JBB BUILDERS INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands with limited liability)
Stock Code : 1903

2026
ANNUAL REPORT

Contents

Corporate Information	2
Chairman's Statement	4
Management Discussion and Analysis	6
Biographical Details of Directors and Senior Management	19
Directors' Report	25
Corporate Governance Report	43
Environmental, Social and Governance Report	73
Independent Auditor's Report	162
Consolidated Statement of Profit or Loss and Other Comprehensive Income	167
Consolidated Statement of Financial Position	168
Consolidated Statement of Changes in Equity	170
Consolidated Statement of Cash Flows	171
Notes to the Consolidated Financial Statements	173
Financial Summary	244
Particulars of Major Properties	245

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Dato' Ng Say Piyu *(Chairman)*
Mr. Lam Fung Eng
Mr. Ng Chong Boon

Non-executive Director

Datin Ngooi Leng Swee

Independent non-executive Directors

Mr. Tai Lam Shin *(Lead independent non-executive Director)*
Mr. Chan Tsun Choi, Arnold *(Resigned on 23 July 2026)*
Ms. Chan Pui Kwan
Mr. Tam Ka Hei Raymond *(Appointed on 23 July 2026)*

AUDIT COMMITTEE

Mr. Tai Lam Shin *(Chairman)*
Mr. Chan Tsun Choi, Arnold *(Resigned on 23 July 2026)*
Ms. Chan Pui Kwan
Mr. Tam Ka Hei Raymond *(Appointed on 23 July 2026)*

REMUNERATION COMMITTEE

Mr. Tai Lam Shin *(Chairman)*
Dato' Ng Say Piyu
Ms. Chan Pui Kwan

NOMINATION COMMITTEE

Dato' Ng Say Piyu *(Chairman)*
Mr. Tai Lam Shin
Mr. Chan Tsun Choi, Arnold *(Resigned on 23 July 2026)*
Ms. Chan Pui Kwan
Mr. Tam Ka Hei Raymond *(Appointed on 23 July 2026)*

COMPANY SECRETARY

Ms. Lam Lam

AUTHORISED REPRESENTATIVES (FOR THE PURPOSE OF THE LISTING RULES)

Mr. Lam Fung Eng
Ms. Lam Lam

AUTHORISED REPRESENTATIVE (FOR THE PURPOSE OF THE COMPANIES ORDINANCE)

Ms. Lam Lam

AUDITOR

Crowe Malaysia PLT

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Hong Kong

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Bank of Communications Co., Ltd., Hong Kong Branch

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Hong Kong

Corporate Information

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Malaysia

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PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited

Cricket Square, Hutchins Drive
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Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited

17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

STOCK NAME/CODE

JBB BUILDERS/1903

COMPANY'S WEBSITE

www.jbb.com.my

Chairman's Statement

Dear Shareholders,

On behalf of the board of directors (the "**Board**" or "**Directors**"), I am pleased to present you the chairman's statement and the annual results of JBB Builders International Limited (the "**Company**") and its subsidiaries (collectively the "**Group**") for the year ended 30 June 2026.

COMPANY OVERVIEW

The Group is an established engineering contractor which mainly engaged in the business of marine construction services, and building and infrastructure services in Malaysia and Singapore.

BUSINESS REVIEW

The Group recorded revenue of approximately RM412.8 million for the year ended 30 June 2026, decreased by approximately RM14.2 million or 3.3% compared with approximately RM427.0 million for the year ended 30 June 2025. With the significant decrease in gross profit, decrease in other income and increment of general and administrative expenses, while partially offsetting by the reversal for impairment loss on trade receivables and contract assets due to improvement of collections from long outstanding customers, the Group recorded loss attributable to owners of the Company of approximately RM0.5 million for the year ended 30 June 2026 as compared with profit attributable to owners of the Company of approximately RM1.3 million for the year ended 30 June 2025.

OUTLOOK

During the year ended 30 June 2026, we expanded our footprint to renewable energy. We established a joint venture with a Malaysia subsidiary of a company listed on Bursa Malaysia Securities Berhad (the "**JV Partner**") for the development of a large-scale solar photovoltaic plant. The formation of the joint venture consolidates the resources and experience of us and the JV Partner, playing a pivotal role in expanding solar photovoltaic capacity, strengthening the foundation for renewable energy development and enhancing capital efficiency. This collaboration is expected to improve the Group's overall competitiveness. Participation in this renewable energy project further diversifies and strengthens the Group's portfolio, attracting international investors and partners committed to sustainable development. It also bolsters the Group's corporate social responsibility credentials and goodwill, while aligning with Malaysia's national commitments to reduce carbon emissions, appealing to environmentally conscious stakeholders and customers alike.

We entered into a sale and purchase agreement with a vendor to conditionally purchase 100% equity interest in Chengdu Jianfu Convenience Store Management Co., Ltd.(成都市見福便利店管理有限公司)("**Chengdu Jianfu**") who operates convenience stores business in Sichuan Province, the People's Republic of China (the "**PRC**"). Considered the strong macroeconomic indicators and the PRC's policy support for the convenience store and supply chain sectors, such acquisition gives us investment opportunity to enter the convenience stores industry with easier entry, accompanied by its relatively comprehensive operating system, including its mature "Warehousing + Distribution" supply chain, an active network of suppliers, and the established brand presence in the Sichuan market. In future, it is expected the business of Chengdu Jianfu will bring in stable wholesaling supply chain revenue to the Group.

Despite the above, the US-Iran war poses uncertainty to the economy. The US-Iran war continues to choke the global fuel supplies and so the fluctuation of the fuel prices. It is expected this will affect the construction cost and tender price negotiation of our future projects before the economic environment gets stable.

We will monitor the uncertainties faced by the Group and market development vigilantly in order to stay abreast of business opportunities in the operating countries. The Group keeps optimising its business models and portfolios to solidify its market competitiveness to safeguard the return to the shareholders of the Company (the "**Shareholders**").

The Group is committed to achieving high standard of corporate governance, and acknowledges the importance of sustainability and climate-related risks and opportunities. Through transparent and accountable policies, there are incorporated into our business decision making process in order to align with our long-term strategy. We believe these can help achieve our long-term objectives, maximise our long-term return and performance, and benefit our employees.

APPRECIATION

The Board would like to express its sincere gratitude to the Shareholders, business partners and customers of the Group for their continued support, guidance and contribution to the Group and appreciation to our management and employees for their hard work and dedication.

Dato' Ng Say Piyu
Chairman
Hong Kong, 24 September 2026

Management Discussion and Analysis

BUSINESS REVIEW

The Group is an established engineering contractor which engaged in two major types of services:

– Marine construction services – core business, which can be categorised into:

  (a) reclamation and related works, which includes land reclamation and other marine civil works. Reclamation may involve soil investigation, hydrographic survey, pre-reclamation design, sand handling/filling, ground treatment, sand surcharge removal work and other related works. Marine civil works generally include construction of jetty, channel-crossing works, maintenance dredging and river diversion; and

  (b) marine transportation, which involves transportation of marine sand and the filling material normally used in land reclamation, including the loading of marine sand extracted from the approved sand source onto sand carriers and carriage and delivery of marine sand to designated sites where the marine sand is unloaded to be used for land reclamation.

– Building and infrastructure services – the services include general building works in construction of properties and infrastructure works and project management services.

In November 2025, a joint venture and shareholders' agreement was entered into between JBB Builders (M) Sdn. Bhd. (a wholly-owned subsidiary of the Company) and Samaiden Sdn. Bhd. (a wholly-owned subsidiary of Samaiden Group Berhad which is a company listed on Bursa Malaysia Securities Berhad (stock code: 0223)) for the formation of Legasi Suria Selatan Sdn. Bhd.. Legasi Suria Selatan Sdn. Bhd. is established as a special purpose vehicle, being held by JBB Builders (M) Sdn. Bhd. and Samaiden Sdn. Bhd. in shareholding proportions of 30% and 70%, respectively for the implementation of the development of a large-scale solar photovoltaic plant of 99.99MWac in Segamat, Johor, Malaysia (the "**Plant**") (the "**Project**"). In December 2025, a power purchase agreement with a term of 21 years is entered into between Legasi Suria Selatan Sdn. Bhd. and Tenaga Nasional Berhad for the supply of solar power generated by the Plant. This represents a strategic expansion beyond traditional marine construction works into renewable energy infrastructure, leveraging engineering expertise in large-scale projects. At the same time, the Group focused on the existing construction contracts.

As at 30 June 2026, the Group had 3 ongoing marine construction contracts comprising 1 reclamation and related works contract and 2 marine transportation contracts with original contract sum in aggregate of approximately RM1,312.1 million (including estimated original contract sum of contracts stated at unit rate at time of award), and 3 ongoing building and infrastructure contracts with original contract sum in aggregate of approximately RM152.4 million.

As at 30 June 2025, there were a total of 2 tenders and 2 quotations with expected contract sum in aggregate of approximately RM522.4 million submitted and the results of the said tenders and quotations had not yet been released. As at 30 June 2026, there was 1 quotation with expected contract sum in aggregate of approximately RM46.8 million submitted and it is awarded subsequently with contract value of approximately RM37.5 million.

Disposal of a non-wholly owned subsidiary

During the year ended 30 June 2025, the Group entered into a sale agreement to dispose Gabungan Jasapadu Sdn. Bhd. ("**Gabungan**"), a 50% non-wholly owned subsidiary of the Group which engages in the business of land-based machinery works and rental, to Mr. Toh Ang Poo (the "**Disposal A**"), who together with his spouse, held 50% shares of Gabungan before the Disposal A. The consideration of the Disposal A was RM1.0 million and the net assets of Gabungan before the Disposal A was approximately RM0.9 million. A gain on disposal of approximately RM0.6 million was recognised.

The Disposal A presented a one-off opportunity for the Group to recoup investment costs and realise assets, turning long-term assets into working capital before the retained earnings being used up and fixed assets being obsolete. The financial results of the Group can be improved. It allows the Group to focus its resources on other existing projects which would be having better prospect. The Group maintains business relationship and further cooperates in other construction projects with Gabungan. There was no material adverse impact on its financial position and on the business and operation of the Group.

Partial disposal of a joint venture

During the year ended 30 June 2025, the Group entered into a share sale agreement to dispose 35% shareholdings of JBB Kimlun Sdn. Bhd. ("**JBB Kimlun**") to a Malaysia incorporated limited company independent to the Group (the "**Disposal B**"). JBB Kimlun, an indirect non-wholly owned subsidiary of the Company under the Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**" or "**HKEx**") (the "**Listing Rules**") issued by the Stock Exchange, is a joint venture formed between JBB Builders Sdn. Bhd. and Kimlun Sdn. Bhd. as to 60% and 40% respectively, for the purpose of carrying out building construction general service contracts tendered under a property development project for the construction of a 15-storey office complex building (MBJB) with 7-storey vehicle parking basements erected on PTD 233331, Jalan Lingkaran Dalam, Mukim Plentong, Daerah Johor Bahru, Negeri Johor, Malaysia. The consideration of the Disposal B was RM150,000 and the net assets of JBB Kimlun before the Disposal B was approximately RM397,000. A gain on disposal of approximately RM11,000 was recognised.

By restructuring the shareholdings of JBB Kimlun with the involvement of Malaysian shareholder, it would help expose the Group to more business opportunities and have positive impact to the public perception on the background of the Group.

As at 30 June 2026 and 2025, the Group had 25% interests in JBB Kimlun and JBB Kimlun remains as the joint venture of the Group while it is no longer an indirect non-wholly owned subsidiary of the Company under the Companies Ordinance and the Listing Rules.

Management Discussion and Analysis

FINANCIAL REVIEW

Revenue

Revenue decreased by approximately RM14.2 million or 3.3% from approximately RM427.0 million for the year ended 30 June 2025 to approximately RM412.8 million for the year ended 30 June 2026. The decrease in revenue for the year ended 30 June 2026 was primarily driven by (i) the overall decrease in volume of sand transported generated from marine transportation contracts in Singapore arising from the operational challenges on a shallow and highly space-constrained site area, and approximately 1.5 months work suspension of a contract resulting from investigations into an external incident by authority, which led to the overall reduction in delivery; (ii) the decrease in the revenue generated from reclamation and related works and marine transportation due to slowdown of the progress of the projects with the increase of the fuel price and fuel supply shortage; and (iii) completion of certain contracts which contributed to a certain portion of revenue for the year ended 30 June 2025, while partially offsetting by the increase in volume of work performed for contracts generated from building and infrastructure works.

Marine construction services

Revenue from marine construction services represented approximately 80.6% of the total revenue for the year ended 30 June 2026. It decreased by approximately RM47.8 million or 12.6% from approximately RM380.5 million for the year ended 30 June 2025 to approximately RM332.7 million for the year ended 30 June 2026.

Revenue from reclamation and related works, which represented approximately 24.3% of the total revenue from marine construction services for the year ended 30 June 2026, decreased by approximately RM28.6 million or 26.1% from approximately RM109.5 million for the year ended 30 June 2025 to approximately RM80.9 million for the year ended 30 June 2026. Such decrease for the year ended 30 June 2026 was mainly due to slowdown of the progress of a reclamation and related works contract with the increase of the fuel price, and the completion of certain contracts which contributed to a certain portion of revenue for the year ended 30 June 2025.

Revenue from marine transportation, which represented approximately 75.7% of the total revenue from marine construction services for the year ended 30 June 2026, decreased by approximately RM19.2 million or 7.1% from approximately RM271.0 million for the year ended 30 June 2025 to approximately RM251.8 million for the year ended 30 June 2026. Such decrease for the year ended 30 June 2026 was mainly due to the overall decrease in volume of sand transported generated from marine transportation contracts in Singapore arising from the operational challenges on a shallow and highly space-constrained site area, and approximately 1.5 months work suspension of a contract resulting from investigations into an external incident by authority, which led to the overall reduction in delivery. Besides, due to the US-Iran War, the fuel supply shortage and increase of fuel price contributed to the slowdown of the progress works. After negotiation, as a compensation, the unit rate for each volume of the sand transported was increased by approximately 0.2% to 31.7% since March 2026 which slightly increased the revenue generated for part of the year ended 30 June 2026. The unit rate adjustment applied equally on customer and subcontractors on a dollar-to-dollar basis as a compensation, it was gross profit neutral on a per-volume basis but compressed the overall gross profit margin.

Building and infrastructure services

Revenue from building and infrastructure services represented approximately 19.4% of the total revenue for the year ended 30 June 2026. Revenue from building and infrastructure services increased by approximately RM33.6 million or 72.3% from approximately RM46.5 million for the year ended 30 June 2025 to approximately RM80.1 million for the year ended 30 June 2026. The growth for the year ended 30 June 2026 was primarily driven by an increase in volume of work performed on ongoing building and infrastructure projects, while partially offsetting by the completion of certain contracts which contributed to a certain portion of revenue for the year ended 30 June 2025. In addition, the increase was also attributable to absence of additional provision for liquidated and ascertained damages during the year ended 30 June 2026, whereas revenue for the preceding year was adversely affected by such provision, which reduced the contract sums at certain building and infrastructure contracts following delays in their completion.

Gross profit and gross profit margin

Gross profit decreased by approximately RM2.9 million or 16.4% from approximately RM17.7 million for the year ended 30 June 2025 to approximately RM14.8 million for the year ended 30 June 2026 which was primarily caused by the decrease in revenue as abovementioned and the additional budgeted costs for the ongoing projects.

The overall gross profit margin decreased from approximately 4.1% for the year ended 30 June 2025 to approximately 3.6% for the year ended 30 June 2026.

The decrement of gross profit margin for the year ended 30 June 2026 was primarily due to (i) the completion of certain contracts with higher gross profit margin than the ongoing projects; (ii) compensation of fuel price from the customer to the subcontractors of the marine transportation contracts on a dollar-to-dollar basis since March 2026 which was neutral on the gross profit unit rate but reduced the gross profit margin of the marine transportation contracts; and (iii) the additional budgeted costs for the ongoing projects. These impacts were partially offsetted by (i) the one-off provision of liquidated and ascertained damages arising from the delay on the completion of building and infrastructure contracts; and (ii) the additional costs incurred for additional works performed during the finalisation of certain final accounts, for the year ended 30 June 2025.

Other revenue

The other revenue decreased from approximately RM5.7 million for the year ended 30 June 2025 to approximately RM3.1 million for the year ended 30 June 2026, which was mainly due to (i) the decrease in income of arrangement of marine transportation related activities for our subcontractors and suppliers at the site areas for the year ended 30 June 2026 arising from the decrease in the number of trips and unit rates; (ii) the decrease in interest income on deposits placed in the Group's banks in Malaysia for the year ended 30 June 2026 as a result of the decrease in fixed deposits placed in banks; and (iii) the decrease in interest income on trade receivables owing from a customer.

Management Discussion and Analysis

Other net income

Other net income was approximately RM1.6 million for the year ended 30 June 2026. It mainly included (i) gain on disposal of deposits paid for acquisition of investment properties of approximately RM1.2 million; and (ii) the recognition of the foreign exchange gain of approximately RM0.4 million arising from the translation of foreign currency denominated balances into Ringgit Malaysia.

Other net income was approximately RM1.5 million for the year ended 30 June 2025. It mainly included (i) gain on disposal of deposits paid for acquisition of investment properties of approximately RM1.3 million; (ii) gain on disposal of Gabungan of approximately RM572,000; (iii) gain on partial disposal of JBB Kimlun of approximately RM11,000; (iv) fair value loss on investment properties of approximately RM700,000; and (v) the recognition of the foreign exchange gain of approximately RM259,000 arising from the translation of foreign currency denominated balances into Ringgit Malaysia.

Reversal/(allowance) for impairment loss on trade receivables and contract assets

During the year ended 30 June 2026, taking into account of the decrease in balances of trade receivables and contract assets due to the decrease in revenue and improvement in collections, certain customers who cannot fulfill the instalment repayment schedule, and expected loss rate applied based on historical credit loss experience, adjusting factors that are specific to the debtors and assessment of both current and forecasted general economic conditions (including the consideration of the expected loss rate performed by an independent valuer), reversal for impairment loss on trade receivables and contract assets of approximately RM1.8 million was recognised for the year ended 30 June 2026.

During the year ended 30 June 2025, taking into account of the increase in balances of trade receivables and contract assets, certain customers who cannot fulfill the instalment repayment schedule, and expected loss rate applied based on historical credit loss experience, adjusting factors that are specific to the debtors and assessment of both current and forecasted general economic conditions (including the consideration of the expected loss rate performed by an independent valuer), impairment loss of approximately RM1.6 million was recognised for the year ended 30 June 2025.

General and administrative expenses

General and administrative expenses increased by approximately RM0.8 million or 4.1% from approximately RM19.7 million for the year ended 30 June 2025 to approximately RM20.5 million for the year ended 30 June 2026. Such increase was mainly due to the combined effect of (i) the increase of professional fees for the potential acquisition of a company established under the laws of the People's Republic of China (please refer to note 36 (i) to the consolidated financial statements for further details); (ii) the increase of bank charges arising from the bank guarantees obtained from the banks during the year ended 30 June 2026; (iii) the increase in staff salaries and related retirement benefits provided to employees; and (iv) the reduction in stamp duty and commissions for the disposal of deposits paid for acquisition of investment properties.

Finance costs

Finance costs decreased from approximately RM0.6 million for the year ended 30 June 2025 to approximately RM0.3 million for the year ended 30 June 2026, which was mainly due to the decrease of interest on bank loans arising from the repayment of bank loans.

Income tax expenses

Income tax expenses of approximately RM1.0 million was recorded for the year ended 30 June 2026 as compared with approximately RM1.7 million for the year ended 30 June 2025. The decrease was mainly due to the decrement of taxable profit of a Singapore subsidiary and a Malaysia subsidiary for the year ended 30 June 2026.

(Loss)/profit for the year attributable to owners of the Company

Due to the abovementioned items, the Group reported loss attributable to owners of the Company of approximately RM0.5 million for the year ended 30 June 2026 as compared with profit attributable to owners of the Company of approximately RM1.3 million for the year ended 30 June 2025.

Final dividends

Considering the financial results for the year ended 30 June 2026, expected working capital requirements, and current and future business conditions and strategies, the Board does not recommend to declare any final dividends for the year ended 30 June 2026 (2025: nil).

CORPORATE FINANCE AND RISK MANAGEMENT

Liquidity and Financial Resources/Capital Structure

The Group finances its working capital requirements through a combination of cash generated from operations, Shareholder's equity and banking facilities.

The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

As at 30 June 2026, the Group had cash and cash equivalents of approximately RM109.6 million (2025: RM71.5 million) and pledged bank deposits of approximately RM6.4 million (2025: RM9.2 million) and fixed deposits with maturity over three months of approximately RM0.4 million (2025: RM5.7 million). The increment was primarily due to the net operating and investing activities cash inflows while net of the net financing activities cash outflows and negative effect of foreign exchange rate changes during the year ended 30 June 2026. All are denominated in Hong Kong dollars, United States dollars, Singapore dollars and Ringgit Malaysia.

