Subsequently, non-controlling interests are the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes of interests in subsidiaries

The changes of interest in subsidiaries that do not result in a loss of control are treated as equity transactions between the Group and non-controlling interest. Any difference arising from equity transactions is recognised directly in equity.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(d) Basis of consolidation (cont'd)

Loss of control

When the Company loses control of subsidiaries:

(i) It derecognises the assets and liabilities, non-controlling interests, and other amounts previously recognised in other comprehensive income relating to the former subsidiaries.

(ii) It recognises any gain or loss in profit or loss attributable to the Group, which is calculated as the difference between: (i) the aggregate of the fair value of the consideration received, if any, from the transaction, event or circumstances that resulted in the loss of control; plus any investment retained in the former subsidiaries at its fair value at the date when control is lost; and (ii) the net carrying amount of assets, liabilities, goodwill and any non-controlling interests attributable to the former subsidiaries at the date when control is lost.

(iii) It recognises any investment retained in the former subsidiaries at its fair value when control is lost. That fair value shall be regarded as the fair value on initial recognition of a financial asset in accordance with MFRS 9 or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture.

(e) Business combination

The Group accounts for each business combination by applying the acquisition method.

The consideration transferred in a business combination shall be measured at fair value, which shall be calculated as the sum of the acquisition date fair values of the assets transferred by the acquirer, the liabilities incurred by the acquirer to former owners of the acquiree and the equity interests issued by the acquirer. Acquisition related costs are recognised as expenses when the costs are incurred.

On the date of acquisition, goodwill is measured as the excess of (a) over (b) below:

(a) The aggregate of: (i) the fair value of consideration transferred; (ii) the amount of any non-controlling interests in the investee; and (iii) the fair value of the Group's previously held equity interest in the investee, if the business combination achieved in stages.

(b) The net fair value of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, a business combination in which the amount in (b) above exceeds the aggregate of the amounts in (a) above, the Group recognises the resulting gain in profit or loss.

Measurement period adjustments are adjustments that arise from additional information obtained during 12 months from the acquisition date, about facts and circumstances that existed at the acquisition date. If the initial accounting for a business combination is incomplete by the reporting date in which the business combination occurs, the Group reports provisional amounts for the business combination. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of the acquisition date.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(e) Business combination (cont'd)

When the consideration in a business combination includes contingent consideration, the contingent consideration is measured at fair value on acquisition date.

- Subsequent changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill.

- Subsequent changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments: (i) contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity; or (ii) other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

(f) Investment in associates and joint ventures

An associate is an entity in which the Group has significant influence and that is neither a subsidiary nor an interest in a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the sharing of control of an arrangement contractually, which exists only when decisions about the relevant activities require unanimous consent of the parties.

Investments in associates or joint ventures are accounted for in the financial statements using the equity method. The results and net assets of associates or joint ventures are accounted for using uniform accounting policies for like transactions and other events in similar circumstances. An investment is accounted for using the equity method from the date on which the Group obtains significant influence or joint control until the date the Group ceases to have a significant influence or joint control. Under the equity method, the investments are initially recognised at cost and adjusted thereafter for post-acquisition changes in the Group's share of net assets of the associates or joint ventures. Unrealised gains or losses on transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's interest in the associates or joint ventures.

On acquisition of an investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment, and goodwill is not tested for impairment separately. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised in profit or loss.

When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (includes long-term interests that form part of the Group's net investment in the associate or joint venture, in substance), equity accounting is discontinued, unless the Group has legal or constructive obligation for such losses.

At each reporting date, the Group determines whether there is any objective evidence that the investment in an associate or a joint venture is impaired. If there is such indication, management recognises impairment loss in profit or loss as the difference between the recoverable amount of the associate or joint venture and its carrying value.

When changes in the Group's interest in an associate or a joint venture do not affect the use of equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(f) Investment in associates and joint ventures (cont'd)

The Group discontinues the use of equity accounting from the date when the investment ceases to be an associate or a joint venture. When the Group retains an interest in the former associate or former joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value and the fair value is regarded as its fair value on initial recognition. Any gain or loss is recognised in profit or loss. In addition, if a gain or loss previously recognised in other comprehensive income by the associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the associate or joint venture is disposed.

(g) Inventories

All inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less costs to completion and selling expenses.

(i) Land held for property development

Land held for property development is land on which development is not expected to be completed within the normal operating cycle. No significant development work would have been undertaken on the land. Accordingly, land held for property development is classified as a non-current asset. Land held for property development is measured at the lower of cost and net realisable value. Costs include incidental expenditure incurred to put the land in a condition ready for development.

Land on which development has commenced and is expected to be completed within the normal operating cycle is included in property development costs (current asset).

(ii) Property development costs

Property development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities. Property development costs are measured at the lower of cost and net realisable value.

Property development costs are subsequently recognised as an expense in profit or loss when or as the entity's performance obligation is satisfied over time or at a point in time.

(iii) Unsold completed properties

Unsold completed properties are stated at the lower of cost and net realisable value. The cost of unsold completed properties comprises cost associated with the acquisition of land, direct costs and related allocation costs attributable to property development activities.

(iv) Raw materials and finished goods

Represents the construction materials and foods, beverages and others hotel supplies. Costs are determined after deducting rebates and discounts valued using weighted average method and first-in first-out basis.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(h) Property, plant and equipment

(i) Measurement basis

Property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as profit or loss when incurred.

Subsequent to initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.

Freehold land and buildings are stated at revalued amount, which is the fair value at the date of the revaluation less any accumulated impairment losses. Fair value is determined from market-based evidence by appraisal that is undertaken by professionally qualified valuers and assessment by board of directors. Revaluations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from that which would be determined using fair value at the reporting date.

Any revaluation surplus is credited to the revaluation reserve included within equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss to the extent of the decrease previously recognised. A revaluation deficit is first offset against unutilised previously recognised revaluation surplus in respect of the same asset and the balance is thereafter recognised in profit or loss. Upon disposal or retirement of an asset, any revaluation reserve relating to the particular asset is transferred directly to retained earnings.

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. On disposal, the difference between the net disposal proceeds and the net carrying amount is recognised in the profit or loss.

(ii) Depreciation

Freehold land is not depreciated as it has an infinite life. Other property, plant and equipment are depreciated on a straight-line basis to write off the cost of the assets to their residual values over their estimated useful lives, at the following annual rates:

Buildings	2% - 2.5%
Plant, machinery and equipment	2.5% - 50%
Motor vehicles	20%
Office equipment	10% - 50%
Furniture and fittings	10% - 20%
Renovation	10% - 35%

The residual values, useful lives and depreciation method are reviewed at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(i) Investment properties

Investment properties are properties held to earn rental income or for capital appreciation or both rather than for use in the production or supply of goods and services or for administrative purposes, or sale in the ordinary course of business.

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria is met; and excludes the costs of day-to-day servicing of an investment property.

Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of reporting period. Gains or losses arising from changes in the fair values of investment properties are recognised in the profit or loss in the year in which they arise.

Investment properties are derecognised upon disposal or when they are permanently withdrawn from use and no future economic benefits are expected from their disposal. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit or loss.

When an item of property, plant and equipment is transferred to investment property following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised directly in equity as a revaluation of property, plant and equipment. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in profit or loss. Upon disposal of an investment property, any surplus previously recorded in equity is transferred to retained earnings; the transfer is not made through profit or loss.

When the use of a property changes such that it is reclassified as property, plant and equipment or inventories; its fair value at the date of reclassification becomes its cost for subsequent accounting.

(j) Leases

The Group as Lessee

Right-of-use assets and corresponding lease liabilities are recognised with respect to all lease agreements, except for short-term leases and leases of low value assets.

For short-term leases (i.e. leases with a lease term of 12 months or less) and leases of low value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the lease commencement date, discounted using the rate implicit in the lease or incremental borrowing rate, where applicable. Lease payments included in the measurement of the lease liability comprise: (i) fixed lease payments, less lease incentives; (ii) variable lease payments based upon an index or a rate; and (iii) payments of penalties for terminating the lease.

The right-of-use assets comprise the corresponding lease liability, lease payments made at or before the lease commencement date and initial direct costs. Whenever there is an obligation to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the agreed condition, a provision is recognised. These costs are included in the related right-of-use assets.

After initial recognition, right-of-use assets except for leasehold land and buildings are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any re-measurement of the lease liabilities. Leasehold land and buildings are stated at revalued amount, which is the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(j) Leases (cont'd)

The Group as Lessee (cont'd)

The depreciation starts from the commencement date of the lease. If the lease transfers ownership of the underlying asset to the Group, the related right-of-use asset is depreciated over the useful life of the underlying asset. Otherwise, the Group depreciates the right-of-use asset to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The leasehold land is amortised over the maximum period of 99 years. The estimated useful lives of the right-of-use assets are determined on the same basis as those property, plant and equipment. The depreciation periods and depreciation method are reviewed, and adjusted if appropriate, at each reporting date.

Variable lease payment (not based upon an index or a rate) are recognised as an expense in the period in which it is incurred.

The Group as Lessor

Leases are classified as finance leases or operating leases. Whenever the lease transfers substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the lease term. Initial direct costs incurred are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the net investment in the leases. Finance lease income is allocated to reporting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the leases.

(k) Contract assets and contract liabilities

Contract assets are the right to consideration in exchange for goods or services transferred to customers. If goods or services are transferred to customers before the customers pay consideration or before payment is due, contract assets are recognised for the earned consideration that is conditional. Trade receivables represent the entity's right to an amount of consideration that is unconditional.

Contract liabilities are the obligation to transfer goods or services to customers for which the entity has received consideration (or an amount of consideration is due) from the customers. If the customers pay consideration before the entity transfers goods or services to the customers, contract liabilities are recognised when the payment is made or the payment is due (whichever is earlier).

(l) Contract cost assets

(i) Incremental cost of obtaining a contract

The Group recognises incremental costs of obtaining contracts when the Group expects to recover these costs. When the amortisation period of the asset is one year or less, such costs are recognised as an expense immediately when incurred.

(ii) Costs to fulfill a contract

The Group recognises contract cost assets that relate directly to a contract or to an anticipated contract as an asset when the cost generates or enhances resources of the Group, which will be used in satisfying performance obligations in the future and costs are expected to be recovered.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(l) Contract cost assets (cont'd)

(ii) Costs to fulfill a contract (cont'd)

These contract cost assets are initially measured at cost and amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the asset relates. An impairment loss is recognised in the profit and loss when the carrying amount of the contract cost assets exceeds the expected revenue less expected cost that will be incurred.

Where the impairment condition no longer exists or has improved, the impairment loss is reversed to the extent that the carrying amount of the contract cost assets does not exceed the amount that would have been recognised had there been no impairment loss recognised previously.

(m) Impairment of non-financial assets

Property, plant and equipment, right-of-use assets and investments in subsidiaries, associates and joint venture

Property, plant and equipment, right-of-use assets and investments in subsidiaries, associates and joint venture are assessed at the end of each reporting date to determine whether there is any indication of impairment.

If such an indication exists, the asset's recoverable amount is estimated. The recoverable amount is the higher of an asset's fair value less cost to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs.

An impairment loss is recognised whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

Any reversal of an impairment loss as a result of a subsequent increase in recoverable amount should not exceed the carrying amount that would have been determined (net of amortisation or depreciation, if applicable) had no impairment loss been previously recognised for the asset.

(n) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of an instrument.

Financial assets (with the exception of trade receivables that do not contain a significant financing component) and financial liabilities are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities on initial recognition. A trade receivable without a significant financing component is initially measured at its transaction price.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(n) Financial instruments (cont'd)

Subsequent measurement

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. Financial assets are measured subsequently in the following manners:

- at amortised cost (debt instruments);
- at fair value through other comprehensive income ("FVTOCI"), with recycling of cumulative gains and losses (debt instruments);
- designated at FVTOCI, without recycling of cumulative gains and losses (equity instruments); or
- at fair value through profit or loss ("FVTPL").

Financial assets at amortised cost

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

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

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when an asset is derecognised, modified or impaired.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL, including but not limited to:

- Debt instruments that are designated at FVTPL, if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.
- Derivative instruments.

Financial assets at FVTPL are measured at fair value, with fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial assets.

Impairment of financial assets

Loss allowance is recognised for expected credit losses ("ECL") for all debt instruments not held at FVTPL, i.e. financial assets at amortised cost or FVTOCI, receivables, lease receivables, contract assets, loan commitments and financial guarantee contracts.

ECL is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that are expected to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial asset.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(n) Financial instruments (cont'd)

Impairment of financial assets (cont'd)

For all other financial assets at amortised cost, where credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECL is provided for credit losses that result from default events that are possible within 12 months after the reporting date. For those credit exposures for which there has been a significant increase in the likelihood or risk of a default occurring since initial recognition (instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring), a loss allowance is required for credit losses expected over the remaining life of the financial assets.

Derecognition of financial assets

A financial asset is derecognised only when the contractual rights to the cash flows from the financial asset expire; or when the financial asset is transferred and substantially all the risks and rewards of ownership of the financial asset are transferred to another party.

If the entity neither transfers nor retains substantially all the risks and rewards of ownership and continues to control a transferred financial asset, the entity recognises its retained interest in the financial asset and an associated liability for amounts it may have to pay. If the entity retains substantially all the risks and rewards of ownership of a transferred financial asset, the entity continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the financial asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. On derecognition of an investment in a debt instrument classified at FVTOCI, the cumulative gain or loss previously accumulated in the reserve is reclassified to profit or loss. On derecognition of an investment in equity instrument classified at FVTOCI, the cumulative gain or loss previously accumulated in the reserve is transferred to retained earnings.

Financial liabilities and equity instruments

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities

All financial liabilities are subsequently measured at FVTPL or at amortised cost.

Financial liabilities at amortised cost

These financial liabilities are subsequently measured at amortised cost using the effective interest method.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument or a financial liability by allocating interest income/expense over the relevant periods. The effective interest rate is the rate that exactly discounts estimated future cash receipts/payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of a debt instrument or a financial liability, to the amortised cost of the debt instrument or the financial liability.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(n) Financial instruments (cont'd)

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued are initially measured at their fair values and, if not designated at FVTPL and do not arise from a transfer of a financial asset, are subsequently measured at the higher of:

- the loss allowance determined in accordance with MFRS 9; and
- the amount recognised initially less, where appropriate, cumulative amount of income recognised.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the obligations under the liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

When an existing financial liability is replaced by another financial liability from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability.

Equity instrument

Equity instruments issued are recognised at the proceeds received. Costs incurred directly attributable to the issuance of the equity instruments are accounted for as a deduction from equity.

Repurchase of own equity instruments is deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of own equity instruments.

Treasury shares

When the Company repurchases its own shares, the shares repurchased would be accounted for using the treasury stock method.

Where the treasury stock method is applied, the shares repurchased and held as treasury shares shall be measured and carried at the cost of repurchase on initial recognition and subsequently it shall not be revalued for subsequent changes in the fair value or market price of the shares.

The carrying amount of the treasury shares shall be offset against equity in the statement of financial position. To the extent that the carrying amount of the treasury shares exceeds the share premium account, it shall be considered as a reduction of any other reserves as may be permitted by the Companies Act 2016 in Malaysia.