As at 30 June 2026, the Group had lease liabilities of approximately RM0.4 million (2025: RM0.7 million) carrying interest rate ranging from 4.3% to 8.5% (2025: ranging from 4.3% to 8.5%). All are denominated in Hong Kong dollars and Ringgit Malaysia. As at 30 June 2025, the Group had bank loans of approximately RM6.4 million (2026: nil) carrying interest rate at 7.2% (2026: nil). All are denominated in Ringgit Malaysia. As at 30 June 2026, the Group had unutilised banking facilities of approximately RM4.0 million (2025: RM122.0 million). Subsequent to the year ended 30 June 2026, save for those secured exclusively for the issuance of performance bonds required in the ordinary course of business, all the bank facilities had been released. The released banking facilities were originally established to mitigate cash flow risks associated with newly engaged customers. Over the years, these customers demonstrated a satisfactory repayment track record. The management is of the view that the release of redundant banking facilities can help release the pledged bank deposits and securities back into general working capital, further strengthening our free cash flow position.

Management Discussion and Analysis

The Group continued to maintain a healthy liquidity position. The current ratio slightly increased from approximately 1.6 times as at 30 June 2025 to approximately 1.7 times as at 30 June 2026 as the Group actively settled the trade payables and bank loans during the year ended 30 June 2026, demonstrating the Group's improvement in the ability to pay its short-term obligations compared with 30 June 2025. The gearing ratio decreased from approximately 5.4% as at 30 June 2025 to approximately 0.3% as at 30 June 2026 which is calculated based on the total loans and borrowings (which represent bank loans and lease liabilities) divided by total equity at the end of the year. The decrease of gearing ratio was mainly due to the decrease in total bank loans and lease liabilities from approximately RM7.1 million as at 30 June 2025 to approximately RM0.4 million as at 30 June 2026.

The Group manages its capital structure and makes 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 sell assets to reduce debt. No changes in the objective, policies or processes for managing capital were made during the years ended 30 June 2026 and 2025.

The management of the Group reviews the capital structure on a regular basis. As part of this review, the management considers the cost of capital and the risk associated with each class of capital. Based on recommendation of the management, the Group will balance its overall capital structure through the payment of dividends as well as issue of new debt or the redemption of the debt.

There had been no material change in the capital structure of the Group during the year ended 30 June 2026.

Capital commitments

As at 30 June 2026, the Group had capital commitments of approximately RM81,000 (2025: RM81,000).

Pledge of assets

As at 30 June 2026, pledged bank deposits of approximately RM6.4 million (2025: RM9.2 million) have been pledged to banks as security for banking facilities granted to the Group with approximately RM6.4 million (2025: RM6.8 million) related to performance bonds. Pledged bank deposits related to performance bonds include (i) minimum amount of deposits pledged to banks for facility lines for performance bonds; (ii) sinking fund (calculated at 6% of the progress payment from the particular contract related to the corresponding performance bonds); and (iii) interest income of deposits pledged to banks.

As at 30 June 2026, deposits paid for acquisition of investment properties with carrying amount of approximately RM12.9 million (2025: deposits paid for acquisition of investment properties with carrying amount of approximately RM12.9 million and assets classified as held for sale with carrying amount of approximately RM1.5 million) were pledged to a bank as security for bank facilities granted to the Group.

Contingent liabilities

As at 30 June 2026, the Group had contingent liabilities in respect of performance bonds for contracts in favour of customers of approximately RM12.9 million (2025: nil).

The performance bonds were given by banks in favour of some of the Group's customers as security for the due performance and observance of the Group's obligations under the contracts entered into between the Group and its customers. If the Group fails to provide satisfactory performance to its customers to whom performance bonds have been given, such customers may demand the banks to pay to them the sum or sums stipulated in such demand. The Group will then become liable to compensate such banks accordingly. The performance bonds will be released based on the terms of the respective contracts for the relevant customers. The performance bonds were secured and guaranteed by (i) deposits with licensed banks of approximately RM6.4 million; and (ii) corporate guarantees given by the Company as at 30 June 2026.

Risk management

Credit risk

The Group's credit risk is primarily attributable to trade and other receivables, contract assets, fixed deposits with maturity over three months, pledged bank deposits and cash at banks. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

Trade receivables and contract assets

The Group has established a credit risk management policy under which individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle their debts. Normally, the Group does not obtain collateral from customers.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate. Significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. As at 30 June 2026, approximately 53% (2025: 49%) of the total gross trade receivables and contract assets was due from the Group's largest customer and approximately 99% (2025: 99%) of the total gross trade receivables and contract assets were due from the Group's five largest customers.

For certain large customers or customers with a high risk of default, the Group assesses the risk of loss of each customer individually based on their financial information, past trends of payments and external credit rating, where applicable.

The Group measures loss allowances for trade receivables and contract assets at an amount equal to lifetime expected credit losses, which is calculated using a provision matrix. The Group segments its trade receivables and contract assets based on geographic regions, due to different loss patterns experienced in the different regions.

Expected loss rates are based on actual loss experience over the past 3 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Other receivables and deposits

The management of the Group makes periodic individual assessment on the recoverability of other receivables and deposits based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable. The management of the Group believes that there is no significant increase in credit risk of other receivables and deposits since initial recognition and the Group provided impairment based on 12 months expected credit losses. As at 30 June 2026 and 2025, the Group assessed the expected credit losses for other receivables and deposits were insignificant and thus no loss allowance was recognised.

Cash and cash equivalents, fixed deposits with maturity over three months and pledged bank deposits

Cash and cash equivalents, fixed deposits with maturity over three months and pledged bank deposits are mainly placed with reputable financial institutions with high credit-ratings assigned by international credit-rating agencies. There has been no recent history of default in relation to these financial institutions.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group is exposed to fair value interest rate risk in relation to the Group's fixed-rate short-term fixed deposits with maturity over three months, pledged bank deposits and lease liabilities. The management of the Group considers that the Group's exposure from these fixed-rate short-term fixed deposits with maturity over three months, pledged bank deposits and lease liabilities to interest rate risk is not significant.

The Group's interest rate risk arises primarily from cash at banks and bank loans. Cash at banks and bank loans at variable rates expose the Group to cash flow interest rate risk. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of Malaysia base lending rate from the Group's bank loans denominated in Ringgit Malaysia.

Foreign currency exchange risk

The Group undertakes certain transactions denominated in foreign currencies, hence exposure to exchange rate fluctuations arises. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure closely and seeks to keep the net exposure to an acceptable level. The Group will consider hedging significant foreign currency exposure should the need arise.

For the risks and uncertainties faced by the Group, please refer to the section headed "Risk Factors" in the prospectus of the Company dated 25 April 2019 (the "**Prospectus**") and section headed "Principal risks and uncertainties facing the Group" under the "Directors' Report" (on pages 25 to 27) of this annual report.

SIGNIFICANT INVESTMENTS HELD

Save as disclosed in the circular of the Company dated 19 July 2022, the announcements of the Company dated 18 November 2025, 22 January 2026, 29 January 2026, 31 March 2026, 17 April 2026 and 8 May 2026, and this annual report, the Group did not hold any significant investments during the year ended 30 June 2026.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the Prospectus, circular of the Company dated 19 July 2022, the announcements of the Company dated 18 November 2025, 22 January 2026, 29 January 2026, 31 March 2026, 17 April 2026 and 8 May 2026, and this annual report, the Group did not have other plans for material investments and capital assets as at 30 June 2026.

MATERIAL ACQUISITIONS AND DISPOSALS

Save as disclosed in the announcements of the Company dated 18 November 2025, 22 January 2026, 29 January 2026, 31 March 2026, 17 April 2026 and 8 May 2026, and this annual report, the Group did not have any material acquisitions and disposals of subsidiaries, associates or joint ventures during the year ended 30 June 2026.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this annual report, there were no other important events affecting the Group that have occurred since 30 June 2026 and up to the date of this annual report.

EMPLOYEES AND REMUNERATION POLICIES

Excluding the Directors, the total number of full-time employees of the Group increased from 68 as at 30 June 2025 to 71 as at 30 June 2026 for the expansion of the business activities.

The Group determines the remuneration of its employees with reference to market rates and individual's qualifications, experience, skills, performance and contributions. The Group regularly reviews compensation and benefits policies as well as the individual performance of employees and encourages the employees to pursue their professionalism and personal goals.

The Board determined the remuneration of the Directors based on recommendation from the remuneration committee of the Company. The Board took into consideration a number of relevant factors such as salaries paid by comparable companies, job responsibilities, duties and scope, employment conditions elsewhere in the Group, market practices, financial and non-financial performance, and desirability of performance-based remuneration. The remuneration committee of the Company will determine the overall amount of each component of remuneration, taking into account both quantitative and qualitative assessment of performance. No individual Director or any of his/her associates is involved in deciding his/her own remuneration.

No equity-based remuneration (e.g. share options or grants) with performance-related elements shall be granted to independent non-executive Directors. This measure aims to ensure the independent non-executive Directors are demonstrating objective judgement throughout their tenure. This is because equity-based remuneration with performance-related elements may lead to bias in their decision-making and compromise their objectivity and independence.

The Company adopted a share option scheme so that the Company may grant options to the eligible persons as incentives or rewards for their contributions to the Group. In addition, employees are always encouraged to attend job-related seminars, webinars, courses and programs organised by professional or educational institutions, in Malaysia, Singapore, Hong Kong or other jurisdictions.

Management Discussion and Analysis

PROSPECTS

During the year ended 30 June 2026, the Group mainly focused on executing the existing contracts, including (i) a reclamation and related works and marine transportation contract for the land reclamation works and mixed development in the district of Mukim Plentong, Johor; (ii) a building and infrastructure contract of a new ultra-modern 5-storey court complex in Johor; and (iii) project management services of flood mitigation infrastructure works with original contract sum in aggregate of approximately RM0.5 billion in Malaysia. The marine transportation works in Singapore continue to generate stable income to the Group.

In November 2025, Legasi Suria Selatan Sdn. Bhd., a special purpose vehicle established with Samaiden Sdn. Bhd. (a wholly-owned subsidiary of Samaiden Group Berhad which is a company listed on Bursa Malaysia Securities Berhad (stock code: 0223)) for the implementation of the development of a large-scale solar photovoltaic plant of 99.99MWac in Segamat, Johor, Malaysia represents a strategic expansion beyond traditional marine construction works into renewable energy infrastructure, leveraging engineering expertise in large-scale projects. It demonstrates we align with the environmental, social, and governance goals on sustainability. For details, please refer to the announcement of the Company dated 18 November 2025.

In January 2026, the Group entered into a sale and purchase agreement with a vendor to conditionally purchase 100% equity interest in Chengdu Jianfu Convenience Store Management Co., Ltd.（成都市見福便利店管理有限公司）("**Chengdu Jianfu**") who operates convenience stores business in Sichuan Province, the PRC, with an extensive network of upstream suppliers (including but not limited to food and beverage and daily necessities) and downstream end customers. Considering the strong macroeconomic indicators and the PRC's policy support for the convenience store and supply chain sectors, such acquisition gives us investment opportunity to enter the convenience stores industry with easier entry, accompanied by its relatively comprehensive operating system, including its mature "Warehousing + Distribution" supply chain, an active network of suppliers, and the established brand presence in the Sichuan market. Therefore, the Group can rely on comprehensive ongoing support with the built system as mentioned above and diversify the Group's revenue stream in future. For details, please refer to the announcements of the Company dated 22 January 2026, 29 January 2026, 31 March 2026, 17 April 2026 and 8 May 2026.

It is expected that all the above activities will enhance and strengthen the revenue and profitability of the Group in the near future.

In terms of the construction industry development, ongoing investments in renewable energy, transport infrastructure, data centers and digital infrastructure driven by rising demand for artificial intelligence and the expertise in technology manufacturing are expected to remain a key growth driver of Malaysia's construction market. The solar plant project to be developed by our joint venture and the project management services of flood mitigation infrastructure works align with the Malaysian Government's policies. However, the US-Iran war continues to choke the global fuel supplies and so the fluctuation in the fuel prices. The Group actively discussed with customers to obtain the compensation on fuel price for our subcontractors in order to reduce the impact of project execution. Taking into account of the economic situations and uncertainties faced by the Group, the Group will pursue the opportunities should the business and financial situation allowed.

The Group believes its liquidity position remains healthy by considering the cash and cash equivalents in hand, available banking facilities, tight cost control measures and capital commitments. The Group keeps optimising its business models and portfolios to solidify its market competitiveness. At the same time, the Group is focusing on executing the existing awarded construction works in order to deliver the quality work on schedule. The Group will leverage its financial position, extensive network from its management, strong quality management system and resources available to implement appropriate business strategies to mitigate the potential adverse impact on its business operations and to ensure sustained value creation.

USE OF PROCEEDS

The net proceeds of the global offering of the ordinary shares of the Company (the "**Shares**") received by the Company were approximately HK$125.2 million (approximately RM62.6 million)(Note 1), after deduction of underwriting fees and related listing expenses, of which HK$15.0 million of the total amount of fees and expenses in connection with the global offering of the Shares had been paid from the proceeds of the pre-IPO investments. Set out below is the breakdown of use of net proceeds from the global offering of the Shares from 10 May 2019 (the "**Listing Date**") up to 30 June 2026:

Use of net proceeds as at 30 June 2026	Percentage of net proceeds(Note 2) %	Original allocation of the net proceeds(Note 1) RM million	Revised allocation of the unutilised net proceeds(Note 3) RM million	Amount utilised as at 30 June 2026 RM million	Unutilised net proceeds balance as at 30 June 2026 RM million	Expected timeline on utilising the remaining proceeds(Note 4)
Acquiring one rebuilt sand carrier from one of the existing subcontractors for marine transportation services	57.9	36.2	–	–	–	N/A
Purchasing new land-based machineries	7.3	4.6	–	–	–	N/A
Satisfying performance bonds requirement of prospective projects	23.4	14.7	14.7	(14.7)	–	N/A
Upgrading the information technology and project management systems	0.6	0.4	0.4	(0.3)	0.1	By June 2028
Recruiting and expanding management team for the building and infrastructure works	3.4	2.1	2.1	(2.1)	–	N/A
Working capital and general corporate purposes	7.4	4.6	4.6	(4.6)	–	N/A
Funding and capital requirements for new contracts	–	–	40.8	(40.8)	–	N/A
	100.0	62.6	62.6	(62.5)	0.1	

As at 30 June 2026, approximately RM0.1 million (representing approximately 0.2% of the net proceeds from the global offering) had not yet been utilised. The unutilised portion of the net proceeds was deposited in the Group's banks in Malaysia.

Notes:

(1) The net proceeds allocated for each specific use have been adjusted proportionally in the manner as stated in the Prospectus due to the difference between the estimated net proceeds and the actual net proceeds received.

(2) Such utilisation of the net proceeds was in accordance with the proposed allocations as set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

(3) On 23 February 2024, the Board has resolved to reallocate part of the unutilised net proceeds as at 31 December 2023 in the sum of approximately RM40.8 million, which was originally allocated for acquiring one rebuilt sand carrier and for purchasing new land-based machineries, to the use of funding and capital requirements for new contracts awarded to the Group. For further details, please refer to the section headed "Change in Use of Proceeds" of the announcement of the Company dated 23 February 2024.

(4) The expected timeline on utilising the remaining proceeds is the best estimation of the Directors based on: (i) the latest information provided by the customers on the expected commencement date of the construction contracts previously secured; (ii) ongoing contracts on hand; and (iii) the present business and economic environment including the consequential impact of COVID-19 outbreak, as of the date of this annual report. In view of the above, the Directors expect the remaining proceeds will be utilised alongside the resumption of the economic activities in general by the year ending 30 June 2028 should the market and economic situation require, and would be subject to change based on the future development of market conditions.

Biographical Details of Directors and Senior Management

EXECUTIVE DIRECTORS

Dato' Ng Say Piyu ("**Dato' Ng**"), aged 73, is the co-founder of our Group and has been appointed as our Chairman and executive Director since 30 April 2018. Dato' Ng is primarily responsible for overall business planning, corporate strategies and overall management of our Group. Dato' Ng is also the chairman of nomination committee, member of remuneration committee and a director of various subsidiaries of the Company. Dato' Ng has over 46 years of experience in the construction industry. From 1980 to 1983, he was a quantity surveyor in Jabatan Kerja Raya (Public Works Department Malaysia), during which he was mainly responsible for negotiation, procurement and construction management. From 1983 to 1993, Dato' Ng briefly worked as a project manager in PC Holdings Sdn. Bhd., a construction company in Malaysia; and subsequently served in SBBU Sdn. Bhd. (a subsidiary of Urban Development Authority Malaysia) with his last position as a senior project manager, where he was responsible for managing property development projects. From 1994 to 1997, he was appointed as a director of Idealland Sdn. Bhd., a company engaged in mixed property development projects. From 1998 to 2006, he became an entrepreneur actively investing in mixed property development in Malaysia. Since 2007, he began actively investing in the business of sand processing and trading.

Dato' Ng graduated from the Polytechnic of Wales (presently known as University of Glamorgan), United Kingdom, with a Bachelor of Science in Quantity Surveying in July 1980.

Dato' Ng is the spouse of Datin Ngooi Leng Swee ("**Datin Ngooi**") (a non-executive Director), and the uncle of Mr. Lam Fung Eng (an executive Director) and Mr. Ng Chong Boon (an executive Director).

Mr. Lam Fung Eng, aged 50, has been appointed as our executive Director since 10 May 2018. Mr. Lam is primarily responsible for overall corporate strategies and policies formulation, business development and general management of our Group. He is currently a director of various subsidiaries of the Company. Mr. Lam has over 26 years of experience in contract management in Malaysia's construction industry. Prior to joining our Group, Mr. Lam was a contract executive from November 1999 to August 2001 in Perwik Sdn. Bhd., in which he was responsible for the preparation of tender and negotiation with subcontractors and suppliers. From September 2001 to December 2003, he worked in Kumpulan Jayaputera Sdn. Bhd. with his last position as an assistant contract manager, and was responsible for assisting in the contract management of construction projects. From April 2004 to April 2008, he served as a contract manager of Prosmier Construction Sdn. Bhd., during which he was responsible for pre and post-contract management, including tender procurement and site valuation. From May 2008 to April 2012, he was appointed as a director of Full Alliance Sdn. Bhd., during which he was primarily responsible for overseeing the contract department of the company.

Mr. Lam graduated from the Nottingham Trent University, United Kingdom, with a Bachelor of Science majoring in quantity surveying in June 2000.

Mr. Lam is the nephew of Dato' Ng (an executive Director) and Datin Ngooi (a non-executive Director), and a cousin of Mr. Ng Chong Boon (an executive Director).

Biographical Details of Directors and Senior Management

Mr. Ng Chong Boon, aged 55, has been appointed as our executive Director since 10 May 2018. Mr. Ng is primarily responsible for the overall management of our business operation as well as project management and supervision. He is currently a director of various subsidiaries of the Company. Mr. Ng has over 31 years of experience in project management in Malaysia's construction industry. Prior to joining our Group, he was a quantity surveyor from January 1995 to February 1996 in JB Bergabung Consult, a consulting quantity surveying firm, and was mainly responsible for tender preparation. From March 1996 to May 1997, he served as a senior project executive of Seri Alam Properties Sdn. Bhd., a company engaged in mixed property development, and was responsible for risk management and operation of construction projects. From May 1997 to May 2000, he served as a contract manager of Dubon Berhad, a construction company, and was responsible for overseeing project operation and financial management of projects. From June 2000 to April 2011, he served as a project manager of SSB Construction Sdn. Bhd., a construction company, where he was responsible for conducting general project management.

Mr. Ng graduated from Glasgow Caledonian University, United Kingdom, with a Bachelor of Science majoring in quantity surveying in November 1995.

Mr. Ng is the nephew of Dato' Ng (an executive Director) and Datin Ngooi (a non-executive Director), and a cousin of Mr. Lam Fung Eng (an executive Director).

NON-EXECUTIVE DIRECTOR

Datin Ngooi, aged 72, has been appointed as our non-executive Director since 30 April 2018. Datin Ngooi is primarily responsible for the overall strategic management and corporate development. She is the co-founder of our Group and has been serving as a director of JBB Builders (M) Sdn. Bhd. ("**JBB Builders**") since its incorporation. Datin Ngooi has over 31 years of experience in management. From 1995 to 2000, Datin Ngooi was a senior IT manager of Malaysia Shipyard & Engineering Sdn. Bhd., a company engaged in ship repairing and conversion, where she was responsible for planning and directing the responsibilities of the IT department. In May 1996, she founded Computer Landmark Sdn. Bhd. (presently known as JBB Builders) and commenced business of computers trading in the capacity of a director. She remained as a director of JBB Builders since it commenced business as a subcontractor in the marine construction industry in 2012.

Datin Ngooi graduated from Aston University, United Kingdom, with a Bachelor of Science majoring in computer science in June 1982.

Datin Ngooi is the spouse of Dato' Ng (an executive Director), and the aunt of Mr. Lam Fung Eng (an executive Director) and Mr. Ng Chong Boon (an executive Director).