No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the own equity instruments of the Company. If such shares are issued by resale, any difference between the sales consideration and the carrying amount is shown as a movement in equity.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(o) Revenue from contracts with customers

Revenue from a contract with a customer is recognised when control of the goods or services are transferred to the customer. Revenue is measured based on the consideration specified in the contract to which the entity expects to be entitled in exchange for transferring the goods or services to the customer, excluding amounts collected on behalf of third parties.

If a contract with a customer contains more than one performance obligation, the total consideration is allocated to each performance obligation based on the relative stand-alone selling prices of the goods or services promised in the contract.

(i) Sale of goods

Revenue from sale of goods is recognised at a point in time when control of the goods is transferred to a customer, generally upon delivery of goods.

In measuring the revenue for the sale of goods, the effects of variable consideration, the existence of significant financing component, non-cash consideration, and consideration payable to the customer, etc. are taken into consideration.

(ii) Construction contracts and property development

Revenue is recognised over time, if (i) the entity creates an asset with no alternative use to the entity and the entity has an enforceable right to payment for performance completed to-date; or (ii) a customer controls the asset as it is created or enhanced by the entity.

Revenue is recognised over the period of the contract by measuring the progress towards complete satisfaction of that performance obligation. Revenue is measured on the basis of the entity's efforts or inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation. The stage of completion is determined by the proportion of contract costs incurred to-date relative to the estimated total contract costs.

(iii) Sale of completed properties

Proceeds from sale of completed properties are recognised when the Group satisfies a performance obligation by transferring a promised asset to a customer. Proceeds are normally the contracted price in the sale agreement. An asset is transferred when the customer obtains control of that asset.

(iv) Management fees

Management fees are recognised over time during the period in which the services are rendered.

(v) Rendering of services

Revenue from rendering of services is recognised over time, if a customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.

Revenue from rendering of services is recognised using an input method to measure progress towards complete satisfaction of the services.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(o) Revenue from contracts with customers (cont'd)

(vi) Hotel operations

Hotel room and ancillary services

Hotel room and ancillary services are recognised when service is rendered to the customers over their stay at the hotel. The transaction price is the net amount collected from the customer. Advance deposits on hotel rooms are recorded as customer deposits (i.e. contract liability) until services are provided to the customers.

Sale of foods and beverages

Revenue from the sale of foods and beverages is recognised when the food and beverage is delivered, rendered or control transferred to the customer. Payment of the transaction price is due immediately when the customer purchases the food and beverage.

Other income is recognised as follows:

* Interest income is recognised using the effective interest method.
* Dividend income is recognised when the right to receive payment is established.

(p) Employee benefits

(i) Short term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed off as the related service is provided.

A liability is recognised for the amount expected to be paid under short term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the obligation can be estimated reliably.

(ii) Defined contribution plans

The Company and its Malaysian subsidiaries make monthly contributions to the Employees Provident Fund ("EPF") which is a defined contribution plan. Foreign subsidiaries make contributions to their respective statutory pension plans. The obligation of the Group is limited to the amount that they agree to contribute to those defined contribution plans. The contributions to those plans are recognised as an expense when the employees have rendered service entitling them to the contribution.

(iii) Termination benefits

Employee termination benefits are recognised only either after an agreement is in place with the appropriate employee representatives specifying the terms of redundancy or after individual employees have been advised of the specific terms.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(q) Borrowings costs

Borrowing costs incurred on assets under development that take a substantial period of time for completion are capitalised into the carrying value of the assets. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred; and ceases when the asset is completed or during extended periods when active development is interrupted.

All other borrowing costs are recognised in profit or loss in the year in which they are incurred.

(r) Income tax

The income tax expense represents the aggregate of current tax and deferred tax.

Current tax and deferred tax are recognised in profit or loss. Current tax and deferred tax are recognised in other comprehensive income or directly in equity, if the tax relates to items that are recognised in other comprehensive income or directly in equity. Where deferred tax arises from a business combination, the tax effect is included in the accounting for the business combination.

Current tax

Current tax is the expected income tax payable on the taxable profit for the year, estimated using the tax rates enacted or substantially enacted by the reporting date.

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future payment to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, which is accounted for using the liability method.

A deferred tax liability is recognised for all taxable temporary differences. A deferred tax asset is only recognised for deductible temporary differences and unutilised tax credit to the extent that it is probable that taxable profit will be available in future against which the deductible temporary differences and unutilised tax credit can be utilised.

No deferred tax is recognised for temporary differences arising from the initial recognition of: (i) goodwill, or (ii) an asset or liability (which is not in a business combination) at the time of the transaction that affects neither accounting profit nor taxable profit.

Deferred taxes are measured based on tax consequences that would follow from the manner in which the asset or liability is expected to be recovered or settled, and based on the tax rates enacted or substantively enacted at the reporting date that are expected to apply to the period when the asset is realised or when the liability is settled.

(s) Foreign currencies

(i) Functional currency

Functional currency is the currency of the primary economic environment in which an entity operates.

The financial statements of each entity within the Group are measured using their respective functional currency.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(s) Foreign currencies (cont'd)

(ii) Transactions and balances in foreign currencies

Transactions in currencies other than the functional currency ("foreign currencies") are recognised at the prevailing exchange rate on the date of the transaction. At the reporting date, monetary items denominated in foreign currencies are translated at the prevailing exchange rate on that date.

Non-monetary items which are measured in terms of historical costs denominated in foreign currencies are translated at the prevailing exchange rate on the date of the transaction.

Non-monetary items which are measured at fair values denominated in foreign currencies are translated at the prevailing exchange rate on the date when the fair values were determined.

Exchange differences are recognised in profit or loss, except for:

- Exchange differences on borrowings denominated in foreign currency relating to an asset under construction, which are included in the cost of that asset when the exchange difference is regarded as an adjustment to interest costs on those foreign currency borrowings.
- Exchange differences on amounts receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (i.e. form part of the net investment in that foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

(iii) Translation of foreign operations

For consolidation purposes, all assets and liabilities of foreign operations are translated at the prevailing exchange rate on the reporting date. Income and expense are translated at average exchange rate for the financial period. Exchange differences arising from the translation of the financial statements of the foreign operation are recognised in other comprehensive income; accumulated in a separate component of equity and attributed to non-controlling interests as appropriate.

On disposal of a foreign operation (i.e. loss of control, joint control or significant influence), the accumulated exchange differences recognised in equity relating to that foreign operation is reclassified to profit or loss.

In a partial disposal that does not result in losing of control over a foreign operation, the proportionate share of accumulated exchange differences in equity is re-attributed to non-controlling interests and are not recognised in profit or loss. For other partial disposals (i.e. partial disposals of associates or joint ventures that do not result in losing of significant influence or joint control), the proportionate share of the accumulated exchange differences in equity is reclassified to profit or loss.

(t) Provisions

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, when it is probable that the entity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, a provision represents the present value of those estimated future cash flows.

When some or all of the cash flows required to settle a provision are expected to be recovered from a third party, an asset is recognised if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(u) Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances, bank overdrafts and other short-term, highly liquid investments that are readily convertible to known amounts of cash, and which are subject to insignificant risk of changes in value.

For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts, designated bank accounts and pledged fixed deposits.

(v) Segment reporting

Segment reporting in the financial statements is presented on the same basis as that used by management internally for evaluating operating segment performance and in deciding on the allocation of resources to each operating segment. Operating segments are distinguishable components of the Group that engage in business activities from which they may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's results are reviewed regularly by the chief operating decision maker to decide on the allocation of resources to the segment and assess its performance, and for which discrete financial information is available.

Segment revenue, expense, assets and liabilities are those amounts resulting from operating activities of a segment that are directly attributable to the segment and a relevant portion that can be allocated on a reasonable basis to the segment.

Segment revenue, expense, assets and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group entities within a single segment.

(w) Contingencies

(i) Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statement of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(ii) Contingent assets

Where it is not probable that there is economic benefits, or the amount cannot be estimated reliably, the asset is not recognised in the statement of financial position and is disclosed as contingent asset, unless the probability of inflow of economic benefits is remote.

Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets unless the probability of inflow of economic benefits is remote.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(x) Government grant

Government grants, including non-monetary grants at fair value, are not recognised until there is reasonable assurance that: (i) the Group will comply with the conditions attaching to them; and (ii) the grants will be received.

Government grants (recognised as deferred income) are released to profit or loss on a systematic basis over the financial periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

A government grant that is receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs, are recognised in profit or loss in the financial period in which it becomes receivable.

(y) Earnings per share

Basic earnings per ordinary share is calculated by dividing the consolidated profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the reporting date, adjusted for own shares held.

Diluted earnings per ordinary share is determined by adjusting the consolidated profit or loss attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible preference shares and share options granted to employees.

(z) Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities, for which fair value is measured or disclosed, are categorised within the fair value hierarchy set out below based on the inputs that are significant to the fair value measurement. Fair value measurement is derived from:

Level 1: Unadjusted quoted prices in active markets (for identical assets or liabilities).
Level 2: Inputs (other than quoted prices included within Level 1) are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: Valuation techniques that include unobservable inputs (not based on observable market data).

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The directors have used estimates and assumptions in measuring the reported amounts of assets and liabilities at the end of the reporting period and the reported amounts of expenses during the reporting period. Judgements and assumptions are applied in the measurement, and hence, the actual results may not coincide with the reported amounts.

(i) Significant judgements in applying the Group's and the Company's accounting policies

In the process of applying the Group's and the Company's accounting policies, the directors are of the opinion that there are no instances of application of judgements which are expected to have a significant effect on the amounts recognised in the financial statements, except for:

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property and have developed certain criteria based on MFRS 140 Investment Property in making that judgement.

In making its judgement, the Group considers whether a property generates cash flows largely independently of other assets held by the Group. Owner-occupied properties generate cash flows that are attributable not only to the properties, but also to other assets used in the production or supply process.

Some properties comprise a portion that is held to earn rental or for capital appreciation and another portion that is held for use in the production or supply of goods and services or for administrative purposes.

If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately.

If the portions could not be sold separately, the property is accounted for as an investment property only if an insignificant portion is held for use in the production or supply of goods and services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property.

Revenue recognition of construction contracts

The Group recognises revenue from construction contracts based on the percentage of completion method. The percentage of completion of the construction contracts is measured in accordance with the accounting policies set out in Note 3(o)(ii).

Significant judgement is required in determining the percentage of completion, the extent of the contract costs incurred, the estimated total revenue and total costs and the recoverability of the contract. In making these judgements, management relies on past experience and the work of specialists.

Revenue recognition of property development activities

The Group recognises revenue from property development activities based on the percentage of completion method. The percentage of completion of the property development activities is measured in accordance with the accounting policies set out in Note 3(o)(ii).

Significant judgement is required in determining the percentage of completion, the extent of the development project costs incurred, the estimated total revenue and total costs and the recoverability of the development project. In making these judgements, management relies on past experience and the work of specialists.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

(ii) Key sources of estimation uncertainty

The directors believe that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period, except for:

Useful lives of property, plant and equipment and right-of-use assets

The estimate of the useful lives of property, plant and equipment and right-of-use assets are based on physical wear and tear, expected usage, technical and commercial obsolescence are reviewed annually and are updated if expectations differ from previous estimates.

Any change to the estimate of the useful lives will affect future depreciation charges. The directors have relied upon past experience and industry practices in exercising their judgement. The carrying amounts of the Group's property, plant and equipment and right-of-use assets at the reporting date is disclosed in Notes 5 and 6.

Fair value of land and buildings

The Group measures its land and buildings at revaluation and fair value model with any change in fair value recognised in the revaluation reserve and profit or loss, respectively. Significant judgement is required in the determination of fair value which may be derived based on different valuation methods. In making the judgement, the Group evaluates based on past experience and reliance on the work of specialists. The Group engages an independent professional valuer and the board of directors perform fair value assessment to determine the fair value on an open market value basis using comparison and income methods.

Information regarding the valuation techniques and inputs used in determining the fair value is disclosed in Notes 5, 6 and 7.

Allowance for stock obsolescence and inventories write down

Inventories are stated at the lower of cost and net realisable value. The Group estimates the net realisable value of inventories based on an assessment of expected sales prices.

Inventories are reviewed on a regular basis and the Group will make an allowance for excess or obsolete inventories based primarily on historical trends and management estimates of expected and future product demand and related pricing.

Demand levels, changes in product preference and pricing competition could change from time to time. If such factors result in an adverse effect on the Group's inventories, the Group might be required to reduce the value of its inventories and additional allowances for slow moving inventories may be required. The carrying amount of the inventories is disclosed in Note 8.

Income taxes

Significant estimation is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. Uncertainties also exist with respect to the interpretation of complex tax regulations, changes in tax laws and the amounts and timing of future taxable income. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. Details of income tax expenses are disclosed in Note 37.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

(ii) Key sources of estimation uncertainty (cont'd)

Deferred tax assets

Deferred tax assets are recognised for unabsorbed capital allowances, unused tax losses and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the capital allowances, unused tax losses and other deductible temporary differences can be utilised.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Further details are disclosed in Note 13.

Determining the loss allowance for trade receivables and contract assets

Management assesses the ECL for trade receivables and contract assets at each reporting date. Credit losses are the difference between the contractual cash flows that are due to the entity and the cash flows that it actually expects to receive. Management applies simplified approach of MFRS 9 Financial Instruments in assessing the impairment of trade receivables and contract assets.

In determining the ECL, management uses historical credit loss experience for trade receivables and contract assets to estimate the ECL. Management is not only required to consider historical information that is adjusted to reflect the effects of current conditions and information that provides objective evidence that trade receivables and contract assets are impaired in relation to incurred losses, but management is also considering, where applicable, reasonable and supportable information that may include current and forecasts of future economic conditions when estimating the ECL, on an individual and collective basis. The need to consider forward-looking information means that management exercises considerable judgement as to how changes in macroeconomic factors will affect the ECL on trade receivables and contract assets.

The carrying amount of trade receivables and contract assets is disclosed in Notes 14 and 16.

Determining the loss allowance for non-trade receivables.

Management assesses the ECL of receivables (other than trade receivables and contract assets) at each reporting date. Credit losses are the difference between the contractual cash flows that are due to the entity and the cash flows that it actually expects to receive.

In determining the ECL, management assesses whether there has been any significant increase in credit risk since initial recognition of a receivable. Where there has not been a significant increase in credit risk since initial recognition, management determines the loss allowance by estimating an amount equal to 12-month ECL of that receivable. For those credit exposures for which there has been a significant increase in the likelihood or risk of a default occurring since initial recognition (instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring), management measures a loss allowance for credit losses expected over the remaining life of that receivable. Management exercise considerable judgement in these estimations, using historical credit loss experience as well as reasonable and supportable information that may include forecasts of future economic conditions when estimating the ECL.

The carrying amount of other receivables is disclosed in Note 15.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

(ii) Key sources of estimation uncertainty (cont'd)

Contingent liabilities

Determination of the treatment of contingent liabilities in the financial statements is based on the management's view of the expected outcome of the applicable contingency. The issued financial guarantee contracts of the Company are disclosed in Note 43(b)(ii).

Impairment of property, plant and equipment, right-of-use assets, investments in subsidiaries, associates and joint venture.