Biographical Details of Directors and Senior Management

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Tai Lam Shin, aged 68, has been appointed as our independent non-executive Director since 11 April 2019. He was designated as the lead independent non-executive Director on 24 April 2025. He is mainly responsible for supervising and providing independent judgement to our Board. He is also the chairman of audit committee and remuneration committee and a member of nomination committee. Mr. Tai has over 42 years of experience in management and accounting services. From January 1984 to January 2007, Mr. Tai worked at Ernst & Young with his last position being a senior manager, and he was responsible for overseeing accounting and financial activities, as well as advising his clients on corporate governance matters. From April 2008 to December 2016, he served as an audit director of Moore Stephens Associates & Co., and was responsible for providing audit services to public and private companies of various industries. From 26 June 2014 to 29 May 2026, Mr. Tai served as an independent non-executive director of Keck Seng (Malaysia) Berhad, a company listed on Bursa Malaysia (stock code: 3476), and was the chairman of its audit committee, and the member of its nominating committee and remuneration committee. Since 10 June 2016, he has also been serving as an independent non-executive director of MCE Holdings Berhad, a company listed on Bursa Malaysia (stock code: 7004). He was re-designated as a non-independent non-executive director on 10 August 2022, and is currently the member of its audit and risk management committee and the nomination and remuneration committee. On 1 July 2019, Mr. Tai is appointed as an independent non-executive director of White Horse Berhad, a company listed on Bursa Malaysia (stock code: 5009). He was re-designated as a senior independent non-executive director on 25 March 2025, and is currently the chairman of its audit committee and nomination committee.

Mr. Tai has been admitted as a Chartered Accountant of the Malaysian Institute of Accountants (MIA) in June 1987, and has been certified as a Fellow of The Chartered Association of Certified Accountants (FCCA), United Kingdom in February 1992.

Mr. Chan Tsun Choi, Arnold（陳進財）, aged 66, has been appointed as our independent non-executive Director, a member of the audit committee and nomination committee since 25 May 2020 and resigned on 23 July 2026. He was mainly responsible for supervising and providing independent judgement to our Board. Mr. Chan has over 40 years of experience in financial industry. From June 1986 to December 1990, Mr. Chan worked at The China State Bank, Ltd. Hong Kong Branch with his last position being a deputy manager under the investment department, and he was responsible for credit control and investment activities. From December 1990 to July 1993, Mr. Chan worked at Unicoopjapan (H.K.) Ltd. with his last position being a senior manager and he was responsible for controlling and overseeing the treasury and finance operations, and advising investment opportunities in People's Republic of China for Japanese investors. From July 1993 to December 1997, Mr. Chan worked at China Development Investment Management Limited with his last position being the head of China business department and he was responsible for investment opportunities identification, project management and corporate finance. From January 1998 to December 2019, Mr. Chan worked at Dragages Hong Kong Limited, a subsidiary of Bouygues Construction, with his last position as special advisor to chairman. He was the structured finance director and project finance director of Dragages Hong Kong Limited from March 2005 to March 2019. He was responsible for fund raising activities and financing for construction projects in Hong Kong and Asia Pacific. From 4 June 2020 to 31 December 2025, Mr. Chan served as an independent non-executive director of Harbour Equine Holdings Limited (formerly known as Shen You Holdings Limited), a company listed on GEM of the Stock Exchange (stock code: 8377), and was the member of its audit, nomination and remuneration committee. On 26 August 2022, Mr. Chan is appointed as an independent non-executive director of Upbest Group Limited, a company listed on the Main Board of the Stock Exchange (stock code: 335), and is currently the chairman of its audit committee and member of its nomination and remuneration committee.

Mr. Chan obtained a degree of Bachelor of Business Administration from The Chinese University of Hong Kong in December 1986. He obtained a postgraduate diploma in Banking and Finance from the City Polytechnic of Hong Kong (presently known as City University of Hong Kong) and a degree of Master of Science in Finance from City University of Hong Kong in November 1990 and November 1995, respectively.

Mr. Chan was admitted as an associate of The Institute of Management (presently known as Chartered Management Institute) in the United Kingdom in January 1990 and was admitted as a fellow in March 2018. He was admitted as a member of The International Institute of Management in February 1997. He was admitted as Certified Practising Accountant of the Australian Society of Certified Practising Accountants (presently known as CPA Australia) in August 1997 and was awarded a fellow membership in July 2015. He was admitted as associate of Hong Kong Society of Accountants (presently known as Hong Kong Institute of Certified Public Accountants) in December 1997 and certified as fellow member in May 2015. He was admitted as member of Hong Kong Securities Institute (presently known as Hong Kong Securities and Investment Institute) in December 1998 and certified as fellow member in November 2014. He obtained Chartered Financial Analyst from CFA Institute in September 2007.

Ms. Chan Pui Kwan（陳佩君）, aged 60, has been appointed as our independent non-executive Director since 11 April 2019. She is mainly responsible for supervising and providing independent judgement to our Board. She is also a member of audit committee, remuneration committee and nomination committee. Ms. Chan has over 24 years of experience in the corporate consultancy industry. In April 2002, she founded SINOVA Management Consultancy Limited (later renamed to ANT-SINOVA (Hong Kong) Limited), a company engaged in the provision of advice and support to investors entering into the PRC market, and remained as the chief executive officer until September 2012. Since September 2012, Ms. Chan was appointed as the chief executive officer of Delta Think (HK) Limited, a company engaged in the provision of business development consultancy services to private and public companies. Since July 2014, she has been serving as the non-executive director of DT Capital Limited, a company listed on the Main Board of the Stock Exchange (stock code: 356), and was subsequently appointed as the chairman of its board in July 2014.

Ms. Chan has been acting as a licensed representative of Hua Yu Investment Management Limited for Type 6 (Advising on Corporate Finance) and Type 9 (Asset Management) regulated activities since June 2016 and September 2015 respectively.

Ms. Chan also actively participates in community service and holds advisory positions in various institutions. She is at present a member of the board of directors of Hong Kong Science and Technology Parks Corporation. Ms. Chan has been appointed as a non-official member of the Trade and Industry Advisory Board (TIAB) since 1 January 2022. Ms. Chan is a member of the Advisory Board of the Dutch Chamber of Commerce from October 2020. Ms. Chan also serves as an Honorary Advisor to Ina Ho Cantonese Opera Research Centre of HK Metropolitan University. In December 2009, Ms. Chan was selected as one of “China’s 100 Outstanding Female Entrepreneurs”.

Mr. Tam Ka Hei Raymond(譚家熙), aged 46, has been appointed as our independent non-executive Director since 23 July 2026. He is mainly responsible for supervising and providing independent judgement to our Board. He is also a member of audit committee and nomination committee. Mr. Tam has over 15 years of experience in corporate finance. He is currently a director of corporate finance department at Yu Ming Investment Management Limited, a wholly-owned subsidiary of Da Yu Financial Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1073), and a licensed holder to carry on Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**"). Mr. Tam had previously gained solid extensive corporate finance and accounting experience through his work experience with First Shanghai Capital Limited, a company licensed to carry on Type 6 (advising on corporate finance) regulated activities under the SFO, and Ernst & Young.

Since 4 October 2018, Mr. Tam has been serving as an independent non-executive director of TIL Enviro Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1790), and is currently a member of its audit committee, nomination committee and remuneration committee. Since 1 July 2019, Mr. Tam has been serving as an independent non-executive director of Cornerstone Technologies Holdings Limited (formerly known as Elegance Commercial and Financial Printing Group Limited), a company listed on the GEM of the Stock Exchange (stock code: 8391), and is currently the chairman of its nomination committee, a member of its audit committee and remuneration committee. Since 11 December 2020, Mr. Tam has been serving as an independent non-executive director of Grand Power Logistics Group Limited, a company listed on the GEM of the Stock Exchange (stock code: 8489), and is currently the chairman of its remuneration committee, a member of its audit committee, nomination committee and financial reporting committee. Since 22 December 2025, Mr. Tam has been serving as a non-executive director and chairman of the board of directors of Dashan Education Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 9986), and is currently the chairman of its nomination committee and investment management committee, and a member of its remuneration committee and audit committee.

Mr. Tam obtained his bachelor of arts degree in accounting and finance with computing from the University of Kent at Canterbury, the United Kingdom in July 2002.

SENIOR MANAGEMENT

Mr. Eddy Bin Daud, aged 65, joined our Group in March 2015 and is the general manager (contract and planning) of our Company. He is mainly responsible for overseeing the contracts and planning department of our Group. Mr. Daud has over 36 years of experience in the construction industry of Malaysia. Prior to joining our Group, he worked in BW Perunding Sdn. Bhd., an engineering firm, from June 1990 to July 1994 with his last position as a project manager, where he was responsible for management of turnkey construction projects. From July 1994 to September 1997, he served as a general manager (operations) in Southern Water Corporation Sdn. Bhd., a water treatment plant operator, and was in charge of the operations and maintenance of water treatment plants. From July 2000 to September 2004, he worked in Dr Nik & Associates Sdn. Bhd., an engineering and project management consultant firm, with his last position as a senior project manager, and was responsible for the management of dredging and reclamation works of construction projects. From October 2004 to February 2015, he served as a senior manager (contracts and commercial) in Malaysian Maritime & Dredging Corporation Sdn. Bhd., a dredging and reclamation contractor, during which he was in charge of the design and operation of construction projects.

Mr. Daud obtained a degree of Bachelor of Science in Civil Engineering from Aston University, United Kingdom, in July 1984. He is a registered professional engineer (CIVIL) with practicing certificate with the Board of Engineers of Malaysia and has been certified as a member of the Institution of Engineers Malaysia in July 1989.

COMPANY SECRETARY

Ms. Lam Lam（林琳）, aged 38, joined our Group as a financial controller in April 2018, and was also appointed as our company secretary since 10 May 2018. She is mainly responsible for managing the financial operations as well as overseeing the company secretarial and compliance affairs of our Group. Prior to joining our Group, she was employed by the Hong Kong office of Deloitte Touche Tohmatsu from October 2010 to April 2018 with her last position being a manager in the audit function, where she was responsible for providing audit services for Hong Kong and overseas clients.

Ms. Lam obtained a degree of Bachelor of Business Administration in Accounting and Finance from the University of Hong Kong in November 2010, and was included on the Dean's Honor List of Faculty of Business and Economics for the academic year 2009/2010. She has been certified as a member of the Hong Kong Institute of Certified Public Accountants since January 2014 and certified as fellow member since February 2022. In September 2025, she is granted the Certificate in Accounting and Business by the Hong Kong Institute of Certified Public Accountants. She has been certified as a financial risk manager of the Global Association of Risk Professionals since April 2016. She also earned a certificate in Sustainability and Climate Risk from the Global Association of Risk Professionals in November 2021.

The Directors are pleased to present their annual report and the audited consolidated financial statements for the year ended 30 June 2026.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries and joint venture are set out in notes 28 and 14 to the consolidated financial statements, respectively. There were no significant changes to the Group's principal activities during the year ended 30 June 2026.

BUSINESS REVIEW

Review of the Group's business and analysis of the Group's performance using financial key performance indicators during the year and an indication of the likely future development of the Group's business are provided in the sections headed "Chairman's Statement" (on pages 4 to 5), "Management Discussion and Analysis" (on pages 6 to 18), "Corporate Governance Report" (on pages 43 to 72), "Financial Summary" (on page 244) and "Notes to the Consolidated Financial Statements" (on pages 173 to 243) of this annual report.

Principal risks and uncertainties facing the Group

The Group's business operation, financial condition and results may be affected by certain risks and uncertainties pertaining to the Group's business. The principal risks and uncertainties identified by the Group are set out as follows which are by no means exhaustive or comprehensive:

The Group's future business from marine construction services and building and infrastructure services is dependent on the contracts on hand and its ability to secure new contracts

The Group's contracts are on a non-recurring and project-by-project basis and secured through tendering or quotation process. There is no guarantee that the Group will continue to secure new contracts after the completion of the existing awarded contracts and that the Group will always be able to maintain similar levels of profitability in the future.

The Group's profitability may be adversely affected by the delay or change of plans of sizable contracts

There are unforeseeable conditions after the contracts are awarded and/or during the execution of the contracts, such as time required to obtain approval on the commencement of marine construction works from the authorities from the customers, additional standard operating procedures imposed by the authorities, unexpected investigations performed by the authorities, change of design layout requested by the customers, adverse weather conditions, unexpected geological conditions, unexpected technical problems and additional resources required, etc. These can cause unexpected cost overruns and schedule delays, ultimately compressing gross margins and reducing overall profitability due to delay in revenue generation.

The Group's revenue may be substantially different from the original contract sum due to factors such as variation orders/adjustments

The aggregate amount of revenue that the Group is able to derive from a contract may be different from the original contract sum specified in the relevant contract due to factors such as variation orders (including additions, modifications and/or cancellations of certain contract works) placed by its customers from time to time during the course of execution or adjustments made. As such, there is no assurance that the amount of revenue derived from the ongoing/awarded contracts will not be substantially different from the original contract sum as specified in the relevant contracts. The Group's financial condition may be adversely affected by any decrease in the Group's revenue and gross profit margin as a result of variation orders/adjustments.

The Group's performance is dependent on the general economic conditions and government policies of the markets in which the Group operated

The construction industry is cyclical in nature and depends on the market conditions. Any downturn in the construction sector and/or reduction in the overall value and number of contracts due to, amongst other reasons, economic downturn, change of government policies and/or civil unrest, delay on approval for funding proposals for public works contracts may correspondingly reduce the demand for the Group's construction services. Fuel price is highly sensitive to global geopolitical instability. There may be spikes with geopolitical conflicts. If subcontractors cannot pass these incremental costs onto the Group, they may halt work until compensated. Such stoppages delay overall project completion and expose the Group to liquidated and ascertained damages from customers. If the Group cannot transfer these cost increases to the customers subsequently, the Group's revenue and profit margins will be severely affected. As such, the Group's revenue and profitability may be adversely affected.

The Group's credit risk may be increased and liquidity may be affected due to the delays in collections from our customers

The credit terms in relation to the settlement of amounts due from customers vary from contract to contract. The credit terms also vary according to the nature of the transactions, with settlement typically ranging from 30 to 90 days from the invoice date. For contracts in relation to reclamation and related works and building and infrastructure services, the Group is required to submit interim payment applications to customers usually on a monthly basis or by stages after specified project milestones are completed, and final accounts after the construction works have been completed as per terms of the contracts. The invoices are issued to the customers after the customers issue interim payment certificates or finalisation of final accounts. For marine transportation services, invoices are issued upon the completion of the transportation services once or twice every month. Any delay on the certification of interim payment applications and final accounts from the customers will affect the timing of issuing the invoices and hence the collection. If the Group's customers experience financial distress or are unable to settle their payments or release the retention monies or performance bonds to the Group in a timely manner or at all, the Group's financial condition and results of operations could be materially and adversely affected.

Occasionally, customers may request settlement of their payment by instalments or may even request settlement of their payment only after the completion of construction works during the negotiation of the contracts. At the same time, our contracts require us to commit a certain amount of cash and other resources prior to receiving any payments from our customers as a result of our payments being dependent on work progress and subject to retention money. As such, we typically incur significant costs associated with a project at the beginning of the contract or before achieving the relevant project milestones. If we are not able to maintain a sufficient amount of working capital and cash flows for meeting these cost requirements, our capacity to undertake new contracts may be limited and accordingly, our liquidity, financial performance and results of operations may be adversely affected.

The Group's business may be affected by the environmental and climate related risks

The potential adverse impacts of climate change on the natural environment and physical systems, such as infrastructure, property, and ecosystems has the potential to disrupt the Group's assets and services in marine construction, as extreme weather events such as floods and heat waves are expected to be more frequent due to climate change, and their impacts are predicted to intensify over time. It is also anticipated that the existing policies and regulations will be tightened with more restrictions on the current technologies and practices of marine construction services, as well as the capacity for greenhouse gas emissions in accordance with the Malaysia and Singapore's net zero commitment for the purpose of reaching carbon neutrality by 2050 and 2060 respectively. These environmental and climate related risks may affect the labour productivity and project progress, damage machinery and infrastructure, increase the operating costs, insurance premiums and liquidity risk.

For others risks and uncertainties facing the Group, please refer to the section headed "Risk Factors" in the Prospectus.

For review of the Group's environmental policies and performance, compliance with the relevant laws and regulations that have a significant impact on the Group and understanding of the Group's key relationships with its employees, customers and suppliers and others that have a significant impact on the Group, please see section headed "Corporate Governance Report" (on pages 43 to 72) and "Environmental, Social and Governance Report" (on pages 73 to 161) of this annual report and discussions as follows:

Environmental policies and performance

We are committed to environmental stewardship, ensuring comprehensive compliance and robust protection measures across all project contracts. Through the continuous refinement of our Environmental Management System, we establish actionable environmental targets for both corporate office operations and project execution to actively prevent environmental pollution. Recognising the critical importance of sustainability, we strive to minimise our ecological footprint from the earliest procurement and design stages, including prioritising waste and energy reduction, promoting recycling and reuse, and rigorously controlling impacts on air quality, water, soil, noise, and biodiversity. To support these goals, we have institutionalised strict operational procedures that govern environmental compliance in full alignment with contractual and regulatory obligations.

Please refer to more details as per section headed "Environmental, Social and Governance Report" (on pages 73 to 161) of this annual report.

Compliance with relevant laws and regulations

Our Group has adopted internal control measures to monitor the continuous compliance with relevant laws and regulations such as the Companies Law of the Cayman Islands, the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), the SFO, the Listing Rules and other rules and regulations implemented in relevant jurisdictions. During the year ended 30 June 2026, as far as the Board is aware, having made all reasonable queries, there was no non-compliance in material aspects with the relevant laws and regulations that have a significant impact on the business and operation of our Group during the year ended 30 June 2026.

Our Group continues to commit to comply with the relevant laws and regulations.

Key relationships with employees

We recognise our employees as our most valuable assets and the key to business growth and success. As at 30 June 2026, we had a total of 71 (2025: 68) employees (excluding the Directors) in Hong Kong, Malaysia and Singapore. To attract top talent, retain high-caliber professionals, and secure our Group's long-term success, we actively value and support our employees' ongoing contributions. We regularly review compensation packages, benefits structures, and individual performance benchmarks, at the same time encouraging personnel to pursue both professional excellence and personal development goals. Our Employee Handbook, Code of Conduct, and Corporate Governance policies are systematically communicated to all staff, emphasising on honesty, integrity, and fairness to protect our Group's interests and reputation. Furthermore, robust Whistleblowing, Anti-Corruption, Anti-Competition, and Anti-Fraud policies are established to encourage transparent reporting of any regulatory or ethical violations.

We are committed to providing a respectful, safe, and healthy working environment for our employees and subcontractors. Our Group encourages a culture of cross-departmental collaboration, motivation, and mutual support, championing workforce diversity and equal opportunity across our corporate offices and project sites.

RESULTS

The results of the Group for the year ended 30 June 2026 and the Group's financial position at that date are set out in the Group's consolidated financial statements on page 167 to 169 of this annual report.

DIVIDENDS

Considering the financial results for the year ended 30 June 2026, expected working capital requirements, and current and future business conditions and strategies, the Board does not recommend to declare any final dividend for the year ended 30 June 2026 (2025: nil).

There is no arrangement under which a Shareholder has waived or agreed to waive any dividends.

DIVIDEND POLICY

The recommendation of the payment of any dividends is subject to the discretion of the Board, and any declaration of final dividend will be subject to the approval of our Shareholders.

In proposing any dividend payout, the Board shall take into account the following criteria, including:

- the Company and its subsidiaries' actual and expected financial results;
- general financial conditions of the Group;
- current and future business conditions and strategies;
- retained earnings and distributable reserves of the Company;
- the level of the Group's debts to equity ratio, return on equity and financial covenants to which the Group is subject;
- any contractual restrictions on payment of dividends by the Company to its Shareholders or by the Company's subsidiaries to the Company;
- the Group's expected working capital requirements and future expansion plans;
- liquidity position;
- statutory and regulatory restrictions; and
- other factors that the Board deems appropriate.

The Company's ability to pay dividends is also subject to the requirements of the Listing Rules and all relevant applicable laws, rules and regulations in the Cayman Islands, Hong Kong and the amended and restated Memorandum and Articles of Association of the Company.

Dividends may be paid out by way of cash or by other means subject to the Articles of Association and applicable laws that the Directors consider appropriate.

The Board has the overall responsibility for formulating, approving, and from time to time revising the Dividend Policy. The audit committee shall assist the Board by reviewing financial data and cash-flow projections relevant to any proposed dividend to be paid and providing its recommendations to the Board.

The Board will continually review the Dividend Policy at least once annually to ensure it remains appropriate and consistent with the Company's financial position and strategic objectives.

A special review will be triggered in any of the following events: (i) material changes in the Company's profitability, cash flow, or gearing levels; (ii) significant acquisitions, disposals, or capital-raising activities; (iii) major changes in business strategies or risk profiles; (iv) amendments to applicable laws, Listing Rules, or regulatory guidance in relation to dividend distributions; or any other events that the Board considers may have a material impact on the Company's ability to pay dividends.