Property, plant and equipment, investments in subsidiaries, associates and joint venture and right-of-use assets are assessed at the end of each reporting period to determine whether there is any indication of impairment. If such an indication exists, an estimation of the property, plant and equipment, investments in subsidiaries, associates and joint venture and right-of-use assets' recoverable amount is required. Estimating the recoverable amount requires management to make an estimate of the expected future cash flows from property, plant and equipment, investments in subsidiaries, associates and joint venture and right-of-use assets and also choose a suitable discount rate in order to calculate the present value of those cash flows.

The carrying amounts of property, plant and equipment, right-of-use assets, investments in subsidiaries, associates and joint venture are disclosed in Notes 5, 6, 9, 10 and 11.

Provision for development cost

The Group recognises a provision for development cost in respect of development projects undertaken by its subsidiaries. In determining the provision, the Group has made assumptions in relation to the development cost incurred on the development projects. The carrying amount of provision for development cost at the reporting date is disclosed in Note 26.

5. PROPERTY, PLANT AND EQUIPMENT

	Valuation		Costs					
	Freehold land RM'000	Freehold buildings RM'000	Plant, machinery and equipment RM'000	Motor vehicles RM'000	Office equipment RM'000	Furniture and fittings RM'000	Renovation RM'000	Total RM'000
Group								
2024								
As at 1 January 2024	44,551	168,879	67,337	25,509	4,911	2,711	2,965	316,863
Additions	-	430	1,186	24	329	20	-	1,989
Disposal	-	-	(3,291)	(2,350)	(19)	-	-	(5,660)
Exchange differences	(4,555)	(17,324)	-	-	(76)	-	-	(21,955)
Written off	-	-	(278)	-	(4)	-	-	(282)
Transfer from right-of-use assets (Note 6)	-	-	72	830	-	-	-	902
Reversal	-	(81)	-	-	-	-	-	(81)
As at 31 December 2024	39,996	151,904	65,026	24,013	5,141	2,731	2,965	291,776

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

	Valuation		Costs					
	Freehold land RM'000	Freehold buildings RM'000	Plant, machinery and equipment RM'000	Motor vehicles RM'000	Office equipment RM'000	Furniture and fittings RM'000	Renovation RM'000	Total RM'000
Accumulated depreciation								
As at 1 January 2024	-	1,843	62,880	25,150	4,185	2,595	2,715	99,368
Charge for the financial year	-	4,502	1,953	380	483	52	112	7,482
Disposal	-	-	(3,228)	(2,350)	(19)	-	-	(5,597)
Exchange differences	-	(440)	-	-	(181)	-	-	(621)
Written off	-	-	(278)	-	(2)	-	-	(280)
Transfer from right-of-use assets (Note 6)	-	-	32	346	-	-	-	378
As at 31 December 2024	-	5,905	61,359	23,526	4,466	2,647	2,827	100,730
Carrying amount								
As at 31 December 2024	39,996	145,999	3,667	487	675	84	138	191,046

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

	Valuation		Costs					
	Freehold land RM'000	Freehold buildings RM'000	Plant, machinery and equipment RM'000	Motor vehicles RM'000	Office equipment RM'000	Furniture and fittings RM'000	Renovation RM'000	Total RM'000
Group								
2023								
As at 1 January 2023	25,920	162,798	72,300	29,136	4,844	2,716	3,371	301,085
Additions	-	47	973	-	217	3	-	1,240
Disposal	-	-	(6,432)	(4,546)	(16)	(8)	(157)	(11,159)
Exchange differences	1,230	5,690	15	9	27	-	4	6,975
Written off	-	-	(22)	-	(161)	-	(253)	(436)
Transfer from right-of-use assets (Note 6)	-	-	503	910	-	-	-	1,413
Offset accumulated depreciation	-	(20,421)	-	-	-	-	-	(20,421)
Revaluation gain	17,401	20,765	-	-	-	-	-	38,166
As at 31 December 2023	44,551	168,879	67,337	25,509	4,911	2,711	2,965	316,863

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

	Valuation		Costs					
	Freehold land RM'000	Freehold buildings RM'000	Plant, machinery and equipment RM'000	Motor vehicles RM'000	Office equipment RM'000	Furniture and fittings RM'000	Renovation RM'000	Total RM'000
Accumulated depreciation								
As at 1 January 2023	-	17,565	64,730	28,528	3,946	2,544	3,011	120,324
Charge for the financial year	-	4,532	4,143	619	392	59	110	9,855
Disposal	-	-	(6,424)	(4,542)	(16)	(8)	(157)	(11,147)
Exchange differences		167	15	(1)	23	-	4	208
Written off	-	-	(18)	-	(160)	-	(253)	(431)
Transfer from right-of-use assets (Note 6)		-	434	546	-	-	-	980
Offset accumulated depreciation	-	(20,421)	-	-	-	-	-	(20,421)
As at 31 December 2023	-	1,843	62,880	25,150	4,185	2,595	2,715	99,368
Carrying amount								
As at 31 December 2023	44,551	167,036	4,457	359	726	116	250	217,495

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

	Furniture and fittings RM'000	Office equipment RM'000	Renovation RM'000	Total RM'000
Company				
2024				
Cost				
As at 1 January/31 December	2,055	758	1,937	4,750
Accumulated depreciation				
As at 1 January/31 December	2,055	758	1,937	4,750
Carrying amount				
As at 31 December 2024	-	-	-	-
2023				
Cost				
As at 1 January/31 December	2,055	758	1,937	4,750
Accumulated depreciation				
As at 1 January/31 December	2,055	758	1,937	4,750
Carrying amount				
As at 31 December 2023	-	-	-	-

(a) Revaluation

Freehold land and buildings of the subsidiaries were revalued using the open market valuation basis carried out on 19 July 2023, 5 November 2023, 8 November 2023 and 9 November 2023 by independent professional valuers who have appropriate professional qualifications and recent experience in the relevant location and assets being valued. The valuers adopted comparison approach and income approach to arrive at their opinion of the present market value.

Under comparison approach, the value of the property is determined by comparing it with recent sales then and/or listings of similar properties in the vicinity, or if not available, within similar localities.

Certain freehold land and buildings were valued by adopting income approach by independent professional valuers who have appropriate professional qualifications and recent experience in the relevant industry in which the asset being used. Under income approach, the value of property converts future amounts to a single discounted amount taking into account, inter alia, risk and uncertainty.

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

(a) Revaluation (cont'd)

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models.

Key Inputs	Significant Unobservable inputs	Relationship of unobservable inputs and fair value
Income approach which capitalises the actual or estimated income stream, net of projected operating costs, using a discount rate derived from capitalisation rate	Discount rate of 7.50%	The higher the discount rate, the lower the fair value
	Growth rate of 3%	The higher the growth rate, the higher the fair value
	Occupancy rate of 74%	The higher the occupancy rate, the higher the fair value

The carrying amount of land and building were adjusted to reflect the revaluations and the revaluation surpluses were credited to revaluation reserve. The revaluation reserve cannot be distributed to the shareholders due to legal restriction

Had the Group's land and buildings been measured on a historical cost basis, their carrying amounts would have been as follows:

	2024 RM'000	2023 RM'000
Group		
Freehold land	18,208	20,321
Freehold building	126,294	143,962
	144,502	164,283

The carrying amounts of the land and buildings (at valuation) of the Group are categorised as follows:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group				
2024				
Freehold land	-	4,801	35,195	39,996
Freehold buildings	-	17,951	128,048	145,999
	-	22,752	163,243	185,995
2023				
Freehold land	-	4,801	39,750	44,551
Freehold buildings	-	18,151	148,885	167,036
	-	22,952	188,635	211,587

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

(a) Revaluation (cont'd)

The following table shows a reconciliation of Level 3 fair values:

	Group	
	2024 RM'000	2023 RM'000
As at 1 January	188,635	149,078
Depreciation	(4,056)	(4,016)
Revaluation gain	-	36,819
Exchange differences	(21,336)	6,754
As at 31 December	163,243	188,635

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.

Transfer between Level 1, 2, and 3 fair value

There is no transfer between Level 1, 2 and 3 fair values during the year.

(b) Security

Freehold land and buildings belong to a foreign subsidiary incorporated in Australia with a carrying amount of RM163,243,000 (2023: RM188,635,000) have been pledged to a financial institution as security for credit facilities obtained by the subsidiary.

6. RIGHT-OF-USE ASSETS

	Valuation		Costs					
	Leasehold land RM'000	Leasehold buildings RM'000	Plant, machinery and equipment RM'000	Motor vehicles RM'000	Office equipment RM'000	Furniture and fittings RM'000	Building under construction *** RM'000	Total RM'000
Group								
2024								
As at 1 January 2024	851	3,240	5,414	2,355	1,057	927	-	13,844
Additions	-	-	3,389	2,421	20	-	2,319	8,149
Exchange differences	-	-	(337)	-	(121)	(107)	-	(565)
Transfer to property, plant and equipment (Note 5)	-	-	(72)	(830)	-	-	-	(902)
As at 31 December 2024	851	3,240	8,394	3,946	956	820	2,319	20,526
Accumulated amortisation								
As at 1 January 2024	2	12	2,979	629	995	608	-	5,225
Charge for the year	12	69	1,252	599	49	121	-	2,102
Exchange differences	-	-	(260)	-	(117)	(77)	-	(454)
Transfer to property, plant and equipment (Note 5)	-	-	(32)	(346)	-	-	-	(378)
As at 31 December 2024	14	81	3,939	882	927	652	-	6,495
Carrying amount								
As at 31 December 2024	837	3,159	4,455	3,064	29	168	2,319	14,031

*** In respect of the construction of a double storey warehouse cum office on a parcel of leasehold land.

6. RIGHT-OF-USE ASSETS (CONT'D)

	Valuation		Costs				
	Leasehold land RM'000	Leasehold buildings RM'000	Plant, machinery and equipment RM'000	Motor vehicles RM'000	Office equipment RM'000	Furniture and fittings RM'000	Total RM'000
Group							
2023							
As at 1 January 2023	781	2,825	4,894	2,420	1,010	890	12,820
Additions	-	-	1,090	845	6	-	1,941
Disposal	-	-	(180)	-	-	-	(180)
Exchange differences	-	-	113	-	41	37	191
Transfer to property, plant and equipment (Note 5)	-	-	(503)	(910)	-	-	(1,413)
Offset accumulated depreciation	(42)	(224)	-	-	-	-	(266)
Revaluation gain	112	639	-	-	-	-	751
As at 31 December 2023	851	3,240	5,414	2,355	1,057	927	13,844
Accumulated amortisation							
As at 1 January 2023	33	179	2,662	554	795	461	4,684
Charge for the year	11	57	838	539	162	124	1,731
Disposal	-	-	(87)	-	-	-	(87)
Exchange differences	-	-	-	82	38	23	143
Transfer to property, plant and equipment (Note 5)	-	-	(434)	(546)	-	-	(980)
Offset accumulated depreciation	(42)	(224)	-	-	-	-	(266)
As at 31 December 2023	2	12	2,979	629	995	608	5,225
Carrying amount							
As at 31 December 2023	849	3,228	2,435	1,726	62	319	8,619

6. RIGHT-OF-USE ASSETS (CONT'D)

The Group leases leasehold land and buildings, plant, machinery and equipment, motor vehicles, office equipment and furniture and fittings.

(a) Leasehold land and building

(i) Revaluation

Leasehold land and building of the subsidiaries were revalued using the open market valuation basis carried out on 5 November 2023 and 9 November 2023 by a firm of independent professional valuers who have appropriate professional qualifications and recent experience in the relevant location and assets being valued. The valuers adopted comparison approach to arrive at their opinion of the present market value.

Under comparison approach, the value of the property is determined by comparing it with recent sales then and/or listings of similar properties in the vicinity, or if not available, within similar localities.

The carrying amount of land and building were adjusted to reflect the revaluations and the revaluation surpluses were credited to revaluation reserve. The revaluation reserve cannot be distributed to the shareholders due to legal restriction.

Had the Group's leasehold land and building been measured on a historical cost basis, their carrying amounts would have been as follows:

	2024 RM'000	2023 RM'000
Group		
Leasehold land	485	495
Leasehold buildings	1,408	1,438
	1,893	1,933

The carrying amounts of the leasehold land and building (at valuation) of the Group are categorised as follows:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group				
2024				
Leasehold land	-	837	-	837
Leasehold buildings	-	3,159	-	3,159
	-	3,996	-	3,996
2023				
Leasehold land	-	849	-	849
Leasehold buildings	-	3,228	-	3,228
	-	4,077	-	4,077

6. RIGHT-OF-USE ASSETS (CONT'D)

(a) Leasehold land and building (cont'd)

(i) Revaluation (cont'd)

Policy on transfer between levels

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

Transfer between Level 1, 2, and 3 fair value

There is no transfer between Level 1, 2 and 3 fair values during the year.

(ii) Security

A leasehold building of a subsidiary with a net carrying amount of RM1,645,000 (2023: RM1,692,000) has been charged to a financial institution as security for various credit facilities obtained by the subsidiary.

The building under construction has been pledged to a financial institution as security for a term loan granted to a subsidiary.

(b) Plant, machinery and equipment, motor vehicles, office equipment and furniture and fittings

The Group has leased certain assets under hire purchase arrangements with lease terms of 3 to 5 (2023: 3 to 5) years.

Certain assets belong to a foreign subsidiary incorporated in Australia with a carrying amount of RM765,000 (2023: RM1,086,000) have been pledged to a financial institution as collateral for credit facilities obtained by the subsidiary.

(c) Short-term leases and leases of low-value of assets

The lease payments (of the Group and of the Company) associated to short-term leases or leases of low-value assets are recognised as an expense on a straight-line basis over the lease term. No right-of-use assets and lease liabilities are recognised for these leases.

Total cash flows for leases during the current year (including short-term and low-value assets lease payments) of the Group and of the Company amounted to RM3,308,000 and NIL (2023: RM6,363,000 and NIL) respectively.

7. INVESTMENT PROPERTIES

	Group	
	2024 RM'000	2023 RM'000
At 1 January	11,958	9,813
Addition	-	5
Disposals	-	(220)
Fair value gain on investment properties	-	2,360
At 31 December	11,958	11,958

Investment properties comprise a number of commercial properties that are leased to third parties, and residential properties. The subsequent renewals of the leases are negotiated with the lessees and on average renewal period of one year. No contingent rents are charged.

7. INVESTMENT PROPERTIES

(a) Valuation of investment property

Investment properties are stated at fair value which is based on valuation carried out on 1 July 2023 and 9 November 2023 by independent professional valuers who have appropriate professional qualifications and recent experience in the relevant location and assets being valued. The fair value of the investment property was determined using the comparison approach whereby the value of the property is determined by comparing it with recent sales then and/or listings of similar properties in the vicinity, or if not available, within similar localities.

	Group	
	2024 RM'000	2023 RM'000
At fair value:		
Freehold land	10,000	10,000
Freehold land and buildings	1,958	1,958
	11,958	11,958

Fair value of investment properties are categorised as follows:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group				
2024				
Freehold land	-	10,000	-	10,000
Freehold building	-	1,958	-	1,958
	-	11,958	-	11,958
2023				
Freehold land	-	10,000	-	10,000
Freehold building	-	1,958	-	1,958
	-	11,958	-	11,958

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.

Transfer between Level 1, 2, and 3 fair value

There is no transfer between Level 1, 2 and 3 fair values during the year.

(b) Income and expenses recognised in profit or loss

	Group	
	2024 RM'000	2023 RM'000
Rental income -charge/(reversal)	247	(9)
Direct operating expenses	17	27

8. INVENTORIES

Non-Current Assets

(a) Land Held for Property Development

	Group	
	2024 RM'000	2023 RM'000
Freehold land		
Cost		
At 1 January	23,283	12,207
Addition	271	11,076
At 31 December	23,554	23,283

The subsidiary of the Company, TRC Land Sdn. Bhd. ("TRCL") entered into Development Agreement with Perbadanan Putrajaya ("PJC") for the development of Perumahan Penjawat Awam Malaysia ("PPAM") Project. In accordance with the Development Agreement, PJC will transfer portion of the project land to TRCL for the development of Non-PPAM units after satisfied the construction works of PPAM has reached 50%. PJC has transferred the land title to TRCL in previous year. The fair value of the land received amounted to RM11,000,000.

Current Assets

(a) Property Development Costs

	Group	
	2024 RM'000	2023 RM'000
Land, at cost	-	2,010
Development costs	15,372	38,921
At 1 January	15,372	40,931
Costs incurred during the year		
Land costs	-	-
Development costs	1,637	22,283
Transfer to contract cost assets (Note 17)	-	(44,529)
Transfer to inventories	-	(3,313)
At 31 December	17,009	15,372

8. INVENTORIES (CONT'D)

Current Assets (cont'd)

(b) Inventories

	Group	
	2024 RM'000	2023 RM'000
Cost		
Raw materials	-	267
Finished goods	24	55
Completed properties	12,319	15,526
	12,343	15,848
Total (a) and (b)	29,352	31,220

9. INVESTMENT IN SUBSIDIARIES

	Company	
	2024 RM'000	2023 RM'000
Unquoted ordinary shares, at cost	91,748	91,748
Unquoted preference shares, at cost	148,254	-
	240,002	91,748

During the financial year, the Company subscribed 40,000,000 units and 108,254,167 units of Redeemable Preference Shares issued by ADS Projek Sdn. Bhd. and TRC (Aust) Pty Ltd. respectively, both wholly-owned subsidiaries of the Company, by converting the advances due to the Company amounting to RM40,000,000 and RM108,254,167 respectively. Refer to note 18.

Details of subsidiaries are as follows:

Name of Company	Place of incorporation	Effective equity interest 2024 %	Effective equity interest 2023 %	Principal activities
Trans Resources Corporation Sdn. Bhd.	Malaysia	100	100	Construction
TRC Land Sdn. Bhd.	Malaysia	100	100	Property development
TRC Energy Sdn. Bhd.	Malaysia	100	100	Oil and gas
ADS Sentral Sdn. Bhd.	Malaysia	100	100	Dormant

9. INVESTMENT IN SUBSIDIARIES (CONT'D)

Name of Company	Place of incorporation	Effective equity interest 2024 %	Effective equity interest 2023 %	Principal activities
TRC (Aust) Pty Ltd.** Development	Australia	100	100	Investment in land development
ADS Projek Sdn. Bhd.	Malaysia	100	100	Property development
Held through subsidiaries:				
TRC (Aust) Hotel Pty Ltd.**	Australia	100	100	Hotel operation activities
The Swan Synergy Unit Trust**	Australia	100	100	Investment in commercial property
TRC Development Sdn. Bhd.	Malaysia	100	100	Property development and project management
TRC Land (Cambodia) Limited*	Kingdom of Cambodia	100	100	Commercial and trading operations, property investment and construction
TRC Niaga Sdn. Bhd.	Malaysia	100	100	Manufacture and trading in concrete piles, sand and ready mixed concrete, general trading and services
TRC (B) Sdn. Bhd.**	Brunei Darussalam	90	90	Construction and property development
ETPJV Sdn. Bhd.**	Malaysia	51	51	Construction
Trans Handan Bridge Sdn. Bhd.	Malaysia	70	70	Construction bridges, including those for elevated highways

* The financial statements of TRC Land (Cambodia) Limited have not been audited due to the exemptions given by the country of incorporation.

** Not audited by SBY Partners PLT

9. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of non-wholly-owned subsidiaries that have non-controlling interests

The table below shows details of non-wholly-owned subsidiaries that have non-controlling interests:

Name of Company	ETPJV Sdn. Bhd.	TRC (B) Sdn. Bhd.	Others*	Total
2024				
NCI percentage of ownership and voting interest	49%	10%		
Carrying amount of NCI (RM'000)	6,715	1,839	296	8,850
2023				
NCI percentage of ownership and voting interest	49%	10%		
Carrying amount of NCI (RM'000)	6,533	1,952	352	8,837

* Amounts are negligible

Summarised financial information is in respect of the subsidiaries that has non-controlling interests are set out as below. The summarised financial information below represents amounts before intragroup eliminations.

	ETPJV Sdn. Bhd.		TRC (B) Sdn. Bhd.	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Statement of financial position				
Non-Current assets	-	-	-	-
Current assets	33,333	40,829	18,389	19,535
Non-Current liabilities	-	-	-	-
Current liabilities	(19,628)	(27,497)	-	(19)
Net assets	13,705	13,332	18,389	19,516
Statement of profit or loss and other comprehensive income				
Revenue	37,734	148,950	-	-
Profit/(Loss) for the financial year	373	465	(58)	1,105
Total comprehensive income/(loss) for the financial year	373	465	(1,131)	2,159

9. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of non-wholly-owned subsidiaries that have non-controlling interests (cont'd)

	ETPJV Sdn. Bhd. 2024 RM'000	ETPJV Sdn. Bhd. 2023 RM'000	TRC (B) Sdn. Bhd. 2024 RM'000	TRC (B) Sdn. Bhd. 2023 RM'000
Statement of cash flows				
Net cash (used in)/from:				
Operating activities	(9,174)	2,973	(42)	16,329
Investing activities	-	-	-	17
Financing activities	(380)	(383)	(154)	(18,994)
Net changes in cash and cash equivalents	(9,554)	2,590	(196)	(2,648)

The Group has assessed the remaining non-controlling interests in the subsidiaries of the Group and has determined that the remaining non-controlling interests are not individually material to the Group's financial position, performance and cash flows.

10. INVESTMENT IN ASSOCIATES

	Group 2024 RM'000	Group 2023 RM'000
Unquoted shares, at cost	10,261	10,526
Less: Accumulated impairment losses	(7,562)	(7,827)
	2,699	2,699
Share of post-acquisition profit/(loss):		
Share of profit/(loss) of associates	3,169	(305)
Share of exchange reserve	(913)	(913)
Dividend income from an associate	(300)	-
	4,655	1,481

Details of associates are as follows:

Name of Company	Place of incorporation	Effective equity interest 2024 %	Effective equity interest 2023 %	Principal activities
Delta Garden Limited*	Kingdom of Cambodia	34	34	Property development
Hexide Engineering Services Sdn. Bhd.**	Malaysia	30	30	Provision of mechanical and electrical services

* The financial statements of Delta Garden Limited have not been audited due to the exemptions given by the country of incorporation.

** Not audited by SBY Partners PLT

10. INVESTMENT IN ASSOCIATES (CONT'D)

Summarised financial information of the material associates are set out as below. The summarised financial information below represents amounts before intragroup eliminations.

	Delta Garden Limited		Hexide Engineering Services Sdn. Bhd.	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Assets and liabilities				
Total assets	17,067	17,510	36,845	8,526
Total liabilities	(26,808)	(27,502)	(21,328)	(3,589)
Results				
Revenue	-	-	42,129	11,585
Profit for the financial year	-	-	11,580	3,308
Total comprehensive income for the financial year	-	-	11,580	3,308

Reconciliation of summarised financial information of material associates to carrying amount of interest in associates are as follows:

	Delta Garden Limited		Hexide Engineering Services Sdn. Bhd.	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Net (liabilities)/assets	(9,740)	(9,992)	15,517	4,937
Group share of net (liabilities)/assets	(3,312)	(3,397)	4,655	1,481
Goodwill	10,874	11,224	-	-
Impairment loss	(7,562)	(7,827)	-	-
Carrying amount of the Group's interest in associate	-	-	4,655	1,481

The Group does not have any capital commitment or contingent liabilities in relation to its interest in the associates as at 31 December 2024 (2023: NIL).

11. INVESTMENT IN JOINT VENTURE

	Group	
	2024 RM'000	2023 RM'000
Unquoted shares, at cost	23,392	26,427
Share of post-acquisition profits, net of distribution	8,623	11,921
	32,015	38,348

11. INVESTMENT IN JOINT VENTURE (CONT'D)

Details of the joint venture are as follows:

Joint arrangement	Type of joint arrangement	Principal place of business/ Country of incorporation	Equity interest 2024 %	Equity interest 2023 %
Springridge Partnership*	Partnership	Australia	33	33

* Not audited by SBY Partners PLT

The following information is provided for joint venture that is material to the Group and is the amount per the Joint Venture's financial statements, adjusted for fair value adjustments at acquisition date and differences in accounting policies:

	2024 RM'000	2023 RM'000
BB Ngiam and KH Leong Family Trust and TRC (Aust) Pty Ltd		
Summarised statement of financial position		
Cash and cash equivalents	8,051	11
Other current assets	83,828	75,863
Non-Current assets	3,035	11,857
Current liabilities	(39,423)	(43,041)
Non-Current liabilities	(3,437)	(6,501)
Net assets	52,054	38,189
Summarised statement of comprehensive income		
Gross profit	21,981	3,706
Other income	442	32
Administrative expenses	(6,820)	(3,950)
Other expenses	(215)	(100)
Total comprehensive income/(loss)	15,388	(312)
Group's share of comprehensive income/(loss)	5,129	(113)
Distribution received from joint venture	4,837	4,684

11. INVESTMENT IN JOINT VENTURE (CONT'D)

Reconciliation of summarised financial information for joint venture accounted for using the equity method to the carrying amount of interest in joint venture is as follows:

	Group	
	2024 RM'000	2023 RM'000
Net assets of joint venture	52,054	38,189
Fair value adjustment on the net assets of the joint venture acquired	44,001	76,864
	96,055	115,053
Proportion of ownership held by the Group	33%	33%
The Group's share of net assets of the joint venture	32,015	38,348

The Group does not have any capital commitment or contingent liabilities in relation to its interest in the joint venture as at 31 December 2024.

12. OTHER INVESTMENTS

	Group	
	2024 RM'000	2023 RM'000
Fair value through profit or loss ("FVTPL")		
Corporate membership	66	66

Fair value of corporate membership of the Group is categorised as Level 2 in the fair value hierarchy. There is no transfer between levels of hierarchy during the year.

13. DEFERRED TAX ASSETS/(LIABILITIES)

	Group	
	2024 RM'000	2023 RM'000
At 1 January	(4,477)	7,856
Recognised in profit or loss	(20)	(1,063)
Recognised in other comprehensive income	-	(11,464)
Underprovision in prior years	2,450	-
Exchange differences	282	194
At 31 December	(1,765)	(4,477)
Represented by:		
Deferred tax assets	2,840	560
Deferred tax liabilities	(4,605)	(5,037)
	(1,765)	(4,477)

13. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

The Group has recognised the deferred tax assets as it is probable that its existing businesses would generate sufficient taxable profit in the future against which the deferred tax assets can be utilised.

The deferred tax assets/(liabilities) on temporary differences recognised in the financial statements are as follows:

	Group	
	2024 RM'000	2023 RM'000
(Taxable)/Deductible temporary differences:		
Unabsorbed tax losses	11,265	10,586
Unabsorbed capital allowance	63	56
Excess of capital allowance claimed over accumulated depreciation on property, plant and equipment and right-of-use assets	(509)	(1,551)
Revaluation surplus on properties	(14,175)	(15,631)
Changes on fair value of investment properties	(256)	(256)
Future deductible development cost	86	99
Accruals	764	1,199
Deferred revenue	997	1,021
	(1,765)	(4,477)

14. TRADE RECEIVABLES

	Group	
	2024 RM'000	2023 RM'000
Receivables from contracts with customers		
Third parties	197,431	90,135
Construction contracts:		
Retention sum	106,298	94,202
	303,729	184,337
Less: Allowance for expected credit losses	(5,006)	(4,464)
	298,723	179,873

Receivables from contracts with customers are non-interest bearing and are receivable generally on 30 to 90 (2023: 30 to 90) days terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition. Retention sums are receivable upon the expiry of the defect liability periods stipulated in the respective construction contracts and sale and purchase agreements. The defect liability periods stated in the construction contracts and sale and purchase agreements are between 12 and 24 months (2023: 12 and 24 months).

14. TRADE RECEIVABLES (CONT'D)

The movement in allowance for impairment during the financial year is as follows:

	Group	
	2024 RM'000	2023 RM'000
As at 1 January	4,464	3,696
Charge for the financial year	677	702
Reversal for the financial year	-	(78)
Exchange difference	(135)	144
As at 31 December	5,006	4,464

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

	Group	
	2024 RM'000	2023 RM'000
Not past due nor impaired	257,798	142,930
Past due not impaired:		
Less than 30 days	14,601	18,104
31 to 60 days	1,845	2,897
61 to 90 days	5,310	1,192
More than 90 days	24,175	19,214
	303,729	184,337
Impaired	(5,006)	(4,464)
	298,723	179,873

Receivables from contracts with customers that are past due at the end of the year, for which the Group has not recognised any allowance for doubtful debts, have no significant changes in their credit quality and the directors consider the amounts as recoverable.

15. OTHER RECEIVABLES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Amount due from an associate	9,795	10,049	-	-
Less: Allowance for expected credit losses	(8,139)	(7,530)	-	-
	1,656	2,519	-	-
Other receivables	5,667	5,314	147	147
Deposits	6,201	7,199	2	2
Prepayments	2,361	3,838	-	-
	14,229	16,351	149	149
	15,885	18,870	149	149

The movement in allowance for impairment during the financial year is as follows:

	Group	
	2024 RM'000	2023 RM'000
As at 1 January	7,530	6,450
Charge for the financial year	796	825
Exchange difference	(187)	255
As at 31 December	8,139	7,530

Amount due from an associate is unsecured, non-interest-bearing advances, receivable on demand and expected to be settled in cash.

16. CONTRACT ASSETS/(LIABILITIES)

		Group	
	Note	2024 RM'000	2023 RM'000
Contract assets			
Construction contracts	(a)	18,555	38,041
Less: Expected credit loss allowance		(153)	(157)
		18,402	37,884
Contract liabilities			
Property development contracts	(b)	21	112
Construction contracts	(a)	114,860	116,150
Advances received from customers	(c)	6,346	738
		121,227	117,000

16. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

(a) Construction contracts

	Group 2024 RM'000	Group 2023 RM'000
At 1 January	(78,266)	(185,946)
Revenue recognised during the year	286,815	281,791
Revenue recognised that was included in the contract liabilities at the beginning of the year	195,231	196,211
Progress billings issued during the year	(500,240)	(370,320)
Exchange differences	2	(2)
At 31 December	(96,458)	(78,266)
Represented by:		
Contract assets	18,555	38,041
Contract liabilities	(114,860)	(116,150)
Expected credit loss allowance	(153)	(157)
	(96,458)	(78,266)

The movements in loss allowance for contract assets are as follows:

	Group 2024 RM'000	Group 2023 RM'000
At 1 January	157	151
Exchange difference	(4)	6
At 31 December	153	157

Revenue relating to construction contracts is recognised over time, while the customers pay according to contractual milestones.