Any revision to the Dividend Policy requires approval by the Board. Material changes to the Dividend Policy will be disclosed and obtained approval from relevant parties, including the Board and/or the Shareholders, where required by the Listing Rules or deemed appropriate by the Board.

The Board reserves the right in its sole and absolute discretion to update, amend and/or modify the Dividend Policy at any time, and the Dividend Policy shall in no way constitute a legally binding commitment by the Company that dividends will be paid in any particular amount and/or in no way obligate the Company to declare a dividend at any time or from time to time.

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the right to attend and vote at the annual general meeting, the register of members of the Company will be closed from 13 November 2026 to 18 November 2026, both days inclusive, during which no transfer of Shares will be registered. In order to be entitled to attend and vote at the annual general meeting, unregistered holders of Shares should ensure that all transfers of Shares accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the office of the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on 12 November 2026. The record date for determining the right to attend and vote at the annual general meeting is 18 November 2026.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the year ended 30 June 2026 and up to the date of this report, the Board is of the view that the Company had adopted and complied with all applicable code provisions set out in the Corporate Governance Code as set out in the Appendix C1 to the Listing Rules (the "**CG Code**"), save and except the deviation set out below:

Pursuant to code provision C.1.5 of the CG Code, independent non-executive Directors and other non-executive Directors should attend general meetings to gain and develop a balanced understanding of the views of the shareholders of the Company. Ms. Chan Pui Kwan, an independent non-executive Director, was unable to attend the annual general meeting of the Company held on 18 November 2025 due to other business commitments.

MODEL CODE FOR SECURITIES TRANSACTIONS BY THE DIRECTORS

The Company adopted the Model Code for Securities Transactions by the Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions of the Company by the Directors. The Company had made specific enquiry with all the Directors and the Directors confirmed that they have complied with the required standard as set out in the Model Code regarding securities transactions by the Directors during the year ended 30 June 2026 and up to the date of this annual report.

FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on page 244 of this annual report.

SHARE CAPITAL

Details of the movements in the share capital of the Company during the year are set out in note 25(b) to the consolidated financial statements.

SHARE OPTION SCHEME

Pursuant to the written resolutions passed on 11 April 2019, the Company has conditionally adopted a share option scheme (the "**Share Option Scheme**"), which became unconditional and effective on the Listing Date.

(a) Purpose and Participants of the Share Option Scheme

The purpose of the Share Option Scheme is to enable our Company to grant options to the employee, director, adviser, consultant, service provider, agent, customer, partner or joint-venture partner of our Company or any subsidiary who is in full-time or part-time employment with or otherwise engaged by our Company or any subsidiary at the time when an option is granted to such employee, director, adviser, consultant, service provider, agent, customer, partner or joint-venture partner or any person who, in the absolute discretion of the Board (the "**Eligible Participants**"), has contributed or may contribute to our Group as incentive or reward for their contribution to our Group to subscribe for the Shares thereby linking their interest with that of our Group.

(b) Grant and acceptance of options

Subject to the terms of the Share Option Scheme, the Board shall be entitled at any time within 10 years after the adoption date of the Share Option Scheme to make an offer to any Eligible Participants as the Board may in its absolute discretion select to subscribe for such number of Shares as the Board may determine. An offer shall be made to an Eligible Participant in writing in such form as our Directors may determine from time to time and shall remain open for acceptance by the Eligible Participant concerned for a period of 21 days from the date upon which it is made provided that no such offer shall be open for acceptance after the 10th anniversary of the adoption date of the Share Option Scheme or the termination of the same.

An offer shall be deemed to have been accepted by an Eligible Participant concerned in respect of all Shares which are offered to such Eligible Participant when the duplicate letter comprising acceptance of the offer duly signed by the Eligible Participant, together with a remittance in favour of our Company of HK$1.00 by way of consideration for the grant thereof is received by our Company within 21 days from the date of offer or within such time as may be determined by the Board.

Any offer may be accepted by an Eligible Participant in respect of less than the total number of Shares which are offered provided that it is accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof.

(c) Subscription price of Shares

The subscription price for Shares under the Share Option Scheme shall be determined at the discretion of our Directors but in any event will not be less than the highest of:

(i) the closing price of the Shares as stated in the daily quotations sheet of the Stock Exchange on the offer date of the particular option, which must be a business day;

(ii) the average closing prices of the Shares as shown in the daily quotations sheets of the Stock Exchange for the five business days immediately preceding the offer date of that particular option; and

(iii) the nominal value of a Share on the offer date of particular option.

(d) Maximum number of Shares

(i) Subject to (ii) below, the maximum number of Shares in respect of which option may be granted at any time under the Share Option Scheme together with options which may be granted under any other share option schemes for the time being of our Company shall not in aggregate exceed such number of Shares as equals 10% issued share capital of our Company at the Listing Date (the "**Scheme Mandate Limit**") unless Shareholders' approval has been obtained pursuant to the subparagraph immediately below. On the basis of a total of 500,000,000 Shares in issue as at the Listing Date, the relevant limit will be 50,000,000 Shares which represent 10% of the issued Shares at the Listing Date. As at the date of this annual report, the number of Shares available for issue is 50,000,000 Shares, representing approximately 10% of the issued Shares at the date of this annual report.

Our Company may seek approval by its Shareholders in general meeting to refresh the Scheme Mandate Limit provided that the total number of Shares available for issue upon exercise of all options which may be granted under the Share Option Scheme and any other schemes of our Group must not exceed 10% of the issued share capital of our Company at the date of approval of refreshing of the Scheme Mandate Limit. Options previously granted under the Share Option Scheme and any other share option schemes of our Group (including those outstanding, cancelled, lapsed in accordance with the Share Option Scheme or any other share option schemes or exercised options) will not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed. Our Company shall send a circular to our Shareholders containing the information required under the Listing Rules.

Our Company may authorise our Directors to grant options to specified Eligible Participants beyond the Scheme Mandate Limit if the grant of such options is specifically approved by our Shareholders in general meeting. In such case, our Company must send a circular to our Shareholders in connection with the general meeting at which their approval will be sought containing a generic description of the specified Eligible Participants who may be granted such options, the number and terms of the option to be granted, the purpose of granting options to the specified Eligible Participants with an explanation as to how the terms of the options serve such purpose, the information and disclaimer required under the Listing Rules and such further information as may be required by the Stock Exchange from time to time.

(ii) The limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share options schemes of our Group must not exceed 30% of the Shares in issue from time to time. No options may be granted under the Share Option Scheme or any other share option schemes of our Group if this will result in the limit being exceeded.

(iii) Unless approved by our Shareholders in the manner set out below, the total number of Shares issued and to be issued upon exercise of the options granted and to be granted to each grantee (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the Shares in issue. Where any further grant of options to an Eligible Participant would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the Shares in issue, such further grant must be separately approved by Shareholders in general meeting with such Eligible Participant and his close associates (or his associates if the Eligible Participant is a connected person) abstaining from voting. Our Company must send a circular to our Shareholders and the circular must disclose the identity of the Eligible Participant, the number and terms of the options to be granted (and options previously granted to such Eligible Participant), and such information as may be required under the Listing Rules from time to time. The number and terms (excluding the subscription price) of options to be granted to such Eligible Participant must be fixed before Shareholders' approval and the date of meeting of the Board for proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price.

(iv) The exercise of any option shall be subject to our Shareholders in general meeting approving any necessary increase in the authorised share capital of our Company. Subject thereto, our Directors shall make available sufficient of the then authorised but unissued share capital of our Company to allot the Shares on the exercise of any option.

(e) Exercise of options

An option may be exercised at any time during the period to be determined and identified by the Board to each grantee at the time of making an offer for the grant of an option, but in any event no later than 10 years from the date of grant.

Subject to terms of the Share Option Scheme, an option shall be exercisable in whole or in part in the circumstances by giving notice in writing to our Company stating that the option is thereby exercised and the number of Shares in respect of which it is so exercised. Each such notice must be accompanied by a remittance for the full amount of the subscription price for Shares in respect of which the notice is given. After receipt of the notice and remittance and, where appropriate, receipt of the auditors' certificate, our Company shall within 30 days of the date upon which an option is effectively exercised (being the date of such receipt by the secretary of our Company) allot the relevant Shares to the grantee (or his personal representative(s)) credited as fully paid and instruct the relevant share registrar to issue to the grantee (or his personal representative(s)) a share certificate in respect of the Shares so allotted.

Though there is no specified minimum period under the Share Option Scheme for which an option must be held or the performance target which must be achieved before an option can be exercised under the terms and conditions of the Share Option Scheme, our Directors may make such grant of options, subject to such terms and conditions in relation to the minimum period of such options to be held and/or the performance targets to be achieved as our Directors may determine in their absolute discretion.

(f) Duration, administration and remaining life of the Share Option Scheme

The Share Option Scheme shall be valid and effective commencing from the adoption date of the Share Option Scheme until the termination date as provided therein (which being the close of business of our Company on the date which falls 10 years from the date of the adoption of the Share Option Scheme), after which period no further options will be granted but the provisions of the Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any options granted or exercised prior thereto or otherwise as may be required in accordance with the provisions of the Share Option Scheme.

The Share Option Scheme shall be subject to the administration of our Board whose decision on all matters arising in relation to the Share Option Scheme or its interpretation or effect shall (save as otherwise provided therein and in the absence of manifest error) be final and binding on all persons who may be affected thereby.

The remaining life of the Share Option Scheme is approximately 2 years and 6.5 months (to be expired on 10 April 2029).

No option had been granted, exercised, lapsed nor cancelled under the Share Option Scheme since the adoption of the Share Option Scheme up to the date of this report.

For details of the Share Option Scheme, please refer to the section headed "Statutory and General Information — E. Share Option Scheme" in Appendix IV to the Prospectus.

EQUITY-LINKED AGREEMENTS

No equity-linked agreements were entered into during the year or subsisted at the end of the year.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the year ended 30 June 2026.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's amended and restated Memorandum and Articles of Association, or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro rata basis to existing Shareholders.

TAX RELIEF

The Company is not aware of any relief from taxation available to Shareholders by reason of their holding of the Shares.

RESERVES

Details of the movements of the reserves of the Group during the year are set out in the consolidated statement of changes in equity to the consolidated financial statements on page 170 of this annual report.

Details of the movements of the reserves of the Company during the year are set out in note 31 to the consolidated financial statements.

The Company's reserves available for distribution to Shareholders as at 30 June 2026 amounted to approximately RM121.0 million.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group during the year are set out in note 13 to the consolidated financial statements.

PROPERTIES

Details of the movements in the deposits paid for acquisition of investment properties of the Group during the year are set out in note 15(a) to the consolidated financial statements respectively.

Particulars of the major properties of the Group are set out on pages 245 to 248 of this annual report.

BANK LOANS

Details of bank loans of the Group as at 30 June 2026 are set out in note 22 to the consolidated financial statements.

EMPLOYEE RETIREMENT BENEFITS

Details of employee retirement benefits of the Group during the year are set out in note 35 to the consolidated financial statements.

CHARITABLE DONATIONS

During the year ended 30 June 2026, the Group made charitable and other donations amounting to approximately RM0.4 million (2025: RM0.4 million).

MAJOR CUSTOMERS AND SUBCONTRACTORS

During the year ended 30 June 2026, the aggregate revenue attributable to the Group's largest and five largest customers amounted to approximately 61.0% and 100.0% of the Group's revenue, respectively. The largest and five highest suppliers accounted for approximately 51.9% and 81.2% of the Group's direct costs, respectively.

None of the Directors of the Company or any of their close associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's number of issued shares) had any beneficial interest in the Group's five largest customers or suppliers for the years ended 30 June 2026 and 2025.

Key relationships with customers

We have established a robust and diversified customer base, maintaining enduring and stable business relationships over the years. Our premier clientele includes a renowned Malaysian residential developer backed by a prominent, globally diversified Australian development firm, alongside a strategic joint venture indirectly owned by a Malaysia-listed entity and the Johor State Government. Our portfolio also spans leading property developers across Malaysia, Singapore, and international markets. Furthermore, we are honored to serve as the preferred transportation partner for the sole authorised agent of sand concession owners in Johor. In 2025, we start partnering with a Malaysia listed company who has expertise in engineering, procurement, construction, and commissioning, and operation and maintenance services for solar photovoltaic systems and power plants for the development of a large-scale solar photovoltaic plant through a joint venture.

Customer relationships serve as a key driver of our operational success. We deliver comprehensive, integrated solutions backed by strong execution capabilities across project lifecycle stages, ensuring marine construction works are executed with maximum efficiency and precision. We replicate this commitment to quality by delivering professional services across our building and infrastructure projects.

We actively value customer feedback, leveraging these strong customers' relationships to identify operational enhancements, capture new business opportunities, expand our market competitiveness, and fortify our industry reputation to secure long-term profitability and sustainable growth.

Key relationships with suppliers and subcontractors

Our Group maintains strong, mutually beneficial relationships with a robust network of trusted suppliers and subcontractors. Our Directors believe these strategic partnerships grant us pricing flexibility and procurement options, reinforcing our competitive edge when bidding for new projects while mitigating material supply chain disruptions or project delivery delays.

We proactively engage with our partners to ensure unyielding commitment to high-quality service delivery. Backed by our comprehensive management framework, we mandate our subcontractors adhere to our Supplier Code of Conduct and safety manuals, which are continuously reinforced through regular safety updates. This oversight ensures absolute compliance with strict benchmarks spanning code of conduct, quality control, work safety, environmental sustainability, human rights and social sustainability, ethics and corporate integrity, safety and health, protection of the Group's information, records, and assets, and use of personal information. Our Group conducts rigorous annual performance evaluations of all active subcontractors, assessing delivery promptness, cost efficiency, workmanship quality, responsiveness, and corrective actions, to safeguard operational excellence and systematically optimise our vendor allocation and procurement strategy.

DIRECTORS

The Directors of the Company during the year and up to the date of this report were:

Executive Directors:
Dato' Ng Say Piyu *(Chairman)*
Mr. Lam Fung Eng
Mr. Ng Chong Boon

Non-executive Director:
Datin Ngooi Leng Swee

Independent non-executive Directors:
Mr. Tai Lam Shin *(Lead independent non-executive Director)*
Mr. Chan Tsun Choi, Arnold *(Resigned on 23 July 2026)*
Ms. Chan Pui Kwan
Mr. Tam Ka Hei Raymond *(Appointed on 23 July 2026)*

In accordance with article 84(1) of the Company's Articles of Association, Mr. Lam Fung Eng, Mr. Ng Chong Boon and Mr. Tam Ka Hei Raymond shall retire from office by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election at the annual general meeting.

The Company has received from each independent non-executive Directors of the Company written annual confirmations of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all the independent non-executive Directors are independent.

Biographical details of Directors and senior management of the Group are set out on pages 19 to 24 of this annual report.

DIRECTORS' SERVICE CONTRACTS

The Directors have entered into service agreements or letters of appointment with the Company for a term of three years unless and until terminated by a three months' notice in writing served by either party, the details are as follows:

Name of Directors	Date of Commencement
Dato' Ng	10 May 2025
Mr. Lam Fung Eng	10 May 2025
Mr. Ng Chong Boon	10 May 2025
Datin Ngooi	10 May 2025
Mr. Tai Lam Shin	10 May 2025
Mr. Chan Tsun Choi, Arnold *(Resigned on 23 July 2026)**	25 May 2026
Ms. Chan Pui Kwan	10 May 2025
Mr. Tam Ka Hei Raymond *(Appointed on 23 July 2026)*	23 July 2026

* Board approval is obtained for the waiver of the unexpired portion of the notice period.

Each of the executive Directors and non-executive Director shall also be entitled to a bonus for each financial year of the Company which is at the discretion of the Board and determined by reference to the operating results of the Group for the financial year concerned, salaries paid by comparable companies, performance of each Director concerned and based on the recommendation from the remuneration committee of our Company.

Save as disclosed above, none of the Directors being proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

PERMITTED INDEMNITY PROVISION

Pursuant to the Company's Articles of Association, every Director shall be entitled to be indemnified out of the assets or profits of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto.

The Board resolved and the Company has taken out and maintained Directors' and officer's liability insurance that provides appropriate cover for the Directors and officers of the Company. Such provision has been in force during the year ended 30 June 2026 and continues to remain in force as at the date of this report.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS OF SIGNIFICANCE

Save as disclosed in the paragraph headed "Connected Transactions" and note 29 to the consolidated financial statement in this annual report, there was no transaction, arrangement or contract of significance to which the Company or the Company's holding companies, subsidiaries or fellow subsidiaries was a party and in which a Director or a connected entity of a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' INTEREST IN COMPETING BUSINESS

As at the date of this report, none of the Directors and their respective close associates was considered to be interested in the businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group pursuant to the Listing Rules at the end of the year or at any time during the year.

DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID INDIVIDUALS

The Directors' fees are subject to Shareholders' approval at general meetings. Their emoluments are determined by the Board with reference to Directors' duties, responsibilities and performance and the results of the Group.

Details of the remuneration of the Directors of the Company and five highest paid individuals during the year are set out in notes 8 and 9 to the consolidated financial statements respectively.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

At as 30 June 2026, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO to be recorded in the register referred to therein or which will be required to be notified to the Company and the Stock Exchange pursuant to the Model Code as set out in Appendix C3 to the Listing Rules were as follows:

Long positions in the Shares

Name of Director	Capacity/Nature of interests	Total number of Shares/ underlying Shares held	Approximate percentage of issued share capital
Dato' Ng	Interest in a controlled corporation[2]	181,816,500(L)	36.36%
	Interest of spouse[3]	61,233,500(L)	12.25%
	Beneficial owner	12,432,000(L)	2.49%
	Interest held jointly with Datin Ngooi[6]	255,482,000(L)	51.10%
Datin Ngooi	Interest in a controlled corporation[4]	61,233,500(L)	12.25%
	Interest of spouse[5]	194,248,500(L)	38.85%
	Interest held jointly with Dato' Ng[6]	255,482,000(L)	51.10%
Mr. Lam Fung Eng	Beneficial owner	6,216,000(L)	1.24%
Mr. Ng Chong Boon	Beneficial owner	6,216,000(L)	1.24%

Notes:

(1) The letter "L" denotes a person's "long position" (as defined under Part XV of the SFO) in such Shares.

(2) Dato' Ng beneficially owns 100% of the share capital of JBB Jade Investment Limited. By virtue of the SFO, Dato' Ng is deemed to be interested in 181,816,500 Shares held by JBB Jade Investment Limited, representing approximately 36.36% of the entire issued share capital of our Company.

(3) Dato' Ng is the spouse of Datin Ngooi. Accordingly, Dato' Ng is deemed, or taken to be, interested in all the Shares in which Datin Ngooi is interested for the purpose of SFO.

(4) Datin Ngooi beneficially owns 100% of the share capital of JBB Berlian Investment Limited. By virtue of the SFO, Datin Ngooi is deemed to be interested in 61,233,500 Shares held by JBB Berlian Investment Limited, representing approximately 12.25% of the entire issued share capital of our Company.

(5) Datin Ngooi is the spouse of Dato' Ng. Accordingly, Datin Ngooi is deemed, or taken to be, interested in all the Shares in which Dato' Ng is interested for the purpose of SFO.

(6) Pursuant to the confirmatory deed dated 16 May 2018, Dato' Ng and Datin Ngooi are parties acting in concert (having the meaning ascribed to it under The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission). As such, Dato' Ng and Datin Ngooi together control approximately 51.10% of the entire issued share capital of the Company.

Save as disclosed above, as at 30 June 2026, none of the Directors and chief executives of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) or pursuant to section 352 of the SFO, required to be recorded in the register or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year was the Company or any of its subsidiaries a party to any arrangements 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 with the exception of granting of share options to subscribe for Shares under the Share Option Scheme.

CONTRACT OF SIGNIFICANCE

Save as disclosed in this annual report, at no time during the year had the Company or any of its subsidiaries entered into any contract of significance with the controlling shareholder of the Company (as defined in the Listing Rules) ("**Controlling Shareholders**") or any of its subsidiaries, nor had any contract of significance been entered into for the services provided by the Controlling Shareholder or any of its subsidiaries to the Company or any of its subsidiaries.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2026, so far as is known to the Directors, the interests or short positions of the persons (other than a Director or chief executive of the Company) in the Shares or underlying Shares which are required to be disclosed pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO were as follows:

Long positions in the Shares

Name of Shareholders	Capacity/Nature of interests	Total number of Shares/ underlying Shares held	Approximate percentage of issued share capital
JBB Jade Investment Limited	Beneficial owner	181,816,500(L)[(1) (2)]	36.36%
JBB Berlian Investment Limited	Beneficial owner	61,233,500(L)[(1) (3)]	12.25%

Note:

(1) The letter "L" denotes a person's "long position" (as defined under Part XV of the SFO) in such Shares.

(2) The 181,816,500 Shares are held by JBB Jade Investment Limited, which is wholly owned by Dato' Ng, the executive Director of the Company. Dato' Ng is the spouse of Datin Ngooi.

(3) The 61,233,500 Shares are held by JBB Berlian Investment Limited, which is wholly owned by Datin Ngooi, the non-executive Director of the Company. Datin Ngooi is the spouse of Dato' Ng.

Save as disclosed above, as at the date of this report, no person, other than the Directors and chief executive of the Company, whose interests are set out in the section headed "Directors and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company" above, had registered an interest or short position in the Shares or underlying Shares that was required to be recorded pursuant to section 336 of the SFO.

DEED OF NON-COMPETITION UNDERTAKING

In order to confirm that competition will not occur in the future, each of our Controlling Shareholders as covenantors (each a "**Covenantor**", and collectively, the "**Covenantors**") have signed the Deed of Non-competition dated 11 April 2019 ("**Deed of Non-Competition**") with us to the effect that they will not, and will confirm each of their respective associates not to, directly or indirectly take part in, or hold any rights or interests or otherwise be involved in, any business which may be in competition with our business.

In accordance with the Deed of Non-Competition, each Covenantor undertakes that, from the Listing date and ending on the occurrence of the earliest of (i) the date on which, in relation to any Covenantor, it/he/she, together with its/his/her associates, whether individually or taken together, ceases to be interested in 30% (or such other amount as may from time to time be specified in the Listing Rules as being the threshold for determining a controlling shareholder of a company) or more of the entire issued share capital of our Company, provided that the Deed of Non-Competition shall continue to be in full force an effect as against the other Covenantors; or (ii) the date on which the Shares cease to be listed on the Main Board of the Stock Exchange (other than suspension of trading of the Shares for any other reason); or (iii) the date on which the Covenantors beneficially own or become interested jointly or severally in the entire issued share capital of our Company; it/he/she will not, and will use its/his/her best endeavours to procure any Covenantor, its/his/her associates and any company directly or indirectly controlled by the Covenantor not to, either on its/his/her own or in conjunction with any body corporate, partnership, joint venture or other contractual agreement, whether directly or indirectly, whether for profit or not, carry on, participate in, hold, engage in, acquire or operate, or provide any form of assistance to any person, firm or company (except members of our Group) to conduct any business which, directly or indirectly, competes or may compete with the business of our Company or any of its subsidiaries, including the provision of marine construction services, building and infrastructure services and any related services.

For details of the Deed of Non-Competition, please refer to the section headed "Relationship with the Controlling Shareholders – Deed of Non-Competition" in the Prospectus. The Company has received confirmations from the Controlling Shareholders confirming their compliance with the Deed of Non-Competition for disclosure in this annual report for the period from the Listing Date to the date of this report. The independent non-executive Directors have also reviewed the compliance and enforcement status of the Deed of Non-Competition, and are of the view that the Controlling Shareholders have abided by the undertakings contained in the Deed of Non-Competition for the period from the Listing Date to the date of this report.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 30 June 2026 and up to the date of this annual report.

CONNECTED TRANSACTIONS

During the year ended 30 June 2026, there was no connected transaction or continuing connected transaction entered into by the Group which was required to be disclosed under Chapter 14A of the Listing Rule.

Related Party Transactions

Details of the material related party transactions under normal course of business are set out in note 29 to the consolidated financial statements. These transactions did not fall under the definition of connected transactions or continuing connected transactions, which are required to comply with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this annual report, there have been no other important events affecting our Group that have occurred after 30 June 2026 and up to the date of this report.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the best knowledge of its Directors, as at the date of this annual report, the Company has maintained a sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules.

CORPORATE GOVERNANCE

The Company's corporate governance principles and practices are set out in the Corporate Governance Report on pages 43 to 72 of this annual report.

AUDIT COMMITTEE

The Company established the audit committee on 11 April 2019 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and code provision D.3.3 in Part 2 "Principles of Good Corporate Governance, Code Provisions and Recommended Best Practices" of the CG Code ("**Part 2 of the CG Code**"). The primary duties of the audit committee are, amongst other things, to review and supervise the financial reporting processes and internal control systems and risk management of the Group.

The audit committee of the Company had reviewed the accounting principles and policies adopted by the Group and the financial reporting matters including annual results and the audited consolidated financial statements of the Group for the year ended 30 June 2026.

INDEPENDENT AUDITOR

The consolidated financial statements for the year ended 30 June 2026 have been audited by Crowe Malaysia PLT. A resolution will be submitted to the forthcoming annual general meeting to re-appoint Crowe Malaysia PLT, being eligible and offering themselves for reappointment as auditor of the Company.

On behalf of the Board

Dato' Ng Say Piyu
Chairman
Hong Kong, 24 September 2026

Corporate Governance Report

INTRODUCTION

The Company is committed to achieving high standards of corporate governance to safeguard the interests of Shareholders and other stakeholders. The Board believes that good and effective corporate governance practices are essential to enhance the corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

CORPORATE STRATEGY, BUSINESS MODEL AND CULTURE

The Board should be committed to the Company's purpose, values and strategy, and satisfy itself that the same are aligned with the Company's culture. All Directors must act with integrity, lead by example, and promote the desired culture. The Board should instil such culture into the Company and continually reinforce the same across the organisation values of acting lawfully, ethically and responsibly. Board evaluations are conducted annually through questionnaires by considering different aspects, including but not limited to Board's diversity, composition of the Board, quality of information, quality of decision making, Boardroom's activities and Board's relationship with other management staff.

Our Vision and Mission

We aim to become a leading construction services and management services provider in South East Asia in particular Malaysia and Singapore through delivering high quality standards, reliable services with professional expertise and continuously leveraging our competitive strength and presence in the industry with sustainable financial growth.

Our mission is to continuously commit to providing high quality services to our customers; building trust with our business partners; providing a diversified, healthy and safe working environment for our people; and achieving fair return and reward to Shareholders.

Our Values

Accountability; integrity; leadership; professionalism; quality; respect; safety; teamwork and collaboration; and trust.

Our Strategies

Employees: We build trust and respectfulness to our employees. We view employees as valuable assets to the Company and provide talent development through incentive measurement and training. We evaluate their performance periodically to ensure all employees to be accountable for their actions.

Governance: We lead by example. We promote integrity and commit to ethical behaviour. We perform work under operating procedures with authority and establish consequence policy for non-compliance.

Business: We engage into projects with proper risk management. We provide all round solutions and quality services and maintain client satisfaction. We also maintain good relationship with suppliers and subcontractors to deliver high quality services in a timely manner. We strive for zero-accident. We track profit and finance to determine productivity and evaluate periodically through different channels. We maintain open and effective communication to improve and grow the business.

Corporate Governance Report

Our Success Measurement

We mainly measure our performance by references to revenue growth, gross profit margin, profit margin and revenue and gross profit by segment.

Our Culture

To align our purpose, values, strategies and business models, we adopt (a) tone from the top, (b) accountability, (c) effective communication and challenge, and (d) appropriate incentive scheme.

- Our management promotes, monitors, and assesses the risk culture of the Company; considers the cultural impact on safety and soundness; and makes changes where necessary.

- Board members and employees at all levels understand the Company's core values and its approach to risk. These enable them to perform their prescribed roles, and to be aware that they are held accountable for their actions in relation to the Company's risk-taking behaviour.

- We promote an environment of open communication and effective challenge in which we encourage suggestion of a range of views in our decision-making process. We also allow for testing of current practices; stimulate a positive, critical attitude among employees; and promote an environment of open and constructive engagement.

- Performance and talent management encourage and reinforce maintenance of the Group's desired risk management behaviour. Financial and non-financial incentives support the core values and risk culture at all levels of the Group.

We measure and assess our culture by references to the staff turnover rate, whistleblowing data, feedback from our stakeholders through different forms, including annual performance appraisals, surveys and questionnaires, compliance with the regulations, internal control policies, and findings located by our internal control reviewer.

To ensure our desired culture and expected behaviours are clearly communicated across all levels, the latest Code of Conduct and corporate governance policies are circulated periodically, supplemented by targeted training sessions where necessary. Furthermore, regular meetings are structured between: (a) the management and the Board; (b) the management and employees at all levels; and (c) the management and key stakeholders. Corporate communications, including annual reports, interim reports, and circulars, are also made readily accessible on the Company's website.

In addition to the standard communication channels, the Group has established a robust whistleblowing mechanism involving independent non-executive Directors to provide a secure platform for reporting misconduct or misalignment. We also actively engage customers, subcontractors, and employees through periodic meetings, assessments, and evaluation forms or surveys to understand their insights. General enquiries and feedback from all stakeholders are welcomed via email at enquiry@jbb.com.my. Our whistleblowing committee comprising the audit committee, the company secretary, and the legal and human resources manager, is responsible for addressing all reported misconduct or misalignment. To maintain high governance standards, a summary of all whistleblowing reports received and any subsequent remedial actions is submitted to the Board and the audit committee at least annually.

Favourable remuneration packages are provided to our employees and Board members with annual appraisals and performance evaluation being assessed. Please refer to sections headed "Employees and remuneration policies" of "Management Discussion and Analysis" (on page 15) and "Remuneration Policy" of "Corporate Governance Report" (on page 58) of this annual report. The Company's values and culture (including expected behaviours) are embedded in the recruitment criteria. Training and materials are provided to Directors and employees to refresh their knowledge, exercise their duties and develop the required competencies and, more broadly, the elements supporting a sound risk culture, including effective challenge and open communication.

We believe a desired culture with above measures developed promotes productivity and improves employees' experience which in turn build a strong workforce. These can help improve our corporate governance and improve our Group's performance.

Evaluation of culture

For the year ended 30 June 2026, the Company assessed its corporate culture alignment using key financial and non-financial performance indicators. These indicators encompassed revenue growth, gross profit margin, net profit margin, segmental financial performance, staff turnover rates, and whistleblowing statistics. Additionally, the Board reviewed stakeholder feedback to identify any potential irregularities requiring remediation. Self-assessment forms were deployed to verify the appropriate adoption of all culture-related policies. Based on the assessment, the Board considered that the Company's culture is probably adopted and no material misalignment or deviations are identified need to be dealt with.

The Board will monitor and evaluate the Company's culture on an annual basis, to ensure its effectiveness.

CORPORATE GOVERNANCE PRACTICES

During the year ended 30 June 2026 and up to the date of this report, the Board is of the view that the Company had adopted and complied with all applicable code provisions set out in the CG Code, save and except the deviation set out below:

Pursuant to code provision C.1.5 of the CG Code, independent non-executive Directors and other non-executive Directors should attend general meetings to gain and develop a balanced understanding of the views of the shareholders of the Company. Ms. Chan Pui Kwan, an independent non-executive Director, was unable to attend the annual general meeting of the Company held on 18 November 2025 due to other business commitments.

The Company will continue reviewing and enhancing its corporate governance practices to comply with the increasingly tightened regulatory requirements, and to meet the rising expectation on the Company.

DIRECTORS' SECURITIES TRANSACTIONS

The Company had adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions of the Company by the Directors.

Having made specific enquiry, all Directors confirmed that they have complied with the required standard as set out in the Model Code during the year ended 30 June 2026 and up to the date of this report. The Company was not aware of any non-compliance with the Model Code by the Directors.

The Company had also established model code no less exacting than the required standard set out in Model Code (the "**Employees Model Code**") for securities transactions by employees and the Directors who are likely to be in possession of inside information of the Company. The Company was not aware of any non-compliance with the Employees Model Code during the year ended 30 June 2026 and up to the date of this report.

BOARD OF DIRECTORS

The Board oversees the Group's businesses, strategic decisions and performance and should take decisions objectively in the best interests of the Company.

Board Composition

As at the date of this report, the Board comprised three executive Directors, one non-executive Director and three independent non-executive Directors. The list of all Directors is set out below:

	Length of Tenure	Current Period of Appointment
Executive Directors:		
Dato' Ng Say Piyu *(Chairman)*	7 years	10 May 2025 – 9 May 2028
Mr. Lam Fung Eng	7 years	10 May 2025 – 9 May 2028
Mr. Ng Chong Boon	7 years	10 May 2025 – 9 May 2028
Non-executive Director:		
Datin Ngooi Leng Swee	7 years	10 May 2025 – 9 May 2028
Independent non-executive Directors:		
Mr. Tai Lam Shin *(Lead independent non-executive Director)*	7 years	10 May 2025 – 9 May 2028
Mr. Chan Tsun Choi, Arnold *(Resigned on 23 July 2026)*	6 years 2 months	25 May 2026 – 23 July 2026
Ms. Chan Pui Kwan	7 years	10 May 2025 – 9 May 2028
Mr. Tam Ka Hei Raymond *(Appointed on 23 July 2026)*	2 months	23 July 2026 – 22 July 2029

The Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Group's business. The Board also includes a balanced composition of executive and non-executive Directors (including independent non-executive Directors) so that there is a strong independent element on the Board which can effectively exercise independent judgement.

Biographical details and the relationships among the members of the Board are set out in section headed "Biographical Details of Directors and Senior Management" on pages 19 to 24 of this annual report.

A list showing the role and functions of Directors and whether they are independent non-executive Directors is maintained on the website of the Stock Exchange and the Company and will be updated when necessary.

Board Meetings

Code provision C.5.1 in Part 2 of the CG Code stipulates that the Board meetings should be held at least four times a year at approximately quarterly intervals with active participation of the majority of the Directors, either in person or through electronic means of communications.

During the year ended 30 June 2026, six Board meetings were held involving the active participation of Directors, either in person or through electronic means of communication. Apart from regular Board meetings, Chairman also held a meeting with the independent non-executive Directors without the presence of other Directors in July 2025. Directors made a positive contribution to the development of the Company's strategy and policies through independent, constructive and informed comments during these meetings.

Notices of regular Board meetings are sent to all Directors at least 14 days before the meetings. The agenda together with all relevant meeting materials are sent to all Directors at least 3 days before each regular Board meetings and meeting of Board committees to enable them to make informed decisions with adequate information. The Board and each Director also have direct and independent access to the management whenever necessary.

All minutes of Board meetings, meetings of Board committees and general meetings are prepared and kept by the company secretary and are open for inspection at reasonable time on reasonable notice by any Director, and are recorded in sufficient detail the matters considered and decisions reached. Every Director is entitled to have access to Board papers and related materials and access to the advice and services of the company secretary. In addition, the Company enables the Directors, in discharge of their duties, to seek independent professional advice in appropriate circumstances.

A summary of the attendance record of each Director at the Board and Board committee meetings held during the year ended 30 June 2026 is set out in the table below:

	No. of meeting attended/No. of meeting held				
Name of Director	**Board**	**Audit Committee**	**Nomination Committee**	**Remuneration Committee**	**2025 Annual General Meeting**
Number of meetings held	6	4	2	2	1
Executive Directors:					
Dato' Ng	6/6	N/A	2/2	2/2	1/1
Mr. Lam Fung Eng	6/6	N/A	N/A	N/A	1/1
Mr. Ng Chong Boon	6/6	N/A	N/A	N/A	1/1
Non-executive Director:					
Datin Ngooi	6/6	N/A	N/A	N/A	1/1
Independent non-executive Directors:					
Mr. Tai Lam Shin *(Lead independent non-executive Director)*	6/6	4/4	2/2	2/2	1/1
Mr. Chan Tsun Choi, Arnold *(Resigned on 23 July 2026)*	5/6	3/4	1/2	N/A	1/1
Ms. Chan Pui Kwan	4/6	4/4	2/2	2/2	0/1

Due to other business commitments, certain Directors were unable to attend some of the meetings held during the year ended 30 June 2026. However, all relevant meeting materials were distributed to them in advance for their review and consideration.

Corporate Governance Report

Responsibilities, Accountabilities and Contributions of the Board and Management

The Board should assume responsibility for leadership and control of the Company, and is collectively responsible for promoting its success by directing and supervising the Company's affairs. Directors take decisions objectively in the interests of the Company.

The Board directly, and indirectly through its committees, leads and provides direction to management by laying down strategies and overseeing their implementation, monitors the Group's operational and financial performance, and ensures that sound internal control and risk management systems are in place.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. The independent non-executive Directors are responsible for ensuring a high standard of regulatory reporting of the Company and providing a balance in the Board for bringing effective independent judgement on corporate actions and operations.

The management of the Company provides and updates the Directors with information on the business activities and development of the Group in a timely manner to enable them to make informed decisions on all major matters of the Company.

All Directors have full and timely access to all the information of the Company and advice and services of the company secretary. The Directors may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses for discharging their duties to the Company.

The Directors shall disclose to the Company details of other offices held by them and the Board regularly reviews the contribution required from each Director to perform his/her responsibilities to the Company.

The Board reserves for its decision on all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing and co-ordinating the daily operation and management of the Company are delegated to the management under the supervision of the executive Directors.

Directors' Liabilities Insurance

During the year ended 30 June 2026 and up to date of this report, the Company has arranged for appropriate insurance cover in respect of the legal actions against the Directors.

Continuous Professional Development of Directors

To ensure Directors' contribution to the Board remains informed and relevant, all Directors must participate in continuous professional development to develop and refresh their knowledge and skills for a proper understanding of the Company's business, operations and governance policies and full awareness of their responsibilities under statute and common law, the Listing Rules, legal and other regulatory requirements.

Every Director must receive continuous professional development in each financial year of the Company, which must at least cover: (i) the roles, functions and responsibilities of the Board, its committees and its Directors, and board effectiveness ("**T1**"); (ii) the Company's obligations and Directors' duties under Hong Kong law and the Listing Rules, and key legal and regulatory developments (including Listing Rule updates) relevant to the discharge of such obligations and duties ("**T2**"); (iii) corporate governance and environmental, social and governance ("**ESG**") matters (including developments on sustainability or climate-related risks and opportunities relevant to the issuer and its business ("**T3**"); (iv) risk management and internal controls ("**T4**"); and (v) updates on industry-specific developments, business trends and strategies relevant to the Company ("**T5**") (altogether, the "**Topics**").

Every Director newly appointed at the beginning has received a comprehensive, formal and tailored induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements. In future, any other newly appointed Directors who (i) have no prior experience as a director of an issuer listed on the Main Board and GEM of the Stock Exchange; or (ii) have not served as a director of an issuer listed on the Main Board or GEM of the Stock Exchange within the three years prior to their appointment (the "**First-time Directors**"), must complete no less than 24 hours of the continuous professional development within 18 months of the date of their appointment. First-time Directors who have served as a director of an issuer listed on an exchange other than the Main Board or GEM of the Stock Exchange within the three years prior to their appointment must complete no less than 12 hours of the continuous professional development within 18 months of the date of their appointment.

During the year ended 30 June 2026, training activities including external training, internal training and self-study material covering the Topics have been provided to the Directors for their reference and studying.

External training includes structured programmes such as training courses, webinars, seminars, workshops, expert briefings, and webcasts organised or delivered by external parties, including advisory and professional service firms, professional associations (such as The Hong Kong Institute of Certified Public Accountants), industry bodies (such as Institute of Corporate Directors Malaysia), academic or training institutions, regulatory or government bodies (such as the Stock Exchange) and professional institutes (such as The Hong Kong Chartered Governance Institute), as well as participation in industry forums, conferences, or networking events (the "**External Training**").

Internal training includes training sessions and briefings delivered by company secretary of the Company, covering legal and regulatory updates and developments, and business or strategic initiatives (the "**Internal Training**").

Self-study material includes independent learning through reading materials in relation to legal, regulatory and industry updates, and other relevant reference resources provided by company secretary of the Company (the "**Self-Study Materials**").

All the Directors have also provided the Company a confirmation of training they received during the year ended 30 June 2026, including (i) the total number of hours of continuous professional development completed; (ii) the format or mode of each continuous professional development taken, including whether an external or internal provider was used or whether the professional development was the result of self-study, number of hours completed, the training topics covered and a description of the relevant training provider(s).

The continuous professional development of the Directors for the year ended 30 June 2026 are summarised as follows:

Name	Format/Mode Taken	Training Topics Covered	Total Hours Completed
Executive Directors:			
Dato' Ng Say Piyu *(Chairman)*	External Training	T2, T3, T4	10
	Internal Training	T1, T2, T3, T4, T5	3
	Self-Study Materials	T1, T2, T3, T4	*
			13
Mr. Lam Fung Eng	External Training	T2, T3, T4	10
	Internal Training	T1, T2, T3, T4, T5	3
	Self-Study Materials	T1, T2, T3, T4	*
			13
Mr. Ng Chong Boon	External Training	T2, T3, T4	10
	Internal Training	T1, T2, T3, T4, T5	3
	Self-Study Materials	T1, T2, T3, T4	*
			13
Non-executive Director:			
Datin Ngooi Leng Swee	External Training	T2, T3, T4	10
	Internal Training	T1, T2, T3, T4, T5	2
	Self-Study Materials	T1, T2, T3, T4	*
			12
Independent non-executive Directors:			
Mr. Tai Lam Shin *(Lead independent non-executive Director)*	External Training	T1, T2, T3, T4	32
	Internal Training	T1, T2, T3, T4, T5	2
	Self-Study Materials	T1, T2, T3, T4	*
			34
Mr. Chan Tsun Choi, Arnold *(Resigned on 23 July 2026)*	External Training	T2, T3, T4	30
	Internal Training	T1, T2, T3, T4, T5	1
	Self-Study Materials	T1, T2, T3, T4	*
			31
Ms. Chan Pui Kwan	External Training	T4, T5	6
	Internal Training	T1, T2, T3, T4, T5	2
	Self-Study Materials	T1, T2, T3, T4	*
			8

* Considered it is hard to measure the time for reading the Self-Study Materials, the hours completed by the Directors are not disclosed above to avoid misleading information provided.