The contract assets primarily relate to the Group's rights to consideration for work performed but not yet billed at the reporting date for its construction activities. The contract assets will be transferred to trade receivables when the rights become unconditional.

The contract liabilities primarily relate to the advance consideration received from customers for construction contract, which revenue is recognised over time during the construction activities.

16. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

(b) Property development contracts

	Group	
	2024 RM'000	2023 RM'000
At 1 January	(112)	(8,247)
Advance received from customers in prior year	-	(9,212)
Non-cash consideration received	-	(11,000)
Revenue recognised during the year	1,121	140,367
Progress billings issued during the year	(1,030)	(112,020)
At 31 December	(21)	(112)

Revenue relating to property development contracts is recognised over time, while the customers pay according to contractual milestones.

Represent non-cash consideration received for unsold completed properties.

(c) Advances received from customers

Represent advances received from customers for the construction works yet to be performed at the reporting date and advance deposits received on hotel rooms and sold developing units for property development project.

17. CONTRACT COST ASSETS

	Note	Group	
		2024 RM'000	2023 RM'000
Contract cost assets			
Costs to fulfil contracts with customers	(a)	1,315	30
Costs to obtain contracts with customers	(b)	-	-
		1,315	30

(a) Costs to fulfil contracts with customers

	Group	
	2024 RM'000	2023 RM'000
At 1 January	30	84,629
Transfer from property development costs (Note 8)	-	44,529
Cost recognised in profit or loss	(30)	(129,158)
Cost incurred for construction contract	1,315	30
At 31 December	1,315	30

17. CONTRACT COST ASSETS

(b) Costs to obtain contracts with customers

	Group 2024 RM'000	Group 2023 RM'000
At 1 January	-	266
Cost incurred during the year	-	147
Cost recognised in profit or loss	-	(413)
At 31 December	-	-

Costs to obtain contracts relate to incremental commission paid to agents as a result of obtaining contracts. Management expects such costs are recoverable. These costs are amortised over the financial periods when the corresponding revenue is recognised.

Incremental costs of obtaining a contract are recognised as an expense when incurred if the amortisation period is expected to be one year or less.

18. AMOUNT DUE FROM/(TO) SUBSIDIARIES

Amounts due from/(to) subsidiaries are unsecured, non-interest-bearing advances, receivables or payables on demand and expected to be settled in cash.

a) Amount due from subsidiaries

During the financial year, the Company subscribed 40,000,000 units and 108,254,167 units of Redeemable Preference Shares issued by ADK Projeck Sdn. Bhd. and TRC (Aust) Pty Ltd. respectively, both wholly-owned subsidiaries of the Company , by converting the advances due to the Company amounting to RM40,000,000 and RM108,254,167 respectively. Refer note 9.

b) Amount due to a subsidiary

Changes in laibilities arising from amount due to a subsidiary under financing activities:

	Company 2024 RM'000	Company 2023 RM'000
At 1 January		
Cash flows:	7,022	109
Net advances from a subsidiary	788	6,913
At 31 December	7,810	7,022

19. DEPOSITS, CASH AND BANK BALANCES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash on hand and at banks	109,692	126,819	646	55
Deposits:				
- Money market funds placed with fund managers	77,860	119,216	1,004	1,005
- Short-term deposits with licenced banks	-	23,000	-	-
- Fixed deposits with licensed banks	140,988	145,121	1,964	1,909
	328,540	414,156	3,614	2,969

Cash at banks earn interest at floating rates based on daily bank deposit rates.

Money market funds placed with fund managers are subject to insignificant change in value. There is no varying period for money market funds as these monies are collectable on demand.

Investment in money market funds is valued with reference to the latest unit price as at the reporting date as advised by the fund manager. The fair value of the funds is classified under Level 2 of the fair value hierarchy. There is no transfer between levels of hierarchy during the year.

Short term deposits are placed for varying periods of between one and thirty (2023: one and thirty) days, and earn interests at the respective deposit rates. The interest rate for the Group ranges from 1.75% - 2.90% (2023: 1.90% - 2.30%) per annum.

Fixed deposits are placed for varying periods of between one and twelve (2023: one and twelve) months depending on the immediate cash requirements of the Group and the Company, and earn interests at the respective fixed deposit rates. The interest rate for the group and the company ranges from 1.30% - 3.50% (2023: 1.00% - 3.75%) and 2.80% - 2.90% (2023: 2.15% - 2.90%) per annum respectively.

Included in cash at bank of the Group are amounts of RM4,007,000 (2023: RM3,964,000) held pursuant to Section 7A of the Housing Developers (Control and Licensing) Act, 1991 and are restricted from use in other operations.

Deposits with other financial institutions of the Group and the Company amounting to RM126,523,000 (2023: RM127,212,000) and RM1,964,000 (2023: RM1,909,000) respectively are pledged as securities for borrowing facilities as disclosed in Note 24.

20. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares		Amount	
	2024 Units	2023 Units	2024 RM'000	2023 RM'000
Issued and fully paid:				
Ordinary shares				
As at 1 January/31 December	480,497,103	480,497,103	240,457	240,457

21. TREASURY SHARES

	Group and Company			
	Number of ordinary shares		Amount	
	2024 Units	2023 Units	2024 RM'000	2023 RM'000
As at 1 January/31 December	9,208,400	9,208,400	2,460	2,460

The treasury shares have no rights to voting, dividends or participation in other distribution.

At the Company's Annual General Meeting ("AGM") held on 26 June 2024, the Company obtained shareholders' approval on the renewal authority for the Company to purchase up to 10% of the share capital of the Company. During the year, the Company did not purchase any of its own shares and none of the treasury shares held was cancelled, sold or used for other purposes permitted under the Companies Act 2016.

As at 31 December 2024, the Company held 9,208,400 shares as treasury shares out of its total issued and paid-up share capital.

22. RESERVES

		Group	
	Note	2024 RM'000	2023 RM'000
Non-distributable:			
Foreign reserve	(a)	(17,010)	(1,810)
Revaluation reserve	(b)	39,298	39,299
		22,288	37,489

(a) Foreign reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations.

(b) Revaluation reserve

The asset revaluation reserve is used to record increases in the fair value of the asset and decreases to the extent that such decrease relates to an increase on the same asset previously recognised in equity.

23. RETAINED EARNINGS

The Company is able to distribute dividends out of its entire retained earnings under the single-tier system.

24. BORROWINGS

	Note	Group 2024 RM'000	2023 RM'000
Non-Current			
Secured:			
Finance lease liabilities (Note 25)	(iv)	2,354	1,110
Market rate loan	(v)	-	94,467
Term loan	(iii)	576	-
		2,930	95,577
Current			
Secured:			
Bank overdrafts	(i)	1,516	73
Bankers' acceptance	(ii)(a)	-	213
Invoice financing	(ii)(b)	1,720	-
Revolving credit and loan	(ii)(c)	3,300	3,800
Term loan	(iii)	336	-
Finance lease liabilities (Note 25)	(iv)	2,510	2,447
Market rate loan	(v)	75,325	-
Promissory note financing	(vi)	3,502	-
		88,209	6,533
Total borrowings		91,139	102,110

(i) Bank overdrafts

The bank overdrafts of the subsidiaries are subject to interest at rates range from 0% to 1.5% (2023: 0% to 1.5%) per annum above the banks' base lending rates. The interest rates charged by the banks range from 6.70% to 8.39% (2023: 6.70% to 8.39%) per annum.

(ii) Multi trade line

(a) Bankers' acceptance

The bankers' acceptance is subject to commissions at rates 1% (2023: 1%) per annum above the banks' cost of funds. The interest rates charged by the banks range from 4.01% to 4.09% (2023: 3.83% to 4.09%) per annum.

(b) Invoice financing

The invoice financing is subject to interest rate at 0.85% (2023: 0.85%) per annum above the bank's cost of funds. The interest rates charged by the banks range from 4.13% to 4.50% (2023: 4.10% to 4.76%) per annum.

(c) Revolving credit and loan

The revolving credit and loan are subject to commissions at rate of 0.75% (2023: 0.75% to 2%) per annum above the banks' cost of funds. The interest rates charged by the bank is 4.68% (2023: 4.68% to 5.35%) per annum.

24. BORROWINGS (CONT'D)

(ii) Multi trade line

All the above facilities are secured by the following:

(a) Corporate guarantee from the Company;
(b) Master/Legal deed of assignment of contract proceeds;
(c) Letter of set-off;
(d) Memorandum of deposit; and
(e) Third party first legal charge over property owned by the Group under right-of-use assets as disclosed in note 6.

(iii) Term loan

The term loan was subjected to interest rate at 1.25% (2023: 2.50%) per annum above the bank's cost of funds. The interest rate charged by the bank is 4.92% (2023: 5.71% to 5.82%) per annum.

The above facility was secured by the following:

(a) Corporate guarantee from the Company; and
(b) First party first legal charge over a parcel of land where a double storey warehouse cum office is being constructed as disclosed in note 6.

(iv) Obligations under finance leases

These obligations are secured by a corporate guarantee from the Company and a charge over the leased assets (Note 6). The average interest rate implicit in the leases ranges from 0.88% to 3.74% (2023: 1.68% to 3.74%) per annum.

(v) Market rate loan

The market rate loan is a pure interest servicing loan and subject to change in interest rate every 3 months at interest rate of 1.25% above bank bill swap bid rate. The interest rate charged by the bank is 5.68% (2023: 5.66%) per annum.

The said loan is scheduled to expire in September 2025. As at 31 December 2024, the loan had not yet been reset. The directors have engaged with the bank to renew the debt facility for the fund and has received positive feedback from the bank and believes that the facility will be renewed prior to the expiry.

The above facility is secured by:

(a) All present and future properties of a subsidiary incorporated in Australia under property, plant and equipment as disclosed in Note 5;
(b) Term deposit of the Company;
(c) Standby Letter of Credit of AUD3,000,000 (approximately RM8,293,000) given by the Company in favour of a foreign subsidiary; and
(d) Corporate guarantee of AUD33,228,037 (approximately RM91,849,000) given by the Company to a foreign subsidiary.

The covenants imposed by the bank require the loan to value ratio to not exceed 50% to 52% and the interest cover ratio is not less than 1.25 to 2.5 times. The Group had met the required covenants as at reporting date.

(vi) Promissory note financing

The promissory note financing is subject to interest rate at 0.70% (2023: Nil) per annum above the bank's cost of funds. The interest rates charged by the banks range from 4.65% to 4.85% (2023: NIL) per annum.

25. FINANCE LEASE LIABILITIES

	Group	
	2024 RM'000	2023 RM'000
Minimum lease payments:		
Less than one year	2,694	2,546
Later than one year but not later than two years	2,452	1,133
Total minimum lease payments	5,146	3,679
Less: Unearned interest	(282)	(122)
Present value of finance lease liabilities	4,864	3,557
Current (Note 24)	2,510	2,447
Non-Current (Note 24)	2,354	1,110
	4,864	3,557

26. PROVISIONS

		Group	
	Note	2024 RM'000	2023 RM'000
Non-Current			
Provision for land cost	(a)	-	30,236
Current			
Provision for onerous contract	(b)	10,631	16,218
Provision for property development cost		6,330	8,011
Provision for legal case		426	930
		17,387	25,159
		17,387	55,395

26. PROVISIONS (CONT'D)

(a) The provision for land cost represents the present obligation for consideration incurred for project development contract.

	Group	
	2024 RM'000	2023 RM'000
Movement of provision for land cost:		
At 1 January	30,236	38,843
Cash flows:		
Payment during the year	(20,724)	(8,921)
Non-cash:		
Overprovision in prior years	(15,149)	-
Unwinding of discount	5,637	314
At 31 December	-	30,236

(b) The provision for onerous contract represents the unavoidable costs of meeting the obligations under the construction contract exceed the economic benefits expected to be received under it.

27. TRADE PAYABLES

	Group	
	2024 RM'000	2023 RM'000
Third parties	111,974	107,018
Related party	-	7
Amount due to an associate	722	-
Accruals	62,694	21,964
	175,390	128,989

Trade payables comprise amounts outstanding from trade purchases, sub-contractors claim on contract works performed and retention sums payable. The normal credit periods granted by trade suppliers and sub-contractors range from 30 to 90 (2023: 30 to 90) days whereas retention sums are payable upon the expiry of the defect liability periods of the respective construction contracts between 12 and 24 months.

The amount due to related party represents the amount owing to a company in which certain director's close family member has financial interests, which are trade in nature and expected to be settled within normal credit term granted.

The amount due to an associate is trade in nature and expected to be settled within normal credit term granted.

28. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Other payables	5,784	11,159	470	414
Accruals	6,473	8,575	108	146
	12,257	19,734	578	560

29. AMOUNT DUE TO A DIRECTOR

Amount due to a director is unsecured, non-interest bearing and are repayable on demand.

30. REVENUE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue from contracts with customers:				
Recognised over time				
- Construction contracts	433,090	478,002	-	-
- Property development	-	8,247	-	-
- Hotel room and ancillary services	19,503	17,143	-	-
- Servicing of motor vehicles	48	57	-	-
- Management fees from subsidiaries	-	-	-	1,397
Recognised at a point in time				
- Sale of construction materials and others	40,694	34,683	-	-
- Sale of completed properties	3,443	132,500	-	-
- Sale of foods and beverages	6,191	5,697	-	-
	502,969	676,329	-	1,397
Other revenue:				
- Rental of motor vehicles and heavy machineries	2,952	3,128	-	-
- Dividend income	-	-	5,660	5,680
	2,952	3,128	5,660	5,680
	505,921	679,457	5,660	7,077

As of 31 December 2024, the aggregate amount of the transaction price allocated to remaining performance obligations is RM776,246,000 (2023: RM424,176,000). The Group will recognise this amount of revenue as performance obligations are satisfied, which is expected to occur over the next 5 years.