Chairman and Chief Executive Officer

Code provision C.2.1 in Part 2 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

The position of the Chairman is held by Dato' Ng. The responsibility of the Chairman is clearly established and set out in writing. The Chairman is responsible for providing leadership and management of the Board to ensure that the Board acts in the best interests of the Group and Board meetings are planned and conducted effectively. With the support of the company secretary and other senior management, the Chairman is responsible for ensuring that all Directors are properly briefed on issues arising at Board meetings and receive adequate, clear, complete and reliable information in a timely manner. The Chairman is primarily responsible for ensuring the Board works effectively, performs its responsibilities and discusses all key and appropriate issues in a timely manner, and approving the agenda for each Board meeting, taking into account, where appropriate, matters proposed by other Directors for inclusion in the agenda. The Chairman also takes primary responsibility for establishment and implementation of good corporate governance practices procedures. The Chairman actively encourages Directors to make a full and active contribution to the Board's affairs and encourages Directors with different views to voice their concerns, allows sufficient time for discussion of issues and ensures Board decisions fairly reflect Board consensus. The Chairman ensures that appropriate steps are taken to provide effective communication with Shareholders and that their views are communicated to the Board as a whole. The Chairman promotes a culture of openness and debate by facilitating the effective contribution of non-executive Directors in particular and ensuring constructive relations between executive and non-executive Directors.

The Company has no position as the chief executive officer. The day-to-day management of the Group's business is handled by the executive Directors and senior management collectively without the involvement of Chairman. The Board believes that the present arrangement is adequate to ensure an effective management and control of the Group's present business operations with the balance of power and authority. The Board continually reviews the effectiveness of the Group's corporate governance structure to assess whether any changes, including the appointment of a chief executive officer, are necessary.

Independent Non-executive Directors

During the year ended 30 June 2026, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors, representing at least one-third of the Board with at least one of them possessing appropriate professional qualifications or accounting or related financial management expertise. Independent non-executive Directors are appointed for a term of three years, subject to retirement by rotation and re-election in accordance with the Company's Articles of Association.

The Company has received from each independent non-executive Directors of the Company written annual confirmations of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all the independent non-executive Directors are independent.

Lead Independent Non-Executive Director

On 24 April 2025, the Board designated Mr. Tai Lam Shin as the lead independent non-executive Director.

The primary responsibility of the lead independent non-executive Director would be to facilitate and strengthen communication: among independent non-executive Directors; between independent non-executive Directors and the rest of the Board; and with Shareholders. A lead independent non-executive Director should serve as a channel of communication to enable Shareholders, in particular minority Shareholders, to understand the actions taken by independent non-executive Directors in the performance of their responsibilities, and as an intermediary between Directors and Shareholders where contact through normal communication channels is inadequate. As independent non-executive Directors are not responsible for the day-to-day management of the Company, the Stock Exchange would not expect a lead independent non-executive Director to discuss the Company's results and operational matters with potential investors or Shareholders. Each Board committee chairman and the lead independent non-executive Director would be expected to attend the Company's annual general meeting. However, a lead independent non-executive Director would not be solely responsible for answering queries from Shareholders at an annual general meeting and the Company would be free to determine who, from its management or Board, was best placed to answer such queries. A lead independent non-executive Director offers a clear point of contact for potential investors and existing Shareholders providing them with independent insight on aspects of the Company's governance such as the quality of Board discussions on matters including corporate strategy and independent non-executive Director performance (e.g. their scrutiny of loans granted by the Company to external parties and connected transactions).

The lead independent non-executive Director designation is not intended to create a separate or higher level of responsibility or liability relative to other independent non-executive Directors on the Board. All Directors would still be subject to the same fiduciary duties and bear the same responsibilities in respect of the Company on whose Board they serve.

The designation of a lead independent non-executive Director would strengthen, not weaken, the overall level of independent oversight on the Board. The role of lead independent non-executive Director is also not intended to duplicate other existing Board roles, for example the chairman of Board committees, and should instead complement and co-exist with, the roles of other Board members and Shareholder communication channels. The duties of the three mandatory Board committees under the Listing Rules and the lead independent non-executive Director would remain separately set out in the CG Code. Each Board committee chairman oversees the work of their committee. The lead independent non-executive Director may liaise with the chairmans to understand how each committee has discharged its responsibilities.

The Board chairman has overall responsibility for ensuring the effective functioning of the Board and constructive Shareholder communication. The lead independent non-executive Director supports this by strengthening the effectiveness of the independent non-executive Directors and facilitating a two-way dialogue with investors. The lead independent non-executive Director also serves as an independent contact point for sensitive issues to be raised on the Board.

Appointment and Re-election of Directors

Each of the executive Directors, non-executive Director and independent non-executive Directors has entered into service agreement or letter of appointment with the Company setting out the key terms and conditions of their appointment for a term of three years and to continue thereafter unless and until terminated by not less than three months' notice in writing served by either party or the other. In the event, notice period of less than three months was requested, Board approval is required to obtain the waiver of the unexpired portion of the notice period.

Independent non-executive Directors are appointed for a term of three years, subject to re-election. In determining the independence of the Directors, the Board follows the requirements set out in the Listing Rules.

In accordance with article 83(3) of the Company's Articles of Association, the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Directors so appointed shall hold office only until the first annual general meeting of the Company after his/her appointment and shall then be eligible for re-election.

In accordance with article 84(1) of the Company's Articles of Association, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires.

Mechanisms on Ensuring Independent Views and Inputs are Available to the Board (the "Mechanisms")

To ensure independent views and input are available to the Board, the Mechanisms are implemented as follows:

(a) Nomination committee shall refer to the Listing Rules' requirement in relation to independent non-executive Directors.

(b) In recruiting independent non-executive Directors, nomination committee shall assess if the candidate(s) would be independent with reference to the relevant guidelines set out in the Listing Rules. Nomination committee shall also consider other factors, including but not limited to his/her time commitment and qualification.

(c) Nomination committee shall assess the independence of independent non-executive Directors.

(d) Nomination committee shall review the structure, size and composition of the Board by taking into account of various aspects, including the Company's Board diversity policy ("**Board Diversity Policy**") and measurable objectives to achieve Board diversity, on an annual basis. Nomination committee shall also recommend to the Board complement(s) on the Company's corporate strategy, businesses and objectives.

(e) Nomination committee shall assess if the existing Board composition would (i) avoid entrenchment; (ii) be receptive to new ideas and perspectives; (iii) foster diverse perspectives within the Board; (iv) generate new ideas; and (v) generate business strategies that is in line with an evolving business environment and challenges, at least once a year. Nomination committee shall regard Board diversity as one of the factors to evaluate effectiveness of the Board.

(f) Nomination committee shall evaluate the performance of the Directors, including independent non-executive Directors, by considering various aspects, including but not limited to quality of input, time contributions, attendance of various Board and Board committees' meetings and performance metrics of climate related issues, at least annually.

(g) Nomination committee shall conduct a formal evaluation of the Board's performance at least every two years internally or by an external reviewer. Nomination committee shall then inform and make recommendations to the Board, including the findings of the Board performance review, significant areas of improvement (if identified during the Board performance review), and measures taken or planned as a result of the Board performance review.

(h) Nomination committee shall ensure the Board has the necessary expertise and skills, including overseeing climate-related issues, and arrange training where appropriate.

(i) Director may seek advices from external independent professional advisors at the Company's expense to perform their duties by giving written notice to the company secretary with reasonable grounds.

The nomination committee will review the Mechanism on an annual basis to ensure its effectiveness and recommend the same to the Board for approval.

BOARD COMMITTEES

The Board has established three committees, namely, the audit committee, remuneration committee and nomination committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with specific written terms of reference which deal clearly with their authority and duties. The terms of reference of the audit committee, remuneration committee and nomination committee are posted on the Stock Exchange's website and the Company's website and are available to Shareholders upon request.

The majority of the members of each Board committee are independent non-executive Directors and the list of the chairman and members of each Board committee is set out in the section headed "Corporate Information" on page 2 of this annual report.

Mr. Chan Tsun Choi, Arnold has resigned as an independent non-executive Director with effect from 23 July 2026. He ceased to be a member of the audit committee and nomination committee of the Company on the same date. Mr. Tam Ka Hei Raymond was appointed as an independent non-executive Director, a member of the audit committee and nomination committee of the Company with effect from 23 July 2026.

On 23 July 2026, Mr. Tam Ka Hei Raymond has obtained the legal advice from a firm of solicitors qualified to advise on Hong Kong law as regards the requirements under the Listing Rules that are applicable to him as a Director and the possible consequences of making a false declaration or giving false information to the Stock Exchange referred to in Rule 3.09D of the Listing Rules before his appointment becomes effective and he has confirmed he understood his obligations as a Director.

Audit Committee

The Company established the audit committee on 11 April 2019 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and code provision D.3.3 in Part 2 of the CG Code. As at 30 June 2026, the audit committee consists of three independent non-executive Directors, namely Mr. Tai Lam Shin, Mr. Chan Tsun Choi, Arnold and Ms. Chan Pui Kwan. Mr. Tai Lam Shin is the chairman of the audit committee. On 23 July 2026, Mr. Chan Tsun Choi, Arnold resigned as the independent non-executive Director and ceased to be the member of the audit committee. Mr. Tam Ka Hei Raymond was appointed as the independent non-executive Director and the member of the audit committee on the same date.

The primary duties of the audit committee include, but not limited to the following:

(a) to make recommendations to the Board on the appointment, re-appointment and removal of the external auditor, and approve the remuneration and terms of engagement of the external auditor, and deal with any questions of its resignation or dismissal;

(b) to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards;

(c) to discuss with the auditor the nature and scope of the audit and reporting obligations before the audit commences;

(d) to develop and implement policy on engaging an external auditor to supply non-audit services;

(e) to monitor integrity of the Company's financial statements and annual report and accounts, half-year report and, if prepared for publication, quarterly reports, and review significant financial reporting judgments contained in them;

(f) to review the Company's financial controls, risk management and internal control systems;

(g) to discuss the risk management and internal control systems with management to ensure that management has performed its duty to have effective systems;

(h) to consider major investigation findings on risk management and internal control matters as delegated by the Board or on its own initiative and management's response to these findings;

(i) where an internal audit function exists, to ensure co-ordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor its effectiveness;

(j) to review the Group's financial and accounting policies and practices;

(k) to review the external auditor's management letter, any material queries raised by the external auditor to management about accounting records, financial accounts or systems of control and management's response;

(l) to ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter;

(m) to report to the Board on the matters set out in the CG Code in Appendix C1 to the Listing Rule;

(n) to review arrangements employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters;

(o) to act as the key representative body for overseeing the Company's relations with the external auditor;

(p) to establish a whistleblowing policy and system for employees to raise concerns, in confidence and anonymity, with the audit committee about possible improprieties in any matter related to the Company;

(q) to establish policy(ies) and system(s) that promote and support anti-corruption laws and regulations; and

(r) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board.

The full terms of reference of the audit committee are available on the Stock Exchange's website and the Company's website.

The audit committee held four meetings during the year ended 30 June 2026 during which the audit committee had, among other things:

(a) discussed and approved the nature and scope of the audit and reporting obligations;

(b) reviewed the accounting principles and policies adopted by the Group and the financial reporting matters including annual results and audited consolidated financial statements of the Group for the year ended 30 June 2025, and interim results and unaudited condensed consolidated financial statements of the Group for the six months ended 31 December 2025;

(c) reviewed the changes in financial reporting standards and assessed their potential impacts on the Group's financial statements;

(d) made recommendations to the Board on the re-appointment of external auditor, and the terms of engagement with the consideration of the calibre, quality processes, independence and governance of the external auditor, audit scope included, performance of the audit team, communications with the management and audit committee, and the reasonability of the audit fee by references to the Guidelines for Effective Audit Committees – Selection, Appointment and Reappointment of Auditors issued by Accounting and Financial Reporting Council;

(e) reviewed the independence of external auditor;

(f) performed annual review of the non-exempt continuing connected transactions of the Group for the year ended 30 June 2025;

(g) reviewed the effectiveness of the Group's risk assessment and internal control systems;

(h) reviewed the ESG report for the year ended 30 June 2025;

(i) reviewed the proposal of the ESG services for the financial year ended 30 June 2026;

(j) reviewed the arrangements employees of the Company to use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters;

(k) developed and reviewed the Company's policies and practices on corporate governance pursuant to the latest Listing Rules, and made recommendations to the Board;

(l) reviewed the Company's corporate governance compliance matters; and

(m) reviewed the policy on the Group's purposes, values, strategies and culture; and the effectiveness of the overall culture enhancement initiatives.

The audit committee also met the external auditors once without the presence of the executive Directors.

Remuneration Committee

The Company established the remuneration committee on 11 April 2019 with written terms of reference in compliance with Rules 3.25 to 3.27 of the Listing Rules and paragraph E.1 in Part 2 of the CG Code. As at 30 June 2026, the remuneration committee consists of three members, including Dato' Ng, and two independent non-executive Directors, namely Mr. Tai Lam Shin and Ms. Chan Pui Kwan. Mr. Tai Lam Shin is the chairman of the remuneration committee.

The primary duties of the remuneration committee include, but not limited to the following:

(a) to make recommendations to the Board on the Company's policy and structure for all Directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;

(b) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;

(c) to determine, with delegated responsibility or make recommendations to the Board, on the remuneration packages of individual executive Directors and senior management;

(d) to make recommendations to the Board on the remuneration of executive Directors, non-executive Directors, independent non-executive Directors and senior management;

(e) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;

(f) to review and approve compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;

(g) to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;

(h) to ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration; and

(i) to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules.

The full terms of reference of the remuneration committee are available on the Stock Exchange's website and the Company's website.

The remuneration committee held two meetings during the year ended 30 June 2026 during which the remuneration committee had, among other things:

(a) reviewed the remuneration policy for Directors and senior management of the Company ("**Remuneration Policy**") and made amendments in relation to remuneration of independent non-executive Directors for Board approval;

(b) reviewed the remuneration packages of the executive Directors, non-executive Director, independent non-executive Directors and senior management for the year ended 30 June 2025;

(c) made recommendations to the Board on the remuneration packages of the executive Directors, non-executive Director, independent non-executive Directors and senior management for the year ended 30 June 2026 with reference to companies with comparable business or scale; and

(d) reviewed the matters relating to share schemes under Chapter 17 of the Listing Rules.

Details of the remuneration of the senior management are set out in note 29(a) to the consolidated financial statements for the year ended 30 June 2026 and as follows:

	Number of employee(s)
HK$Nil to HK$1,000,000	3
HK$1,000,001 to HK$1,500,000	2

Remuneration Policy

The Board determined the remuneration of the Directors based on recommendation from the remuneration committee. The Board took into consideration a number of relevant factors such as salaries paid by comparable companies, job responsibilities, duties and scope, employment conditions elsewhere in the Group, market practices, financial and non-financial performance, and desirability of performance-based remuneration. The remuneration committee will determine the overall amount of each component of remuneration, taking into account both quantitative and qualitative assessment of performance (including but not limited to environmental, social, governance, business sustainability like responding to climate change and compliance-related factors and performance metrics) by using balanced judgement and considers scorecard of measures instead of mathematical calculation. No individual director or any of his/her associates is involved in deciding his/her own remuneration.

No equity-based remuneration (e.g. share options or grants) with performance-related elements shall be granted to independent non-executive Directors. This measure aims to ensure the independent non-executive Directors are demonstrating objective judgement throughout their tenure. This is because equity-based remuneration with performance-related elements may lead to bias in their decision-making and compromise their objectivity and independence.

The remuneration committee shall conduct an annual review of the Remuneration Policy with reference to companies with comparable business or scale and recommend remuneration adjustments, if appropriate, and recommend the same to the Board for approval.

Nomination Committee

The Company established the nomination committee on 11 April 2019 with written terms of reference in compliance with Rule 3.27A of the Listing Rules and paragraph B.3 in Part 2 of the CG Code. As at 30 June 2026, the nomination committee consists of four members, including Dato' Ng and three independent non-executive Directors, namely Mr. Tai Lam Shin, Mr. Chan Tsun Choi, Arnold and Ms. Chan Pui Kwan. Dato' Ng is the chairman of the nomination committee. On 23 July 2026, Mr. Chan Tsun Choi, Arnold resigned as the independent non-executive Director and ceased to be the member of the nomination committee. Mr. Tam Ka Hei Raymond was appointed as the independent non-executive Director and the member of the nomination committee on the same date.

The primary duties of the nomination committee include, but not limited to the following:

(a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually, assist the Board in maintaining a board skills matrix, and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;

(b) to establish and review the policies and procedures on how to identify individuals suitably qualified to become Board members and to select or make recommendations to the Board on the selection of individuals nominated for directorships;

(c) to assist the Board in establishing the Board Diversity Policy;

(d) to establish and review the policies and procedures on the selection, appointment and re-appointment of Directors, which shall at all times consider the potential contributions one could bring to the Board in terms of qualifications, skills, experience, independence and gender diversity;

(e) to assess the independence of independent non-executive Directors;

(f) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman; and

(g) to support the Company's regular evaluation of the Board's performance.

The full terms of reference of the nomination committee are available on the Stock Exchange's website and the Company's website.

In assessing the Board composition, the nomination committee would take into account various aspects as well as factors concerning Board diversity and Board skills matrix as set out in section headed "Board Diversity Policy" in this annual report. The nomination committee will discuss any revisions which may be required, and recommend any such revisions to the Board for consideration and approval.

In identifying and selecting suitable candidates for directorships, the nomination committee would consider the candidate's character, qualifications, experience, independence and other relevant criteria necessary to complement the corporate strategy and achieve Board diversity, where appropriate, before making recommendation to the Board.

The nomination committee held two meetings during the year ended 30 June 2026 during which the nomination committee had, among other things:

(a) reviewed the Board Diversity Policy;

(b) reviewed the nomination policy of Directors ("**Nomination Policy**");

(c) reviewed the structure, size, diversity and composition of the Board and Board committees;

(d) reviewed the performance of the Directors, Board and Board committees;

(e) considered and recommended to the Board to put forward the retiring Directors, Dato' Ng Say Piyu, Datin Ngooi Leng Swee and Ms. Chan Pui Kwan, for re-election at the 2025 annual general meeting;

(f) assessed the independence of the independent non-executive Directors; and

(g) made amendments to the Board Diversity Policy to integrate a comprehensive Board skills matrix into the nomination and succession processes pursuant to the latest Listing Rules, and made recommendations to the Board.

Nomination Policy of Directors

The Company has adopted a Nomination Policy which sets out the criteria and process in the nomination and appointment of Directors in order to nominate suitable candidates to the Board.

Pursuant to the Nomination Policy, the Company shall consider, among other things, the following factors in assessing the suitability of a proposed candidate for directorships:

(a) reputation for integrity;

(b) qualifications including professional qualifications, skills, knowledge, accomplishment and experience that are relevant to the Company's business and corporate strategy;

(c) the structure, size, composition and needs of the Board and its respective Board committees at the time, taking into account succession planning, where appropriate;

(d) commitment in respect of available time and relevant interest;

(e) Board Diversity Policy and any measurable objectives adopted by the Board for achieving diversity on the Board, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. Single gender board is not considered to achieve Board diversity;

(f) any information obtained through third party references or background checks;

(g) an independent non-executive Director must not concurrently hold more than six directorships of issuers listed on the Main Board or GEM;

(h) requirement for the Board to have independent non-executive Directors in accordance with the Listing Rules and whether the candidates would be considered independent with reference to the independence guidelines set out in the Listing Rules; and

(i) must not include an independent non-executive Director who has served on the Board as an independent non-executive Director for a period of nine years or more, as at the conclusion of the Company's annual general meeting that follows the end of the Director's nine year tenure.

The Board delegated certain duties under the Nomination Policy to the nomination committee. The nomination committee may consult any source it deems appropriate in identifying or selecting suitable candidates, such as referrals from existing Directors, recommendations from personnel agents or as proposed by Shareholders with due consideration. Proposed candidates will be asked to submit the necessary personal information, together with their written consent to be appointed as a Director and to the public disclosure of their personal data on any documents or the relevant websites and other information deemed necessary in relation to their nomination or otherwise pursuant to applicable legal and regulatory requirements. The nomination committee may request candidates to provide additional information and documents, if considered necessary. The nomination committee will review and take reasonable steps to verify the information obtained from the candidate and seek clarification, where required. The nomination committee may, at its discretion, invite any candidate to meet with the nomination committee to assist them in their consideration of the proposed nomination or recommendation. The nomination committee will then submit its nomination proposal to the Board for consideration and approval.

For the proposed appointment of any candidate at a general meeting of the Company, the nomination committee should evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship and make a recommendation to the Board for its consideration and the Board will, at its discretion, make a recommendation to the Shareholders. Details of the proposed candidate including his/her/their personal particulars and the Board's recommendation will be included in a circular to be sent to the Shareholders for consideration in accordance with the applicable Listing Rules. Until the issue of such circular, the nominated candidate shall not assume that he/she/they has/have been proposed by the Board to stand for election at the Company's general meeting.

The nomination committee will review the Nomination Policy annually to ensure its continued effectiveness and recommend the same to the Board for approval.

Board Performance Review and Directors' time commitment

Board performance review was conducted internally through conducting questionnaires in terms of the performance of the Board, each of the Board committees and each of the Directors during the year ended 30 June 2026.

The evaluation of the Board performance was performed by each of the Board members by considering different aspects, including but not limited to (i) Board mix, composition and skills; (ii) strategic plan and performance; (iii) Board's oversight of risks and internal controls; (iv) performance of Directors; (v) quality and timeliness of information; (vi) quality of decision making; (vii) Board culture and dynamics (including the Board practices, Boardroom activities and Board's relationship with the management; (viii) compliance and training; (ix) stakeholders' engagement; and (xi) suggestions on the performance and assessment criteria of the Board, areas that required attention and improvement and ways of improvement on Board functions;

The evaluation of the Board committees' performance was performed by each of the Board committees' members which primarily considered (i) the composition of each of the Board committees; (ii) the ability, knowledge and experience of the Board committees' members; (iii) the appropriateness of the responsibilities and time commitment of the Board committees' members; (iv) number and length of Board committees' meeting arranged; (v) quality of communications and participation during the meetings; (vi) the adequacy of the resources available; and (vii) the availability of information provided for discussion and decision making purposes.

The evaluation of the performance of each of the Directors was performed by each of the Directors (other than himself or herself) by considering the (i) contribution of interaction; (ii) quality of input; (iii) understanding of the respective roles and responsibilities; (iv) governance; (v) knowledge of the industry and environment; and (vi) effective behaviour and relationship of each of the Directors. These included the assessment of the Directors' time commitment and contribution to the Board.

The summary of the questionnaires were presented and discussed during the meeting of nomination committee and recommended to the Board for approval.

The nomination committee also performs assessment of each Director's time commitment and contribution to the Board, as well as the Director's ability to discharge his or her responsibilities effectively, taking into account professional qualifications and work experience, existing directorships of the Company and other significant external time commitments of such director and other factors or circumstances relevant to the Director's character, integrity, independence and experience (the "**Assessment**").

Based on the questionnaires on the evaluation of the performance of the Board, each of the Board committees and each of the Directors, and the Assessment during the year ended 30 June 2026, no findings on the Board performance review and no significant areas of improvement were identified.

The Board will perform the Board performance review on annual basis, and explore to widen the involvement of the stakeholders, for example, to involve auditor, senior management, advisor, employees on the review. The next Board performance review was conducted in September 2026.

DIVERSITY

Board Diversity Policy

The Company has a Board Diversity Policy whereby it recognises and embraces the benefits of a diversity of Board members with an aim to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. Board diversity has been achieved through consideration of a number of factors, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of services. All Board appointments will continue to be made on a merit basis with due regard for the benefits of diversity of the Board members. Single gender board does not achieve Board diversity.

The Board will take opportunities to increase the proportion of female members over time when selecting and making recommendation on suitable candidates for Board appointments. The Board would ensure that appropriate balance of gender diversity is achieved with reference to stakeholders' expectation and international and local recommended best practices, and in accordance with the Listing Rules, with the ultimate goal of bringing the Board to gender parity. The Board also aspires to have an appropriate proportion of Directors who have direct experience in the Group's core markets and different ethnic backgrounds to embody the Group's strategy.

The Board sets the below targets and timelines for achieving gender diversity on its Board with the targets to be reviewed regularly:

(i) the Board shall have at least 30% members for each gender to be effective from financial year ending 30 June 2028; and

(ii) each of the Board committee shall have at least 30% members for each gender to be effective from financial year ending 30 June 2028.

To achieve the above target, the Board and nomination committee shall monitor the targets at least once annually; review the rotation plan of each of the Board members at least once annually for succession planning; and if new Directors are required, select candidates based on the Company's Nomination Policy.

During the year ended 30 June 2026 and as at the date of this report, the Board comprises seven Directors, two of which are female. The following tables further illustrate the diversity of the Board members as of the date of this report:

The Group focuses on its construction business through delivering high quality services, commitment to achieving high standard of corporate governance, maintenance of effectiveness of the Company's and its subsidiaries' risk management and internal control systems, and maintenance of sustainability on the business.

The Board skills matrix aims to identify key skills and experience deemed critical or desirable for the Board.

The Board skills matrix are separated into nine areas, including (i) strategy, the ability to identify strategic opportunities and threats, whilst developing and implementing plans to achieve corporate objectives; (ii) leadership, the ability to lead corporate teams and implement plans and policies; (iii) industry knowledge and experience, an understanding of the Company's business daily operations, market development, competitors, technology and innovation; (iv) financial literacy/business acumen, the ability to read and comprehend corporate accounts, financial materials and financial reporting requirements; (v) risk management and compliance, the ability and experience in implementing, managing or overseeing risk management and internal control systems for legal and regulatory compliance; (vi) people management experience, the experience at a senior level with responsibilities for people management and successful implementation of change; (vii) diversity, the contribution to Board diversity in terms of age, gender, cultural background etc; (viii) emerging topics like sustainability, ESG and artificial intelligence, the understanding and knowledge of emerging topics to ensure that the Company is forward-thinking; and (ix) the qualifications, the formal qualifications in relevant fields to assist the Board in its decision-making, for example, accounting/finance, economics/business, law.

The current Board skills matrix as at the date of this report is as follows:

	Skills and expertise										
	Strategy	Leadership	Industry knowledge and experience in marine construction and building and infrastructure	Financial literacy/ business acumen	Risk management and compliance, including risk management, corporate governance and legal and regulatory	People management experience	Diversity			Emerging topics (e.g. sustainability, ESG and artificial intelligence)	Qualifications
							Age	Gender (M: Male; F: Female)	Length of service in years		
Executive Directors:											
Dato' Ng Say Piyu *(Chairman)*	✓	✓	✓	✓	✓	✓	73	M	7		Construction industry
Mr. Lam Fung Eng	✓	✓	✓	✓	✓	✓	50	M	7		Construction industry
Mr. Ng Chong Boon	✓	✓	✓	✓	✓	✓	55	M	7		Construction industry
Non-executive Director:											
Datin Ngooi Leng Swee	✓	✓	✓		✓	✓	72	F	7		Administrative management
Independent non-executive Directors:											
Mr. Tai Lam Shin *(Lead independent non-executive Director)*	✓	✓	✓	✓	✓	✓	68	M	7	✓	Accounting and finance
Ms. Chan Pui Kwan	✓	✓	✓	✓	✓	✓	60	F	7	✓	Corporate consultancy
Mr. Tam Ka Hei Raymond *(Appointed on 23 July 2026)*	✓	✓		✓	✓	✓	46	M	0.2		Corporate consultancy
Number of Directors with Proficiency	7/7 (100.0%)	7/7 (100.0%)	6/7 (85.7%)	6/7 (85.7%)	7/7 (100.0%)	7/7 (100.0%)	40-49: 1/7 (14.2%) 50-59: 2/7 (28.6%) 60-69: 2/7 (28.6%) 70-79: 2/7 (28.6%)	M: 5/7 (71.4%) F: 2/7 (28.6%)	Over 5 years: 6/7 (85.7%) Less than 1 year: 1/7 (14.3%)	2/7 (28.6%)	7/7 (100.0%)
Importance	E	E	E	E	E	E		E		F	E
Adequency	Yes	Yes	Yes	Yes	Yes	Yes		Need improvement		Need improvement	Yes

Notes:

(a) The importance is defined as follows:

- "E" = essential skills that should currently be in the Board's possession
- "F" = skills that should be acquired for future purposes/in light of anticipated emerging needs
- A/D = skills that are not necessary but desirable or aspirational in nature.

(b) Reviews are assessed based on the adequacy of the existing level of expertise of a particular skill/qualification against the Company's business needs/long-term objectives.

Strategy; Leadership; Industry Knowledge and Experience; People Management Experience and Qualifications

The Directors possess extensive industry experience spanning construction, contract management, project management, management, accounting, financial and corporate consultancy. This diverse skill set enables the Board comprehensively understands daily operations, monitors market and technological trends, and successfully implements plans and strategies to achieve long-term corporate objectives.

Committed to high ethical standards, the Directors actively promote a corporate culture of integrity. Boardroom discussions are characterised by effective communication, proactive contributions, and independent advice. Furthermore, the Board's senior-level experience in people management and change execution ensures the corporate team is led effectively through evolving market conditions.

Financial Literacy/Business Acumen; and Risk Management and Compliance

With members holding professional accounting and finance qualifications, the Board maintains rigorous oversight of financial reporting. Audit committee is established to manage and evaluate the Group's risk management and internal control systems, ensuring continuous legal and regulatory compliance.

Diversity

The Board recognises the extensive corporate knowledge, deep industry expertise, and steady strategic guidance provided by its longer-serving members. These qualities remain vital to navigating complex market environments. In view of the majority of the independent non-executive Directors will be regarded as long serving independent non-executive Directors (served on the Board for a period of nine years or more) after two years, the Board is committed to progressive succession planning and plans to acquire the Directors with experience in accounting, financial, corporate consultancy, environmental and sustainability areas in the near future. The Board will continue evaluating its composition to ensure an optimal balance of seasoned insight and diverse perspectives, aligning with evolving governance standards and long-term Shareholder value.

Emerging Topics

Recognising emerging priorities, such as artificial intelligence, the Board will continue developing relevant expertise through continuous professional development. These ensure the Board equips to respond to evolving business and regulatory challenges.

Considered the above, the nomination committee is of the view that the current combination of skills, experience and diversity of the Directors serves the Company's purpose, values, strategy and desired culture and so the Board is sufficiently diverse.

The nomination committee will review the Board Diversity Policy on an annual basis, to ensure its effectiveness and recommend the same to the Board for approval.

Gender Diversity

To maintain balance of gender composition of human resources at all levels, gender diversity targets are set across the workforce. The strategic planning team will identify and define specific target group based on a set of robust indicators, including expectation on the size of each of the department in the future in terms of possible growth and contractions, possible scenarios for restructuring, changes in the number of positions for female in the department, and the possible barriers which may be encountered. Based on the existing composition of workforce and the nature of the construction industry which is male workforce intensive, it is targeted to maintain at least 30% of female workforce (including senior management) across the Group. The targets will be revisited periodically based on the abovementioned consideration. The strategic planning team will review the employee turnover and recruitment data for women and men in the target group identified on a yearly basis and shall inform the management should the gender target be not met.

Gender ratio by category as at 30 June 2026:

	Male	Female
Workforce (excluding senior management)	73.9%	26.1%
– Administrative	41.4%	58.6%
– Project	97.5%	2.5%
Senior management	50.0%	50.0%
Directors	71.4%	28.6%
Audit committee	66.7%	33.3%
Nomination committee	75.0%	25.0%
Remuneration committee	66.7%	33.3%

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the functions set out in the code provision A.2.1 in Part 2 of the CG Code.

The Board had reviewed the Company's corporate governance policies and practices (including the code of conduct), training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and Employees Model Code, and the Company's compliance with the CG Code and disclosure in this report.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges its responsibility for the Company's risk management and internal control systems; and confirms that the Company's risk management and internal control systems are appropriate and effective for the purposes set out in code provision D2 in Part 2 of the CG Code. The Board acknowledges that such risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss.

Main Features of the Risk Management and Internal Control Systems

The Group performs risk assessment to identify and evaluate key risks that may affect the achievement of its strategic, operational, financial and compliance objectives. Through a structured assessment process involving questionnaires, management interviews, systematic risk rating, and consideration of both internal and external factors, significant risk areas are identified and assessed based on their likelihood and potential impact on the Group.

Based on the results of the risk assessment, management determines the key controls that are critical to mitigating the identified risks to an acceptable level. These material controls are prioritised for review as part of the regular internal control review. The review focuses on assisting the Directors in assessing the adequacy of the Group's overall internal control and risk management systems.

The Board is responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives. Such risks would include, amongst others, material risks relating to ESG.

The Board is responsible to determine the business strategies and objectives of the Group, and evaluate and determine the nature and extent of risks it is willing to take in achieving the Group's strategic objectives. The Board is responsible for ensuring that the Company establishes and maintains appropriate and effective risk management and internal control systems for the purpose of dealing with identified risks, safeguarding the Company's assets, preventing and detecting fraud, misconduct and loss, ensuring the accuracy of the Company's financial reports and achieving compliance with applicable laws and regulations. The Board oversees management in the design, implementation and monitoring of the risk management and internal control systems, on an ongoing basis. The Board is also responsible for ensuring that the effectiveness of the Company's and its subsidiaries' risk management and internal control systems is reviewed at least annually, and management should provide a confirmation to the Board on the effectiveness of these systems.

The Board, with the help of audit committee, ensures that the review of the effectiveness of the Company's and its subsidiaries' risk management and internal control systems, which shall be conducted at least annually, is adequately resourced. The scope of the review should cover all material controls, including financial, operational and compliance controls, and should, in particular, consider: (a) the changes, since the last annual review, in the nature and extent of significant risks (including ESG risks) and the Company's ability to manage and respond to changes in its business and the external environment; (b) the scope and quality of management's ongoing monitoring of risks (including ESG risks) and of the internal control systems, and where applicable, the work of its internal audit function and other assurance providers; (c) the extent and frequency of communication of monitoring results to the Board (or Board committee(s)) for the purposes of assessing the adequacy and the effectiveness of the Company's risk management and internal control systems; (d) significant control failings or weaknesses identified during the review of the risk management and internal control systems, and the extent to which they have resulted in unforeseen outcomes or contingencies that have had, could have had, or may in the future have, a material impact on the Company's financial performance or condition, and any remedial measures taken to address such control failings or weaknesses; (e) the effectiveness of the Company's processes for financial reporting and Listing Rules compliance; and (f) the adequacy of resources (internal and external) for designing, implementing and monitoring the risk management and internal control systems, including staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit, and financial reporting functions, as well as those relating to the Company's ESG performance and reporting.

The audit committee is responsible for assisting the Board to perform its responsibilities of risk management and internal control systems; overseeing the Group's risk management and internal control systems on an ongoing basis; reviewing the effectiveness of the Group's risk management and internal control systems, which shall be conducted at least annually, is adequately resourced. The scope of the review should cover all material controls, including financial, operational and compliance controls, and should, in particular, consider (a) the changes, since the last annual review, in the nature and extent of significant risks and the Company's ability to manage and respond to changes in its business and the external environment; (b) the scope and quality of management's ongoing monitoring of risks and of the internal control systems, and the work of its internal audit function and other assurance providers; (c) the extent and frequency of communication of monitoring results to the Board; (d) significant control failings or weaknesses identified during the review of the risk management and internal control systems, and any remedial measures taken to address such control failings or weaknesses; (e) the effectiveness of the Company's processes for financial reporting and Listing Rules compliance; and (f) the adequacy of resources for designing, implementing and monitoring the risk management and internal control systems. The audit committee shall consider major findings on risk management and internal control matters, and reports and makes recommendations to the Board.

Management of the Group designs, implements and maintains appropriate and effective risk management and internal control systems; identifies, evaluates and manages the risk (including ESG risks), that may potentially impact the major processes of the operations; monitors risk (including ESG risks) and takes measures to mitigate risk in day-to-day operations; gives prompt responses to and follow up the findings on risk management and internal control matters raised by the external independent consultant (the "**Consultant**") and provides confirmation to the Board and the audit committee on the effectiveness of the risk management and internal control systems.

Internal control policies are established for the timely, accurate and complete disclosure of discloseable information, including inside information and any other information required to prevent a false market in the Company's securities. Please refer to "Disclosure of Inside Information" for more details.

There were no significant changes during the reporting period in (i) the Company's assessment of risks (including ESG risks) and (ii) the risk management and internal control systems.

Responsibilities of an External Independent Consultant (the "Consultant")

The Group currently has no internal audit function and during the year under review, the Company engaged the Consultant instead of recruiting a team of an internal audit staff to conduct review of the risk management and internal control systems once every half year as the Board considers that it is more cost effective.

The Consultant worked closely with the Group to identify risk components in different aspects through interviews with the Group's management. The Consultants assisted the Group to perform a comprehensive risk assessment on internal control system including but not limited to ESG (including climate)-related areas at least once every three years and determined a review plan (the "**Review Plan**") which is to assist the Group to evaluate the adequacy and effectiveness of the Group's risk management and internal control systems.

The Review Plan outlined the direction and overall internal audit strategy covering high risk areas annually and lower risk areas every two to three years. The Consultant will discuss with the management if there is any changes in the operations and business of the Group to further assess if there would be any changes on the risk levels every year. The Review Plan will be updated semi-annually based on the results of internal audit performed by the Consultant, the changes in governance practices and the revised risk assessment, if applicable. The review will be performed on a half-yearly basis to allow wider and more in-depth coverage of business processes by location. Findings and recommendations resulting from the review were reported to and discussed with the audit committee and the Board once every half year.

Details of the Review of the Risk Management and Internal Control Systems

Based on the risk assessment reported in January 2025, the Consultant assisted the Board to perform review of the risk management and internal control systems. It covers governance and compliance oversight function, financial accounting and reporting function, treasury and cash flow management, marketing and disclosure of sensitive information, and environmental monitoring and reporting of the Company during July 2025 to August 2025. The Consultant then further assisted the Board to perform review of (i) the risk management and internal control systems in relation to financial accounting and reporting function, treasury and cash flow management, revenue and accounts receivable collection, subcontracting function, and environmental monitoring and reporting of our principal Malaysia and Singapore subsidiaries; (ii) procurement function of our Singapore subsidiary; and (iii) healthy and safety management, and information system control and network security function in Malaysia during May 2026 to June 2026.

The Consultant did not identify significant internal control failings or weaknesses during the above reviews in the current reporting period, and there were no significant internal control failings or weaknesses previously reported that remain unresolved. All the above reviews and risk assessment have been reported to the audit committee. Based on the reports by the Consultant and our external auditor, there were no internal control deficiencies and recommendations from the audit committee. The Board concludes that the risk management and internal control systems are appropriate and effective. No significant areas of concern were identified.

Whistleblowing policy is in place to allow stakeholders to raise concerns in confidence and anonymity with the committee which comprises of audit committee, company secretary of the Company and legal and human resources manager, about possible improprieties in any matter related to the Company. Anti-corruption policy is developed to adopt ethical and anti-corruption business practices, high standard of integrity and zero tolerance to corruption. No improprieties cases were received during the year ended 30 June 2026.

DISCLOSURE OF INSIDE INFORMATION

The Group set up "Inside Information Policy" which set out the disclosure requirements, procedures for the handling and dissemination of inside information which ensure Shareholders and the public are provided with full, accurate and timely information about the activities and the financial condition of the Group.

The Inside Information Policy covers the following:

- the Group conducts its affairs with close regard to the disclosure requirement under the Listing Rules as well as the "Guidelines on Disclosure of Inside Information" published by the Securities and Futures Commission of Hong Kong in June 2012;
- the Group has formulated inside information policies and disclosed its policies on fair disclosure by pursuing broad, non-exclusive distribution of information to the public through channels such as financial reporting, public announcements and its website;
- the Group has strictly prohibited unauthorised use of confidential or inside information; and
- the Group regularly reminds the Directors and employees about due compliance with all policies regarding the inside information, as well as keeps them appraised of the latest regulatory updates.

Corporate Governance Report

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the consolidated financial statements of the Company for the year ended 30 June 2026, and confirmed that the consolidated financial statements of the Company were prepared in accordance with statutory requirements and applicable accounting standards.

The Directors confirm that, to the best of their knowledge and having made all reasonable enquiries, they are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The statement of the independent auditor of the Company about their reporting responsibilities on the consolidated financial statements is set out in the Independent Auditor's Report on pages 162 to 166 of this annual report.

AUDITORS' REMUNERATION

The audit committee had reviewed and ensured the independence and objectivity of the external auditors. Details of the fees paid or payable to external auditors for the year ended 30 June 2026 are as follows:

Types of services provided by the external auditors	For the year ended 30 June 2026 RM'000
Audit services	425
Non-audit services	
– Interim review	38
Total	463

COMPANY SECRETARY

The Company has appointed Ms. Lam Lam, who is an employee of the Company as its company secretary to oversee the company secretarial and compliance affairs of the Group. The biography of Ms. Lam is set out in the section headed "Biographical Details of Directors and Senior Management" in this annual report. Ms. Lam has confirmed that during the year ended 30 June 2026, she has taken no less than 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules.