31. OTHER INCOME

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Gain on disposal of property, plant and equipment and right-of-use assets	1,461	3,383	-	-
Fair value gain on investment properties	-	2,360	-	-
Rental of premises	833	387	-	-
Miscellaneous	96	203	-	-
Unrealised gain on foreign exchange	-	8,138	-	-
Net realised gain on foreign exchange	223	449	-	-
Wages subsidy	-	11	-	-
	2,613	14,931	-	-

32. FINANCE INCOME

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Fair value gain on money market fund	2,183	2,550	31	9
Dividend income from money market fund	1,326	436	3	-
Fixed deposit interest	4,019	4,403	55	66
Short-term deposit interest	599	528	-	-
Interest income - others	2,032	2,763	-	-
Late payment interest charges	2	(73)	-	-
	10,161	10,607	89	75

33. FINANCE COSTS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Bank overdraft interest	13	60	-	-
Finance lease interest	70	107	-	-
Interest on borrowings	5,519	5,196	-	-
Commitment fee and others	1,015	1,966	2	2
Unwinding of discount on provision	5,637	314	-	-
	12,254	7,643	2	2
Less: Expensed off in cost of sales	(1,398)	(2,795)	-	-
	10,856	4,848	2	2

34. PROFIT BEFORE TAX

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Auditors' remuneration				
- statutory audit	436	486	77	83
- (over)/under provision	(2)	-	3	-
Other non-audit services	5	5	5	5
Depreciation of property, plant and equipment	7,482	9,855	-	-
Property, plant and equipment written-off	2	5	-	-
Short-term lease expenses for premises, vehicle, heavy machinery and equipment	3,308	6,363	-	-
Amortisation of investment in joint venture	1,941	915	-	-
Loss on disposal of investment property	-	56	-	-
Bad debts written off:				
Amount due from subsidiaries	-	-	39	-
Trade receivables	148	-	-	-
Amortisation of right-of-use assets	2,102	1,731	-	-
Unrealised loss/(gain) on foreign exchange	4,773	(8,138)	-	-

35. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Wages, salaries, allowance and other emolument	68,069	71,813	1,036	1,016
Social security contributions	546	677	1	1
Defined contribution plan	4,840	5,416	23	31
	73,455	77,906	1,060	1,048
Less: Capitalised in property development cost	-	(314)	-	-
	73,455	77,592	1,060	1,048

36. DIRECTORS' REMUNERATION

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Executive directors' remuneration				
- Salaries, allowance and bonus	5,213	5,575	360	360
- Other emoluments	393	483	24	31
	5,606	6,058	384	391
Non-executive directors' remuneration				
- Fees	270	300	270	300
- Allowances and other emoluments	352	242	352	242
	622	542	622	542

37. INCOME TAX EXPENSE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Malaysian taxation				
Estimate tax payables:				
Current financial year	6,177	8,376	10	78
Under/(Over) provision in prior financial years	5,911	(2,495)	-	1
	12,088	5,881	10	79
Deferred tax:				
Current financial year	(1,253)	(782)	-	-
(Over)/Under provision in prior years	(2,450)	4,008	-	-
	(3,703)	3,226	-	-
Foreign taxation				
Deferred tax income:				
Current financial year	1,272	(2,163)	-	-
	9,657	6,944	10	79

Current income tax is calculated at the statutory tax rate of 24% (2023: 24%) of the estimated assessable profit for the year. Taxation for other jurisdictions are calculated at the rates prevailing in the respective jurisdictions. During the current year, the income tax rate applicable to subsidiaries in Australia is at 30% (2023: 30%) and subsidiaries in Cambodia and Brunei are at 20% and 18.5% (2023: 20% and 18.5%) respectively.

37. INCOME TAX EXPENSE (CONT'D)

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

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before tax (excluding share of results of associate and joint venture)	13,894	31,667	5,367	5,803
Taxation at statutory rate of 24% (2023: 24%)	3,334	7,600	1,288	1,393
Effect of different tax rates in other countries	(375)	(341)	-	-
Under provision in prior years	3,460	1,513	-	1
Tax effects of:				
- non-taxable income	(14,580)	(2,418)	(1,603)	(1,365)
- non-deductible expenses	18,148	1,066	331	55
- special deduction	(244)	(477)	(6)	(5)
Deferred tax assets not recognised	1	1	-	-
Utilisation of deferred tax assets not recognised previously	(49)	-	-	-
Others	(38)	-	-	-
	9,657	6,944	10	79

38. EARNINGS PER SHARE

Basic and diluted earnings per share of the Group is calculated by dividing profit for the financial year attributable to Owners of the Company by the weighted average number of ordinary shares in issue during the year.

	Group	
	2024 RM'000	2023 RM'000
Profit attributable to Owners of the Company	12,573	25,268
Weighted average number of ordinary shares in issue	471,289	471,289
Basic diluted earnings per share (sen)	2.67	5.36

39. DIVIDENDS

	Group and Company 2024 RM'000	2023 RM'000
First and final single tier dividend of 1.20 sen per ordinary share in respect of the year ended 31 December 2023	5,655	-
First and final single tier dividend of 1.20 sen per ordinary share in respect of the year ended 31 December 2022	-	5,655
	5,655	5,655

40. RELATED PARTY TRANSACTIONS

(a) Identify related parties

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

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

The Group has related party relationship with its significant investors, subsidiaries and assosciates, directors and key management personnel.

In addition to the related party information disclosed elsewhere in the financial statements, the following are significant transactions between the Group and related parties took place during the year:

(b) Significant related party transactions and balances

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Transactions with subsidiaries				
Dividend income	-	-	5,660	5,680
Amount due from subsidiaries written off	-	-	39	-
Management fees received/ receivables	-	-	-	1,397
Transaction with an associate				
Maintenance services incurred for electrical and mechanical engineering	991	4,323	-	-
Transaction with related party in which a director's close family member has financial interests				
Supply of construction materials	-	32	-	-

40. RELATED PARTY TRANSACTIONS (CONT'D)

(c) Compensation of key management personnel

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Executive Directors				
Salaries, allowances and bonus	5,213	5,575	360	360
Other emoluments	393	483	24	31
Other key management personnel				
Salaries, allowances and bonus	7,291	7,608	59	60
Other emoluments	541	663	-	-

The other key management personnel comprise person other than the directors of the Company, having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly.

For salaried key management personnel, the Group also makes contributions to the Employee Provident Fund ("EPF") as required by law.

41. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Group	
	2024 RM'000	2023 RM'000
At 1 January	102,037	158,373
Cash flows:		
Drawdown of borrowing	996	-
Net repayment of loan	(12,320)	(61,745)
Interest paid	(6,604)	(7,269)
Non-cash:		
Finance cost	6,604	7,269
Exchange differences	(5,653)	3,817
Purchase of right-of-use assets via finance lease	4,563	1,592
	89,623	102,037

(i) The cash flows from borrowings make up the net amount of proceeds from or repayments of borrowing in the statement of cash flows.

(ii) Other changes include finance cost, exchange differences and purchase of right-of-use assets via finance lease.

42. CAPITAL COMMITMENT

The Group has the following commitments for the acquisition of the property, plant and equipment and right-of-use assets:

	Group	
	2024 RM'000	2023 RM'000
Approved and contracted for:		
Leasehold land	-	1,000
Motor vehicle	-	674
Plant and machinery	-	135
	-	1,809

43. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

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

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Financial assets				
Fair value through profit or loss				
Money market funds placed with fund managers	77,860	119,216	1,004	1,005
Other investments	66	66	-	-
	77,926	119,282	1,004	1,005
Financial assets				
Amortised				
Trade receivables	298,723	179,873	-	-
Other receivables	11,868	12,513	149	149
Cash and bank balances	109,692	126,819	646	55
Fixed deposits with licensed institutions	140,988	145,121	1,964	1,909
Short-term deposits with licensed bank	-	23,000	-	-
Amount due from subsidiaries	-	-	9,501	158,102
Amount due from an associate	1,656	2,519	-	-
	562,927	489,845	12,260	160,215

43. FINANCIAL INSTRUMENTS (CONT'D)

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

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Financial liabilities				
Amortised				
Trade payables	175,390	128,989	-	-
Other payable and accruals	12,257	19,734	578	560
Borrowings	91,139	102,110	-	-
Amount due to a subsidiary	-	-	7,810	7,022
Amount due to a director	8	8	8	8
	278,794	250,841	8,396	7,590

(b) Financial risk management objectives and policies

The Group and the Company are exposed to financial risk arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and market risk.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of those risks.

(i) Credit risk

Credit risk is the risk of a financial loss to the Group and the Company that may arise if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk mainly arises from trade receivables, other receivables and deposits; whereas the Company's exposure to credit risk arises mainly from deposits, amount due from subsidiaries and financial guarantees given to financial institutions.

The management has in place a credit procedure to monitor and minimise the exposure of default. Receivables are monitored on a regular and an ongoing basis. Credit evaluations are performed on all customers requiring credit over certain amount.

At each reporting date, the Group and the Company assess whether any of the receivables are credit impaired.

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

The carrying amounts of the financial assets recorded on the statements of financial position at the end of the financial year represent the Group's maximum exposure to credit risk except for financial guarantees provided to financial institutions for banking facilities granted to certain subsidiaries. The Company's maximum exposure in this respect is RM228,217,000 (2023: RM211,700,000) representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

43. FINANCIAL INSTRUMENTS (CONT'D)

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

(i) Credit risk (cont'd)

For cash and cash equivalents, the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Company provides advances to subsidiaries and monitors the results of the subsidiaries regularly.

Information about major customers

There is no signifcant concentration of revenue from any major customers as the Group sells it development properties to individual end purchasers and no single concentrated customers in construction activities.

Exposure to credit risk

The carrying amount of the financial assets recorded on the statements of financial position at the end of the reporting period represents the Group's and the Company's maximum exposure to credit risk in relation to financial assets. No financial assets carry a significant exposure to credit risk.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to financial institutions in respect of bank borrowings granted to subsidiaries.

(ii) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting its obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from trade payables, other payables and accruals, bank borrowings and lease liabilities.

The Group's and the Company's funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis.

The Group and the Company maintain sufficient liquidity and available funds of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due. The Group and the Company manage liquidity risk by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

43. FINANCIAL INSTRUMENTS (CONT'D)

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

(ii) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities at the end of the reporting period based on undiscounted contractual payments:

	Within one year RM'000	One to five years RM'000	Total contractual cash flows RM'000	Total carrying amount RM'000
Group				
2024				
Non-derivative financial liabilities				
Trade payables	175,390	-	175,390	175,390
Other payables and accruals	12,257	-	12,257	12,257
Amount due to a director	8	-	8	8
Borrowings	88,432	3,053	91,485	91,139
	276,087	3,053	279,140	278,794
2023				
Non-derivative financial liabilities				
Trade payables	128,989	-	128,989	128,989
Other payables and accruals	19,734	-	19,734	19,734
Amount due to a director	8	-	8	8
Borrowings	12,944	100,068	113,012	102,110
	161,675	100,068	261,743	250,841

43. FINANCIAL INSTRUMENTS (CONT'D)

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

(ii) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities (cont'd)

	On demand or within one year RM'000	One to five years	More than five years	Total contractual cash flows RM'000	Total carrying amount RM'000
Company					
2024					
Non-derivative financial liabilities					
Other payables and accruals	578	-	-	578	578
Amount due to a director	8	-	-	8	8
Amount due to a subsidiary	7,810	-		7,810	7,810
Financial guarantees*	157,445	69,582	1,190	228,217	-
	165,841	69,582	1,190	236,613	8,396
2023					
Non-derivative financial liabilities					
Other payables and accruals	560	-	-	560	560
Amount due to a director	8	-	-	8	8
Amount due to a subsidiary	7,022	-	-	7,022	7,022
Financial guarantees*	63,975	147,725	-	211,700	-
	71,565	147,725	-	219,290	7,590

* This represents corporate guarantees for banking facilities for certain subsidiaries, which will only be called upon in the event of default by these subsidiaries.

43. FINANCIAL INSTRUMENTS (CONT'D)

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

(ii) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities (cont'd)

The Company provides financial guarantees to banks in respect of credit facilities granted to certain subsidiaries and monitors on an ongoing basis the performance of the subsidiaries. At end of the financial year, there was no indication that the subsidiaries would default on repayment.

The maximum amount of the financial guarantees issued to the banks for subsidiaries' borrowings is limited to the amount utilised by the subsidiaries, amounting to RM228,217,000 as at 31 December 2024 (2023: RM211,700,000).

At end of the financial year, there was no indication that the subsidiaries would default on repayment.

(iii) Market risk

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

(a) Foreign currency risk

The Group and the Company exposed to foreign currency risk on transactions that are denominated in currencies other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are primarily United States Dollar ("USD"), Singapore Dollar ("SGD") and Euro ("EUR").

The Group and the Company have not entered into any derivative instruments for hedging or trading purposes as the net exposure to foreign currency risk is not significant. Where possible, the Group and the Company will apply natural hedging by selling and purchasing in the same currency. However, the exposure to foreign currency risk is monitored from time to time by management.

43. FINANCIAL INSTRUMENTS (CONT'D)

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

(iii) Market risk (cont'd)

(a) Foreign currency risk

Exposure to foreign currency risk

The carrying amounts of the Group's foreign currency denominated financial assets and financial liabilities which have RM functional currency at the end of the reporting period are as follows:

	USD RM'000	SGD RM'000	EUR RM'000
Group			
2024			
Cash and bank balances	602	68,691	38
Trade payable	(311)	-	-
	291	68,691	38
2023			
Cash and bank balances	627	70,380	1
Other payables and accruals	-	(35)	-
	627	70,345	1

43. FINANCIAL INSTRUMENTS (CONT'D)

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

(iii) Market risk (cont'd)

(a) Foreign currency risk (cont'd)

Foreign currency sensitivity analysis (cont'd)

The following table details the sensitivity to a 10% increase and decrease in the Ringgit Malaysia against USD, SGD and EUR. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel. A positive number below indicates a profit where the Ringgit Malaysia strengthens 10% against USD/SGD/EUR and vice versa.

	Change in currency rate	Effect on profit after tax RM'000
Group		
2024		
USD/MYR	Strengthened 10%	22
	Weakened 10%	(22)
SGD/MYR	Strengthened 10%	5,221
	Weakened 10%	(5,221)
EUR/MYR	Strengthened 10%	3
	Weakened 10%	(3)
2023		
USD/MYR	Strengthened 10%	48
	Weakened 10%	(48)
SGD/MYR	Strengthened 10%	5,346
	Weakened 10%	(5,346)
EUR/MYR	Strengthened 10%	-
	Weakened 10%	-

(b) Interest rate risk

The Group's and the Company's deposits with financial institutions and bank borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's and the Company's variable rates of the borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

The Group and the Company manage the interest rate risk of its deposits with financial institutions by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank and maintaining a prudent mix of short-term and long-term deposits.

The Group and the Company manage its interest rate risk exposure from interest-bearing borrowings by obtaining financing with the most favourable interest rates in the market. The Group and the Company constantly monitor its interest rate risk by reviewing its debts portfolio to ensure favourable rates are obtained. The Group and the Company do not utilise interest swap contracts or other derivative instruments for trading or speculative purposes.

43. FINANCIAL INSTRUMENTS (CONT'D)

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

(iii) Market risk (cont'd)

(b) Interest rate risk(cont'd)

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

	2024 RM'000	2023 RM'000
Group		
Fixed rate instruments		
Financial liabilities	4,864	3,557
Floating rate instruments		
Financial assets	140,988	168,121
Financial liabilities	86,275	98,553
Company		
Floating rate instruments		
Financial assets	1,964	1,909

Interest rate risk sensitivity analysis

At the reporting date, if interest rates had been 50 basis points lower/higher, with all variables held constant, the Group's profit after tax would have been RM208,000 (2023: RM264,000) higher/lower, arising mainly as a result of lower/higher interest expense from floating rate borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment. The financial impact arising from changes in interest rate is not significant to the Company, accordingly, the sensitivity analysis has not been presented.

(c) Fair values of financial instruments

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

The fair values of quoted equity investments are measured at fair value in the statements of financial position as at the end of the reporting period using Level 1 inputs for the purpose of fair value hierarchy based on the published price quotations in an active stock market. The fair values of unquoted equity investments are measured at fair value using adjusted net asset method in the statements of financial position as at the end of the reporting period. The fair value of unquoted equity investment is classified within Level 3 of the fair value hierarchy due to the unobservable inputs used for the purpose of fair value measurement.

The fair value of lease liabilities is determined by discounting the relevant cash flows using current interest rates for similar instruments as at the end of the financial reporting period.

The carrying amounts of the floating rate term loans approximate their fair values as these instruments bear interest at variable rates.

44. SEGMENTAL REPORTING

The Group is organised into business units based on its products and services, and has four reportable operating segments as follows:

Construction activities	The construction contracts, sales of construction related materials, rendering of construction related services and other.
Property development	The development of residential properties.
Hotel operations	The hotel related operations
Others	Investment holdings

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated statement of profit or loss and other comprehensive income. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

The following is an analysis of the Group's revenue and results by the operating segments:

	Construction activities RM'000	Property development RM'000	Hotel operations RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Group						
2024						
Revenue						
External sales	476,783	3,443	25,695	-	-	505,921
Inter-segment sales	37,347	-	-	5,660	(43,007)	-
Total revenue	514,130	3,443	25,695	5,660	(43,007)	505,921

44. SEGMENTAL REPORTING (CONT'D)

	Construction activities RM'000	Property development RM'000	Hotel operations RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Group						
2024						
Result						
Segment profit/(loss)	15,252	9,536	(2,799)	(1,675)	(5,725)	14,589
Share of profit of associates						3,474
Share of profit of joint venture						4,982
Finance costs						(10,856)
Finance income						10,161
Profit before tax						22,350
Income tax expense						(9,657)
Profit for the financial year						12,693

44. SEGMENTAL REPORTING (CONT'D)

	Construction activities RM'000	Property development RM'000	Hotel operations RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Group						
2024						
Other information						
Segment assets	722,179	148,659	199,362	394,458	(527,930)	936,728
Investment in associates	4,655	-	-	-	-	4,655
Investment in joint venture	-	-	-	32,015	-	32,015
Consolidated total assets						973,398
Segment liabilities	372,170	25,303	160,911	42,139	(171,988)	428,525
Consolidated liabilities						428,525
Capital expenditure	9,943	6	-	189	-	10,138
Allowance for expected credit loss	-	2,761	-	1,473	(2,761)	1,473
Depreciation on property, plant and equipment	3,334	24	-	4,124	-	7,482
Amortisation of right-of-use assets	1,680	21	-	400	1	2,102
Amortisation of investment in joint venture	-	-	-	1,941	-	1,941
Other material non-cash items	1,825	15	-	1,461	13	3,314

44. SEGMENTAL REPORTING (CONT'D)

	Construction activities RM'000	Property development RM'000	Hotel operations RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Group						
2023						
Revenue						
External sales	515,870	140,747	22,840	-	-	679,457
Inter-segment sales	96,058	2,093	12,095	7,077	(117,323)	-
Total revenue	611,928	142,840	34,935	7,077	(117,323)	679,457
Result						
Segment profit/(loss)	17,089	4,328	(2,765)	6,843	413	25,908
Share of profits of associates						993
Share of loss of joint venture						(113)
Finance costs						(4,848)
Finance income						10,607
Profit before tax						32,547
Income tax expense						(6,944)
Profit for the financial year						25,603

44. SEGMENTAL REPORTING (CONT'D)

	Construction activities RM'000	Property development RM'000	Hotel operations RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Group						
2023						
Other information						
Segment assets	684,745	185,068	186,916	376,352	(487,752)	945,329
Investment in associates	1,481	-	-	-	-	1,481
Investment in joint venture	-	-	-	38,348	-	38,348
Consolidated total assets						985,158
Segment liabilities	341,181	127,042	174,053	134,283	(344,544)	432,015
Consolidated liabilities						432,015
Capital expenditure	3,180	-	-	6	-	3,186
Allowance for expected credit loss	-	2,884	-	1,527	(2,884)	1,527
Depreciation on property, plant and equipment	5,697	32	4,120	-	6	9,855
Amortisation of right-of-use assets	1,106	17	-	608	-	1,731
Amortisation of investment in joint venture	-	-	-	915	-	915
Reversal of allowance for expected credit loss	-	-	(78)	-	-	(78)
Other material non-cash items	(6,153)	(19)	-	(5,288)	-	(11,460)

44. SEGMENTAL REPORTING (CONT'D)

Geographical segments

	Malaysia RM'000	Australia RM'000	Cambodia RM'000	Total RM'000
Group				
2024				
Revenue	480,227	25,694	-	505,921
Non-Current assets	81,284	195,975	-	277,259
2023				
Revenue	656,617	22,840	-	679,457
Non-Current assets	72,054	228,138	992	301,184

Non-Current assets information presented above consist of the following items as presented in the consolidated statement of financial position.

	Group	
	2024 RM'000	2023 RM'000
Property, plant and equipment	191,046	217,495
Inventories	23,554	23,283
Investment properties	11,958	11,958
Investment in associates	4,655	1,481
Investment in joint venture	32,015	38,348
Right-of-use assets	14,031	8,619
	277,259	301,184

The construction activities, property development, hotel operations and others segments are managed on a worldwide basis. In presenting information on the basis of geographical segments, segment revenue is based on geographical location of customers. Segment assets are based on the geographical location of the assets. The amounts of non-current assets do not include financial instruments, other investments and deferred tax assets.

45. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that they maintain a strong credit rating and healthy capital ratios in order to support their business and maximise shareholder's value.

The Group manages their capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 December 2024 and 31 December 2023.

The Group monitors capital using a gearing ratio. This ratio is calculated as total net debt divided by total equity. Total debt is calculated as the sum of the short-term and long-term borrowings as shown in the statements of financial position.

The Group did not maintain specific policy on the capital management. The Group includes within net cash, borrowings less deposits, cash and bank balances. Total equity includes equity attributable to the Owners of the Company and non-controlling interests.

Gearing Ratio

	Group	
	2024	**2023**
	RM'000	**RM'000**
Debt	91,139	102,110
Less: Deposits, cash and bank balances	(328,540)	(414,156)
Net cash	(237,401)	(312,046)
Equity	544,873	553,143
Gearing ratio (%)	N/A	N/A

N/A: the gearing ratio may not provide a meaningful indicator of the risk of borrowings.

46. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the board of directors on 22 April 2025.

LIST OF PROPERTIES
AS AT 31 DECEMBER 2024

No.	Location	Tenure	Description/ Existing Use	Approx. Age of Buildings	Land Area/Build Up Area	Net Book Value 31/12/2024 RM	Date of Valuation
1.	Lot No.3626, Block 16, Kuching Central Land District, Taman Timberland, Lorong Rock 2, 93200 Kuching, Sarawak.	60-year leasehold expiring 18/4/2059	A corner 4-storey shop/office	28 years	2,214 sq ft/ 8,857 sq ft	1,644,907	05-11-2023
2.	Lot No. 31281, Off Jalan Bahagia, 70400 Seremban, Negeri Sembilan.	99-year leasehold expiring 18/9/2095	An agricultural land	-	392,990 sq ft	590,161	05-11-2023
3.	Unit No. 218-A and 218-B, Jalan Negara 2, Taman Melawati Metro 1, 53100 Kuala Lumpur.	Freehold	A stratified office unit within a 4-storey shop/office	36 years	1,550 sq ft each	942,293	09-11-2023
4.	Lot No.121254, PN 56268, Mukim of Plentong, District of Johor Bahru, Johor Darul Ta'zim.	Leasehold expiring 21/1/2097	Tapak perkhemahan	-	18,665 sq ft	246,005	09-11-2023
5.	A part of HS(D) 310780 PTD 158256, Mukim of Plentong, District of Johor Bahru, State of Johor.	Freehold	A residential land	-	27.636 acres	12,424,602	-
6.	Lot 2265, Jalan Batu 26, Kg Jenderam Hilir, 43800 Dengkil, Selangor Darul Ehsan.	Freehold	A residential land	-	280,421 sq ft	4,800,000	05-11-2023
7.	TRC Business Centre, Jalan Andaman Utama, 68000 Ampang, Selangor Darul Ehsan.	Freehold	An 8-storey office block adjoins with 4 units of 4-storey shop/office together with car park building	16 years	Varying from 23,250 sq ft, 16,759.41 sq ft, 1,141 sq ft,1,238 sq ft, 1,324 sq ft, 1,335 sq ft, 1,378 sq ft, 1,464 sq ft, 1,475 sq ft & 1,722 sq ft	17,010,117	09-11-2023
8.	Lot 73971, Jalan 1A, Pekan Baru Subang, Section U3, 40150 Shah Alam, Selangor Darul Ehsan.	Freehold	-	-	74,767 sq ft	10,000,000	01-07-2023
9.	588, Swan Street Richmond, Melbourne, Australia.	Freehold	5 storey hotel with an additional two levels of basement car park	5 1/2 years	3,074 sq meters	163,241,950	19-07-2023
10.	Unit no. 01-09, 01-10, 01-11& 01-12, Block 11, Residensi Impian Senibong, Persiaran Senibong, 81750 Johor Bahru, Johor Darul Ta'zim.	99-year leasehold expiring 21/1/2097	1 1/2-storey apartment unit	7 years	1,158 sq ft each	1,515,472	08-11-2023

No.	Location	Tenure	Description/ Existing Use	Approx. Age of Buildings	Land Area/Build Up Area	Net Book Value 31/12/2024 RM	Date of Valuation
11.	Lot No. 10013 Presint 18, Bandar Putrajaya, Daerah Putrajaya, 62000 Putrajaya, Wilayah Persekutuan Putrajaya.	Freehold	A development land	-	87,274 sq ft	11,129,266	15-09-2023
12.	A parcel of land described as Country Lease No. 015677326 (Lot 4), situate at Melawa, Telipok, District of Kota Kinabalu, Sabah, Malaysia.	99-year leasehold expiring 31/12/2099	A double storey warehouse cum office	-	2,575.60 sq m	2,319,209	Under Construction

ANALYSIS OF SHAREHOLDINGS
AS AT 28 MARCH 2025

Fully Paid-Up Capital	:	RM 240,248,551.50
Issued Share Capital	:	480,497,103 shares
Class of Shares	:	Ordinary Shares
Voting Rights	:	One Vote Per Ordinary Share
No. of Shareholders	:	3,447

DISTRIBUTION OF SHAREHOLDINGS
(As at 28 March 2025)

Category	No. of Holders	%	No. of Shares	%
Less than 100	148	4.29	5,334	0.00
100 - 1,000	351	10.18	161,419	0.04
1,001 - 10,000	1,465	42.50	8,707,389	1.81
10,001 - 100,000	1,251	36.29	41,868,607	8.71
100,001 and less than 5% of issued shares	228	6.62	234,704,533	48.85
5% and above of the issued shares	4	0.12	195,049,821	40.59
Total	**3,447**	**100.00**	**480,497,103**	**100.00**

LIST OF SUBSTANTIAL SHAREHOLDERS
(As at 28 March 2025)

		Direct		Indirect	
No.	Name	No. of Shares	%	No. of Shares	%
1.	Kolektif Aman Sdn Bhd	65,241,600	13.84	-	-
2.	TRC Capital Sdn Bhd	59,553,600	12.64	-	-
3.	Tan Sri Dato' Sri Sufri Bin Hj Mohd Zin	50,480,217	10.71	-	-
4.	Dato' Leong Kam Heng	46,584,276	9.88	-	-
5.	Khoo Tew Choon	37,584,404	7.97	-	-

DIRECTORS' INTEREST IN SHARES
(As at 28 March 2025)

		Direct		Indirect	
No.	Name	No. of Shares	%	No. of Shares	%
1.	Tan Sri Dato' Sri Sufri Bin Hj Mohd Zin	50,480,217	10.71	-	-
2.	Dato' Abdul Aziz Bin Mohamad	8,011,497	1.70	124,795,200*	26.48
3.	Dato' Richard Khoo Teng San	12,661,397	2.69	-	-
4.	Tan Sri Dr Ahmad Kamarulzaman Ahmad Badaruddin	600,000	0.13	-	-
5.	Dato' Sr. Abdull Manaf Bin Hj Hashim	50,000	0.00	-	-

* Deemed interested by virtue of his shareholdings in Kolektif Aman Sdn Bhd and TRC Capital Sdn Bhd

LIST OF 30 LARGEST SHAREHOLDERS
(As at 28 March 2025)

NO	NAME OF SHAREHOLDER	SHARES	%
1.	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KOLEKTIF AMAN SDN BHD	65,241,600	13.84
2.	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TRC CAPITAL SDN BHD	59,553,600	12.64
3.	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KHOO TEW CHOON	36,934,404	7.84
4.	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SUFRI BIN MHD ZIN	33,320,217	7.07
5.	HLB NOMINEES (TEMPATAN) SDN BHD LEONG KAM HENG (CUST.SIN 10678)	23,920,356	5.08
6.	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEONG KAM HENG	22,663,920	4.81
7.	NGIAM BUEY BUEY	20,309,907	4.31
8.	SUFRI BIN MHD ZIN (TAN SRI DATO' SRI)	17,160,000	3.64
9.	CIMB GROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR DBS BANK LTD (SFS)	9,255,400	1.96
10.	RICHARD KHOO TENG SAN	7,496,757	1.59
11.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD URUSHARTA JAMAAH SDN BHD (ABERDEEN 2)	7,336,000	1.56
12.	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR DANA MAKMUR PHEIM (211901)	6,691,200	1.42
13.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (LGF)	6,639,500	1.41
14.	YAP YON TAI	5,687,201	1.21
15.	ABDUL AZIZ BIN MOHAMAD	5,142,816	1.09
16.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR RICHARD KHOO TENG SAN (MY3062)	5,127,200	1.09
17.	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GOH CHING MUN	4,488,500	0.95
18.	OOI CHIN SENG	3,200,040	0.68
19.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD	3,125,475	0.66
20.	CHOONG KEAN LEANG	2,858,100	0.61
21.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN CHIN HOOI	2,825,000	0.60
22.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (PHEIM)	3,125,475	0.66
23.	ABDUL AZIZ BIN MOHAMAD	1,868,681	0.40
24.	CHEE SHIH YEE	1,744,500	0.37
26.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GOALKEY SYSTEM SDN BHD (MY1461)	1,550,000	0.33
27.	YEM CHIU HISA	1,515,744	0.32
27.	VOON JIEW MIN	1,515,000	0.32
28.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (ISLAMIC)	1,434,325	0.30
29.	JIMMY LEE SHING CHOI	1,420,300	0.30
30.	PUBLIC NOMINEES (EMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN CHIN HOOI (E-BMM)	1,361,700	0.29
	TOTAL	**364,194,643**	**77.28**

NOTICE OF TWENTY-EIGHTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Eighth Annual General Meeting of TRC Synergy Berhad (Registration No. 199601040839 (413192-D)) ("**the Company**") will be held at **Indah Ballroom, Flamingo Hotel, 5, Tasik Ampang, Jalan Hulu Kelang, 68000 Ampang, Selangor,** on **Tuesday, 24 June 2025,** at **10:30 a.m.** for the purpose of transacting the following business:

AGENDA

AS ORDINARY BUSINESS

1.	To receive and adopt Audited Financial Statements, Report of the Directors and Report of the Auditors thereon for the year ended 31 December 2024.	***(Please refer to Note 2)***
2.	To approve the payment of first and final single tier dividend of 0.70 sen per share for the year ended 31 December 2024. *(Please refer to Note 3)*	**Ordinary Resolution 1**
3.	To approve the payment of Directors' fees in respect of the financial year ended 31 December 2024. *(Please refer to Note 4)*	**Ordinary Resolution 2**
4.	To approve the payment of Directors' benefits (other than Directors' fees) to Non-Executive Directors in respect of the financial year ended 31 December 2024. *(Please refer to Note 5)*	**Ordinary Resolution 3**
5.	To re-elect YBhg Tan Sri Dato' Sri Sufri bin Hj Mohd Zin who shall retire as Director of the Company pursuant to Articles 84 of the Company's Articles of Association.	**Ordinary Resolution 4**
6.	To re-elect YBhg Tan Sri Dr Ahmad Kamarulzaman bin Ahmad Badaruddin who shall retire as Director of the Company pursuant to Articles 84 of the Company's Articles of Association.	**Ordinary Resolution 5**
7.	To re-elect Puteri Liza Elli Sukma who shall retire as Director of the Company pursuant to Articles 91 of the Company's Articles of Association.	**Ordinary Resolution 6**
8.	To re-appoint SBY Partners PLT as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.	**Ordinary Resolution 7**

SPECIAL BUSINESS

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

9. **Authority to allot shares pursuant to Section 75 and 76 of the Companies Act, 2016 and Waiver of Pre-Emptive Rights pursuant to Section 85 of the Companies Act 2016 and Clause 53 of the Company's Articles of Association.** *(Please refer to Note 6)* **Ordinary Resolution 8**

"**THAT** subject always to the Companies Act, 2016 ("the Act"), the Articles of Association of the Company and approvals from Bursa Malaysia Securities Berhad ("Bursa Securities") and any other governmental/regulatory authorities, the Directors of the Company be and are hereby empowered, pursuant to Section 75 and 76 of the Act, to allot shares in the Company at any 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 to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being **AND THAT** the Directors of the Company be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities **AND FURTHER THAT** such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

AND THAT in connection with the above, pursuant to Section 85 of the Companies Act 2016 read together with Clause 53 of the Company's Articles of Association, the shareholders of the Company do hereby waive their statutory pre-emptive rights over all new shares in the Company and such new shares when issued, to rank pari passu with existing issued shares in the Company."

10. **Proposed renewal of authority for the company to purchase its own shares** **Ordinary Resolution 9**
(Please refer to Note 7)

"**THAT** subject to compliance with all applicable rules, regulations and orders made pursuant to the Companies Act, 2016 ("Act"), provisions in the Company's Memorandum and Articles of Association, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("MMLR") and any other relevant authorities, the Company be and is hereby authorised to purchase such number of ordinary shares of the company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company **PROVIDED THAT**:-

(1) the aggregate number of shares purchased does not exceed ten per centum (10%) of the issued and paid-up share capital of the Company as quoted on Bursa Securities as at the point of purchase;
(2) the maximum fund to be allocated by the Company for the purpose of purchasing such number of ordinary shares shall not exceed the retained profit account of the Company. As at the financial year ended 31 December 2024, the audited retained profit of the Company stood at RM7,050,550.20;
(3) The renewal of authority conferred by this resolution will commence immediately upon passing of this resolution and will continue to be in force until:-
    (a) at the conclusion of the next AGM of the Company following the general meeting in which the authorization is obtained, at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed either unconditionally or subject to conditions; or
    (b) the expiration of the period within which the next AGM of the Company is required by law to be held; or
    (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting.

whichever occurs first;

AND THAT upon completion of the purchase(s) of the ordinary shares of the Company, the Directors of the Company be and are hereby authorised to deal with the ordinary shares so purchased in the following manners:-

(a) to cancel the ordinary shares so purchased; or
(b) to retain the ordinary shares so purchased as treasury shares for distribution as dividend to shareholders and/or resell on Bursa Securities or subsequently cancel; or
(c) to retain part of the ordinary shares so purchased as treasury shares and cancel the remainder; and
(d) in any other manner prescribed by the Act, rules, regulations and orders made pursuant to the Act, the Listing Requirements of Bursa Securities and any other relevant authorities for the time being in force.

AND THAT the Directors of the Company be and are hereby authorised to act and to take all such steps as they may deem necessary or expedient in order to implement, finalise and give full effect to the aforesaid share buy-back with full powers to assent to any conditions, modifications, variations, and/or amendments as may be required or imposed by the relevant authorities and to do all such acts and things (including executing all documents) as the Board may deem fit and expedient in the best interest of the Company."

11. To transact any other business of which due notice shall be given in accordance with the Articles of Association of the Company and the Companies Act, 2016.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN, that a first and final dividend of 0.70 sen per share in respect of the financial year ended 31 December 2024 will be paid on 14 July 2025 to shareholders whose names appear on the Company's Register of Depositors on 30 June 2025.

A Depositor shall qualify for entitlement to the dividend only in respect:-

a) Shares transferred into the Depositor's Securities Account before 4.30 p.m. on 30 June 2025 in respect of ordinary transfers; and

b) Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

ABDUL AZIZ BIN MOHAMED
(LS 007370)
(SSM PC 201908003187)
Secretary

Selangor Darul Ehsan
30 April 2025

Notes:

1. Audited Financial Statements for the Year Ended 31 December 2024

This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act, 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting by shareholders of the Company.

2. Appointment of Proxies

a. A proxy may but need not be a member of the Company.
b. To be valid, the proxy form duly completed must be deposited at the at Mega Corporate Services Sdn Bhd, Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia or by email to mega-sharereg@megacorp.com.my not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.
c. A member holding one thousand (1,000) ordinary shares or less may appoint only one (1) proxy to attend and vote at the meeting.
d. A member holding more than one thousand (1,000) ordinary shares may appoint up to two (2) proxies to attend and vote at the meeting.
e. 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.
f. Where a member is an authorised nominee as defined under the Central Depositories Act, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
g. If the appointer is a corporation, the proxy form must be executed under its Common Seal or under the hand of its attorney.
h. Only members whose names appears in the Record of Depositors as at 18 June 2025 will be entitled to attend and vote at the meeting.

3. Dividend Payment (Ordinary Resolution No. 1)

With reference to Section 131 of the Companies Act 2016, a company may only make a distribution to the shareholders out of profits of the company available if the company is solvent. On 22 April 2025 the Board of Directors had considered the amount of dividend and decided to recommend the same for the shareholders' approval.

4. Payment of Directors Fees to the Non-Executive Directors (Ordinary Resolution No. 2)

Section 230(1) of the Companies Act 2016 provides amongst others that the fees of the directors payable to the directors of a listed company shall be approved at a general meeting. During the financial year ended 31 December 2024, the Company has paid RM270,000.00 as Directors' fees to its Non-Executive Directors.

5. Payment of Directors' Benefits (excluding Directors' Fees) to the Non-Executive Directors (Ordinary Resolution No. 3)

The Company is seeking shareholders' approval for the following payments of benefits to its Non-Executive Directors pursuant to Section 230(1) of the Companies Act 2016:-

Chairman to the Board of Directors	RM 58,800.00
Chairman to the Audit and Risk Management Committee	RM 37,300.00
Allowance	RM 62,400.00
Other emoluments	RM193,842.00
TOTAL	**RM352,342.00**

6. Authority for allotment of shares and Waiver of Pre-Emptive Rights pursuant to Section 85 of the Companies Act 2016 and Clause 53 of the Company's Articles of Association (Ordinary Resolution No. 8)

The proposed Ordinary Resolution No. 8 is a renewal of the General Mandate for the Directors to allot shares pursuant to Section 75 and 76 of the Companies Act, 2016 and Waiver of Pre-Emptive Rights pursuant to Section 85 of the Companies Act 2016 and Clause 53 of the Company's Articles of Association.

The proposed Ordinary Resolution No. 8, if passed, will authorize the Directors of the Company, from the date of the above Annual General Meeting, to allot shares up to ten per centum (10%) of the issued and paid-up capital of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company. By voting in favour of Ordinary Resolution No. 8, shareholders of the Company will agree to waive their pre-emptive rights under Section 85 of the Companies Act 2016 and read together with Clause 53 of the Company's Articles of Association over all new shares to be allotted and issued by the Directors pursuant to this mandate.

As at the date of this Notice, no new shares in the Company were allotted pursuant to the authority granted to the Directors at the Twenty-Seventh Annual General Meeting held on 26 June 2024 and which will lapse at the conclusion of the Twenty-Eighth Annual General Meeting to be held on 24 June 2025.

The authority 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 future investment project(s), working capital and/or acquisitions.

The rationale for this resolution is to eliminate the need to convene separate general meeting(s) from time to time to seek Shareholder approval as and when the Company issues new shares and thereby reducing administrative time and costs associated with the convening of such meeting(s).

7. Proposed renewal of authority for the Company to purchase its own shares (Ordinary Resolution No. 9)

The proposed adoption of the Ordinary Resolution No. 9 is to renew the authority granted by the shareholders of the Company at the Annual General Meeting held on 26 June 2024 to empower the Directors of the Company to purchase not more than 10% of the issued and paid-up share capital of the Company for the time being, for such purposes as they consider would be in the best interest of the Company. This authority, unless revoked or varied at a general meeting will expire at the conclusion of the next Annual General Meeting of the Company. Further information is set out in the Share Buy-Back Statement dated 30 April 2025 which is dispatched together with the Notice of the Twenty-Eighth Annual General Meeting.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

FURTHER DETAILS OF INDIVIDUALS WHO ARE STANDING FOR ELECTION

No Directors will stand for election during the Twenty-Eighth Annual General Meeting.

STATEMENT RELATING TO GENERAL MANDATE FOR ISSUANCE OF SECURITIES

The proposed adoption of Ordinary Resolution No 8 as detailed out in the Notice of Meeting is for the purpose of seeking a renewal for the general mandate to empower the Directors of the Company pursuant to Section 75 and 76 of the Companies Act, 2016, and Waiver of Pre-Emptive Rights pursuant to Section 85 of the Companies Act 2016 and Clause 53 of the Company's Articles of Association from the date of the above Meeting, to allot ordinary shares of not more than ten percent (10%) from the unissued share capital of the Company for such purposes as the Directors of the Company consider would be in the interest of the Company. By voting in favour of Ordinary Resolution No. 8, shareholders of the Company will agree to waive their pre-emptive rights under Section 85 of the Companies Act 2016 and read together with Clause 53 of the Company's Articles of Association over all new shares to be allotted and issued by the Directors pursuant to this mandate.

This authority will, unless revoked or varied at a General Meeting, expire at the conclusion of the next Annual General Meeting of the Company. This authority will provide flexibility and enable the Directors to take swift action for allotment of shares for any possible fund raising activities, including but not limited to further placement of shares for purpose of funding future investment project(s), working capital and/or acquisition(s) and to avoid delay and cost in convening general meetings to approve such issue of shares.

As at the date of this Notice, no new shares in the Company were issued under the provision of the general mandate granted to the Directors at the Twenty-Seventh Annual General Meeting held on 26 June 2024 and which will lapse at the conclusion of the Twenty-Eighth Annual General Meeting to be held on 24 June 2025. Hence, no proceeds were raised therefrom.

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PROXY FORM

TRC SYNERGY BERHAD
199601040839 (413192-D)
(Incorporated in Malaysia)

No. of Ordinary Shares held

I/We,______________________________ of ______________________________

____

being a member/members of the above-named Company, hereby appoint:

Name	Email Address	Mobile No.	NRIC/Passport	% of Shares

*And/or failing him/her (delete as appropriate)

Name	Email Address	Mobile No.	NRIC/Passport	% of Shares

or failing which, the Chairman of the Meeting as *my/our proxy to vote for me/us and on my/our behalf at the **Twenty-Eighth Annual General Meeting** of the Company, to be held at **Indah Ballroom, Flamingo Hotel, 5, Tasik Ampang, Jalan Hulu Kelang, 68000 Ampang, Selangor** on **Tuesday, 24 June 2025** at **10.30 a.m.** and at every adjournment thereof.

I/We direct my/our proxy to vote for or against the resolutions to be tabled at the Twenty-Eighth Annual General Meeting as hereunder indicated.

RESOLUTIONS		FOR	AGAINST
ORDINARY RESOLUTION 1	To approve the payment of first and final single tier dividend of 0.70 sen per share for the year ended 31 December 2024		
ORDINARY RESOLUTION 2	To approve the payment of Directors' Fees in respect of the financial year ended 31 December 2024.		
ORDINARY RESOLUTION 3	To approve the payment of Directors' Benefits (other than Directors' Fees) to Non-Executive Directors in respect of the financial year ended 31 December 2024.		
ORDINARY RESOLUTION 4	To re-elect YBhg Tan Sri Dato' Sri Sufri bin Hj Mohd Zin as Director of the Company.		
ORDINARY RESOLUTION 5	To re-elect YBhg Tan Sri Dr Ahmad Kamarulzaman bin Ahmad Badaruddin as Director of the Company.		
ORDINARY RESOLUTION 6	To re-elect Puteri Liza Elli Sukma as Director of the Company.		
ORDINARY RESOLUTION 7	To re-appoint SBY Partners PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
ORDINARY RESOLUTION 8	To grant authority to the Directors to allot and issue shares pursuant to Section 75 and 76 of the Companies Act 2016, and Waiver of Pre-Emptive Rights pursuant to Section 85 of the Companies Act 2016 and Clause 53 of the Company's Constitution.		
ORDINARY RESOLUTION 9	To approve the Proposed Renewal of Authority for Share Buy-Back.		

(Please indicate with an X in the space provided how you wish your vote to be cast on the resolution specified in the Notice of the Twenty-Eighth Annual General Meeting. If this form of proxy is returned without any indication as to how the proxy shall vote, the proxy will vote or abstain from voting at his/her discretion.)

Dated this: ____________________

____
Signature/Common Seal

Notes :

1. A proxy may but need not be a member of the Company.
2. To be valid, the proxy form duly completed must be deposited with the Poll Administrator of the Company at Mega Corporate Services Sdn Bhd, Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia or by email to mega-sharereg@megacorp.com.my not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.
3. A member holding one thousand (1,000) ordinary shares or less may appoint only one (1) proxy to attend and vote at the meeting.
4. A member holding more than one thousand (1,000) ordinary shares may appoint up to two (2) proxies to attend and vote at the meeting.
5. 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.
6. Where a member is an authorized nominee as defined under the Central Depositories Act, they may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
7. If the appointer is a corporation, the proxy form must be executed under its Common Seal or under the hand of its attorney.
8. Only members whose names appears in the Record of Depositors as at 18 June 2025 will be entitled to attend and vote at the meeting.

Fold this flap for sealing

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AFFIX
STAMP

The Company Secretary

TRC SYNERGY BERHAD
199601040839 (413192-D)

TRC Business Centre
Jalan Andaman Utama
68000 Ampang, Selangor

1st fold here

TRC SYNERGY BERHAD
199601040839 (413192-D)

TRC Business Centre, Jalan Andaman Utama
68000 Ampang, Selangor Darul Ehsan, Malaysia.
Tel: 603-4103 8000

www.trc.com.my