The Board is responsible for the approval of the selection, appointment or dismissal of the company secretary. The company secretary has knowledge of the Company's affairs and reports to the Chairman. All Directors have access to the advice and services of the company secretary on corporate governance and Board practices and matters. The company secretary helps ensure good information flow within the Board and that the Board policies and procedures are followed.

SHAREHOLDERS' RIGHTS

To safeguard Shareholders' interests and rights, a separate resolution is proposed for each substantially separate issue at general meetings, including the election of individual Directors. All resolutions put forward at general meetings will be voted by poll pursuant to the Listing Rules, unless otherwise required by the Listing Rules and poll results will be posted on the websites of the Stock Exchange and of the Company after each general meeting.

Convening an Extraordinary General Meeting by Shareholders

Pursuant to Article 58 of the Company's Articles of Association, any one or more members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company, on a one vote per Share basis, shall at all times have the right, by written requisition to the Board or the company secretary of the Company, to require an extraordinary general meeting ("**EGM**") to be called by the Board for the transaction of any business or resolution specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit the Board fails to proceed to convene such EGM, the requisitionist(s) himself (themselves) may convene a physical meeting at only one location which will be the principal place of the meeting, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

For the avoidance of doubt, the requisitionists must state his/her/their full name, contact details, identification, shareholdings in the Company, reasons to convene an EGM, the agenda of the EGM including the details of the business(es) proposed to be transacted at the EGM clearly in the originally signed written requisition and deposit the same to the Board or company secretary of the Company.

Putting Forward Enquiries to The Board

For putting forward any enquiries to the Board, Shareholders may send written enquiries to the Company. The Company will not normally deal with verbal or anonymous enquiries.

Putting Forward Proposals at General Meetings

There are no provisions governing Shareholders' rights to put forward proposals or move resolutions at an annual general meeting under the Company's Articles of Association or the laws of the Cayman Islands. Shareholders who wish to put forward proposals or move a resolution may however, require an EGM to be called by the Board as set out in above procedures.

As regards to the procedures for Shareholders to propose a person for election as a Director, please refer to "Procedures for Shareholders to Propose a Person for Election as a Director of the Company" which is available on the Company's website at www.jbb.com.my.

Contact Details

Shareholders may send their enquiries or proposed resolutions or requests as mentioned above to the following:

Name:	Ms. Lam Lam, the company secretary
Address:	Room 1762, 17th Floor, Luk Kwok Centre, 72 Gloucester Road, Wanchai, Hong Kong
Fax:	(852) 3896 1015/(607) 2414 889
Email:	enquiry@jbb.com.my; lamlam@jbb.com.my

For the avoidance of doubt, Shareholder must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address, and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS/INVESTOR RELATIONS

Constitutional Documents

A special resolution was passed by the Shareholders approving certain amendments to the Company's Articles of Association at the annual general meeting held on 22 November 2022. The amended Articles of Association of the Company is available on the websites of the Stock Exchange and of the Company.

Shareholders' Communication Policy

The Company has adopted the Shareholders' communication policy ("**Shareholders' Communication Policy**") which aims to set out the provisions with the objective of maintaining effective and timely dissemination of the Company's information to its Shareholders and the market, including its financial performance, strategic goals and plans, material developments and governance, in order to enable Shareholders to exercise their rights in a timely and informed manner, and to allow Shareholders and the investment community to engage actively with the Company.

Formal meetings (including general meetings) and other communications through websites are the primary forum for communication by the Company with the Shareholders and for Shareholders' participation. Board members, including the chairman of the Board, the chairman of the Board committees (or in their absence, members of the Board committees or failing them, the duly appointed delegates), and the external auditor of the Company will attend the annual general meetings to answer questions and enquires from the Shareholders and will develop a balanced understanding of the views of the Shareholders. Shareholders are given sufficient advance notice of Shareholders' meetings and the Company should provide sufficient information to enable Shareholders to familiarise themselves with the detailed procedures for conducting a poll, and should arrange to address questions from Shareholders in the Shareholders' meetings.

Enquiries and suggestions from Shareholders or investors to the Board are welcomed by mail to the Company's principal place of business in Hong Kong at Room 1762, 17th Floor, Luk Kwok Centre, 72 Gloucester Road, Wanchai, Hong Kong or via email to enquiry@jbb.com.my for the attention of the Investor Relations Department. Inquiries are dealt with in an informative and timely manner.

For effective communication, the Company maintains a website at www.jbb.com.my, where information and updates on the Company's business developments, financial information and other information are available for public access.

During the year ended 30 June 2026, Board has reviewed the Shareholders' Communication Policy and concluded that it remains effective by reference to other listed issuers in Hong Kong. During the year ended 30 June 2026, other than the annual general meeting held in November 2025, no other engagement with Shareholders were conducted.

For the information of Dividend Policy of the Company, please refer to the section headed "Directors' Report" (on pages 29 to 30) in this annual report.

Environmental, Social and Governance Report

ABOUT THE REPORT

We are pleased to present our 2026 Environmental, Social, and Governance ("**ESG**") report (the "**Report**"), which provides an overview of JBB Builders International Limited (hereafter "**JBB Builders**" or the "**Company**") and its subsidiaries (collectively referred to as the "**Group**", "**we**", or "**our**") and highlights their progress in achieving sustainable outcomes. As we continue to cultivate strong, long-term relationships with our stakeholders, community members, and industry partners, we remain steadfast in our commitment to operational reliability and high corporate standards.

With deep technical expertise and a strong reputation across Malaysia and Singapore, our core operations encompass marine construction, including reclamation, marine transportation, and associated works, as well as building and infrastructure projects. Having successfully delivered critical contracts across these sectors, we continue to reinforce our standing as a trusted industry partner.

Scope of the Report

This Report assesses our Group's ESG management strategies and related achievements across our operational framework, primarily including reclamation and associated activities, marine transportation, and building and infrastructure projects in Malaysia and Singapore, alongside administrative functions in Hong Kong, for the period from 1 July 2025 to 30 June 2026 (the "**Reporting Period**", "**Year**" or "**2026**"). Unless indicated otherwise, the reporting boundary is consistent with that of earlier years, covering the subsidiaries listed below:

Business Segment	Entity	Location
Corporate office	The Company	Hong Kong
Marine construction, building and infrastructure works	JBB Builders (M) Sdn. Bhd.	Malaysia
Marine transportation	JBB Builders (M) Sdn. Bhd.	Malaysia
	JBB Resources (Singapore) Private Limited	Singapore

Environmental, Social and Governance Report

Reporting Standard

In accordance with Appendix C2 of the Listing Rules of The Hong Kong Exchanges and Clearing Limited ("**HKEx**"), the ESG Reporting Code has been adhered to in the preparation of this report. The report closely aligns with the following reporting requirements: consistency, balance, quantitative measurement, and materiality.

Reporting Principle	Description
Materiality	Through active engagement with key stakeholders and internal discussions, we have identified the relevant topics that are relevant to our stakeholders and have a significant impact on our business. The results from this assessment are presented in the section entitled, "Materiality Assessment".
Quantitative	In accordance with the ESG Reporting Code, we revealed our ESG performance with the aid of environmental and social key performance indicators ("**KPIs**") using robust methodologies, so that the effectiveness of our ESG policies and management systems can be evaluated and validated.
Balance	We have calculated and presented the environmental and social KPIs with reference to the ESG Reporting Code. Robust methodologies were adopted as outlined in the respective sections of this Report. We have included data comparisons over years to provide an unbiased comparison of our ESG performance from time to time.
Consistency	The same methodologies, standards, and reporting scope have been maintained for this Report, and are consistent with those in previous years' reports. This ensures that our ESG performance is presented in a transparent and comparable manner.

This Report has been reviewed and approved by the board of directors (the "**Board**", each the "**Director**").

Contact and Feedback

We are dedicated to cultivating robust ties with the community and adhering to the utmost levels of corporate accountability. Your input is essential in enabling us to enhance our approaches and elevate our sustainability outcomes. We encourage you to share your thoughts or opinions, please feel free to contact us at enquiry@jbb.com.my.

Environmental, Social and Governance Report

ABOUT US

Since 2012, JBB Builders, as a primary subsidiary within our Group, has established itself as a top marine construction company in Malaysia, carrying out major marine construction projects.

With a specialisation on marine construction services, JBB Builders utilises its expertise in managing and coordinating multiple subcontractors, allowing it to focus on essential activities like sand management and placement, which are critical to the reclamation processes. JBB Builders provides a range of specialised services, including hydrographic evaluations, preliminary reclamation planning, and sand management and placement, while systematically organising, coordinating, and overseeing its internal technical personnel and outside specialists. In order to provide a simplified approach, particularly for adaptable marine construction endeavors, our Group's business framework comprises acting as the principal contractor while delegating tasks to subcontractors, all under the close supervision of its project managers.

One of our significant accomplishments encompasses the achievement of ISO 9001:2015 certification by JBB Builders, demonstrating our dedication to quality management practices in the areas of building and infrastructure construction, reclamation and dredging works, and the development of coastal and river safeguarding frameworks.

We are pleased to have created a comprehensive Health, Safety, and Environmental ("**HSE**") Framework at work since we place a high priority on employee wellbeing. This framework reflects our commitment to ensuring each employee in our company a safe and healthy work environment. We strive to meet our safety goals of lowering fatalities and injuries by fostering a work environment where employee health and safety are given top priority via careful planning, execution, and continuous improvement initiatives. In addition to protecting our employees, our commitment to maintaining high standards in health and safety upholds our core values of responsibility, integrity, and individual care.

STATEMENT FROM DIRECTOR

The Board is firmly committed to a robust governance framework as the foundation for embedding sustainability into our business strategy. Our long-term growth is driven by a holistic approach that strengthens economic, environmental, human capital, social, and governance performance. By fully integrating sustainability across our operations, we are better positioned to guide our clients through their own sustainability challenges. Our skilled team delivers tailored solutions that address each client's unique industry landscape, operational needs, and regulatory obligations.

We continue to advance the sustainability initiatives outlined in this Report, while actively involving our employees in the process to build a culture rooted in inclusion, diversity, and equity. We strive to create a safe environment where every individual can share their authentic perspectives, enriching both our Group and the broader stakeholder community.

Recognising that sustainability impacts will be intensified in the future, we remain steadfast in improving both our performance and our transparency.

Environmental, Social and Governance Report

ESG GOVERNANCE

Our ESG Governance Structure

At our Group, we recognise that robust ESG governance is essential not only to driving long-term business success but also to reinforcing our broader commitment to responsible operations. Our Risk Management and Internal Control Policy clearly define the duties of the Board and senior executives in fostering a culture of responsibility and in managing risks proficiently. A strong ESG governance structure not only facilitates the rollout of an all-encompassing ESG strategy throughout the organisation but also strengthens ties with stakeholders. To enhance senior management's supervision of ESG issues, we have integrated ESG governance into our overall corporate governance structure, forming an "ESG Working Group" consisting of Board members and heads of departments.

The ESG Working Group oversees climate-related strategies and possesses extensive experience in marine construction, corporate governance, and regulatory compliance. To enhance climate-specific expertise, we have implemented periodic climate-related or ESG training for the ESG Working Group members on climate risk management and scenario analysis, and conduct annual reviews of competencies to identify and address any skills gaps. The Nomination Committee is responsible for ensuring the Board has the necessary expertise and skills, including overseeing climate-related issues, and arranges training where appropriate.

The ESG Working Group comprises five key governing bodies: the Board, Audit Committee, Executive Directors, Company Secretary, and Department Heads. Representing the Board, the Audit Committee monitors our Group's risk management structure. The Board bears the duty of overseeing our Group's ESG governance framework. The table below details the specific roles and responsibilities of each governing entity within the ESG Working Group.

Governing Body	Roles and Responsibilities
The Board	o Overseeing the assessment of our Group's environmental and social impacts; o Ensuring the development of robust ESG risk management and internal control systems; o Verifying that our Group's ESG policies align with regulatory requirements and investor expectations; o Defining the management approach, strategy, priorities, and targets; o Conducting regular reviews of our Group's achievements in relation to ESG objectives and targets; o Authorising and delegating duties to the ESG Working Group; and o Endorsing the ESG Report.
Audit Committee	o Evaluating adequacy of both internal and external resources allocated to risk management/internal controls, including staff qualifications/experience, training, budget for accounting, internal audit, financial reporting, and ESG performance/reporting; o Ensuring establishment and maintenance of effective risk management and internal control systems to address identified risks, safeguard assets, prevent/detect fraud/misconduct/loss, ensure accurate financial reports, and comply with laws/regulations; and o Assessing the scope and quality of management's ongoing monitoring of risks and internal controls, including ESG, internal audit and other assurance providers.
Executive Directors	o Determining ESG-related objectives and facilitating organisation-wide dialogue on relevant ESG matters; o Assessing our Group's threshold for risk tolerance and its capabilities to effectively identify, manage and mitigate ESG-related risks; o Directing the rollout of ESG measures and monitoring developments in risk governance; o Promoting a leadership-driven method for ESG topics to incorporate ESG elements into our Group's decision frameworks; and o Participating in regular ESG Working Group meetings to devise ESG strategies and enhance ESG awareness throughout our Group.
Company Secretary	o Closely monitoring developments in ESG-related laws and regulations that may impact our Group's business and operations, providing advice to the Board as required; and o Regularly preparing ESG-related reports for examination by the Executive Directors, supporting the oversight of ESG-related risks.
Department Heads	o Executing ESG policies and procedures, gathering feedback from relevant departments on ESG issues, and delivering reports to the Executive Directors; o Defining ESG-related goals, overseeing ESG-linked risks, and deploying effective measures to mitigate ESG-related risks in day-to-day activities; and o Delivering information to the Board and Audit Committee to appraise the effectiveness of the risk management and internal control systems.

In addition, the Board approves all climate-related targets and reviews progress quarterly via the ESG Working Group and annually at Board level. Climate-related performance is considered in the remuneration of executive Directors and senior management, as set out in the Remuneration Committee's terms of reference, which include both financial and non-financial performance, encompassing environmental, social, governance, and business sustainability factors, including responding to climate change, in determining appropriate remuneration. Progress against climate-related targets is assessed alongside other performance metrics to ensure alignment with our sustainability objectives.

The ESG Working Group meets periodically to facilitate communications on identifying, assessing, prioritising, overseeing, managing, monitoring, and communicating ESG (including climate)-related risks. The Board and Audit Committee meet at least twice annually to discuss ESG (including climate)-related risks and opportunities, supported by reports prepared by external independent consultants or internal control reviewers and internal data, ensuring the Board and Board members exercise their duties on overseeing, evaluating, prioritising, managing, and monitoring all material ESG (including climate)-related matters.

Intended Outcomes

The specific functions and responsibilities of the Board, as set out in the table above, are intended to ensure their understanding of ESG risks and opportunities associated with our Group. Similarly, for the remaining governing entities, the outlined functions and duties are structured to fulfil the following goals: (1) detection of ESG risks and opportunities that correspond with strategic objectives; (2) appraisal and alleviation of the consequences arising from ESG risks and opportunities; (3) rollout of appropriate and effective ESG risk management and internal control mechanisms; and (4) routine evaluation of ESG performance in comparison to Environmental Performance Data established goals and targets.

Risk Identification and Assessment

Our Group considers a range of factors carefully that contribute to or increase risk, including issues such as previous failures to achieve objectives; quality of personnel; significant changes, such as increased competition; legislative, regulatory and personnel changes; market developments, the significance and complexity of specific activities undertaken by our Group. Risks identified by peer companies and stakeholder engagement shall be considered with the support of external independent consultants or internal control reviewers.

Climate risks are considered in our annual strategic planning and major project due diligence. Executive Directors are responsible for considering the nature and extent of ESG-related risks and opportunities facing the Group, and promoting a culture from the top-down approach to ensure ESG considerations are part of the business decision-making process. Where climate measures involve additional costs, we assess long-term benefits on a case-by-case basis. Climate resilience is also factored into capital allocation decisions, particularly for sustainable technologies and infrastructure upgrades.

ESG Risk Management

Our ESG Risk Management processes comprise the following key elements:

- Board Supervision: The Board oversees sustainability matters, risk governance, internal controls, and ESG reporting, convenes regular meetings to review the ESG methodologies, performance and outcomes.

- External ESG Risk Assessment: An independent consultant was engaged to perform a comprehensive ESG risk analysis during the Reporting Period to identify key ESG risks facing our Group.

- Climate-linked Risks and Opportunities: The Board reviews identified ESG risks, encompassing those related to climate along with associated opportunities, providing guidance to strengthen our Group's ESG performance and resilience.

- Stakeholder Engagement: Ongoing engagement with stakeholders is conducted to identify and assess ESG topics that are material to the operations and interested parties, subsequently incorporating them into the ESG policy structure.

- Audit Committee Evaluation: The Audit Committee conducts annual evaluations of the identified material ESG topics to enhance our Group's ESG risk management processes.

The Board regularly reviews the risk management and internal control policies to ensure its effectiveness. It will then be communicated to all employees for implementation. Minutes are prepared to document discussions and approvals relating to our Group's risk management and internal control policies.

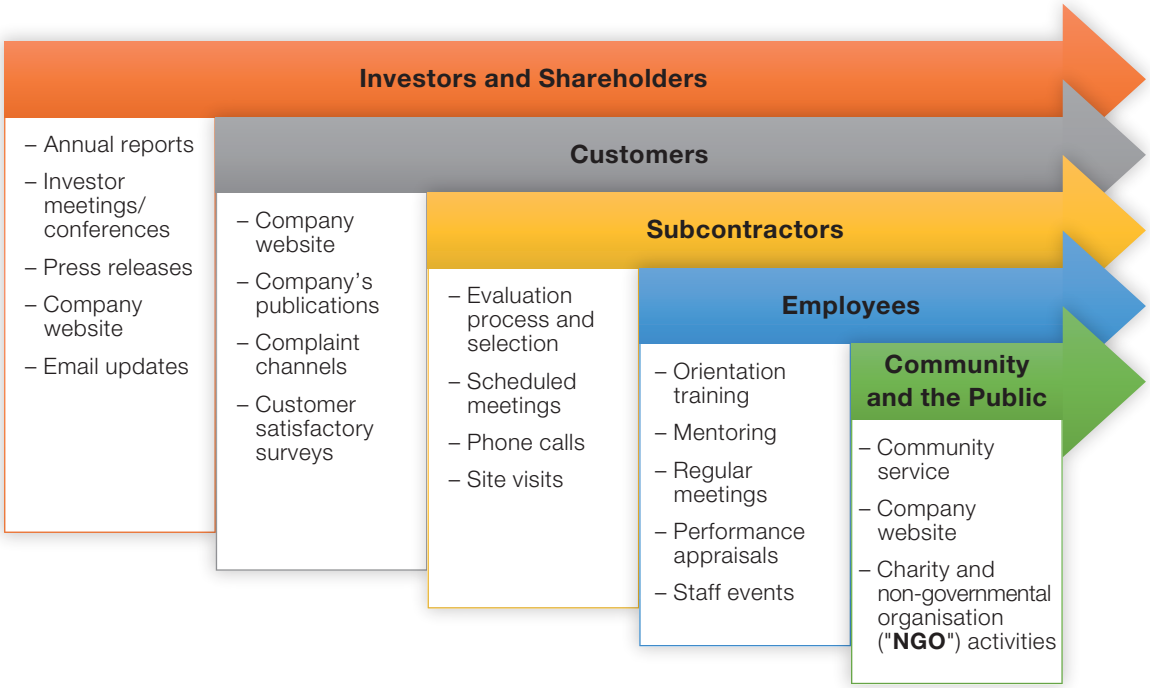
Environmental, Social and Governance Report

In 2026, our Group has identified 5 key ESG risks. For the purposes of this Report, the Group defines its time horizons as follows: short-term (1–2 years), medium-term (3–5 years), and long-term (6–10+ years). The table below summarised the risks:

Risks	Implications	Time Horizon	Our Responses
Widespread Diseases	Outbreaks of infectious diseases may reduce workforce availability, disrupt supply chains, and create health-related operational delays.	Short-term	We adhere to the Prevention and Control of Infectious Disease Act 1988 and implement strict health protocols. Health declarations are obtained from all new hires, and we maintain a proactive safety culture supported by our Occupational Safety, Health, and Environment ("**OSHE**") Policy and rigorous site inspections to protect employee health and ensure business continuity.
Data Privacy and Cybersecurity	Increasing reliance on digital systems, data sharing, and AI-powered tools exposes the Group to risks of data breaches, cyberattacks, unauthorised access, and potential misuse or over-reliance on AI systems.	Short-to-medium-term	We have implemented a Data Protection Policy. Regular system audits, access controls, and human oversight mechanisms are enforced to safeguard confidential data and ensure AI is used ethically, transparently, and in compliance with evolving regulations.
Climate Transition Risk (Policy, Technology, Market and Reputation)	Delayed response to evolving climate policies, emerging low-carbon technologies, shifting market preferences, and reputational pressures may increase long-term costs and damage reputation.	Medium-to-long-term	We actively track regulatory and market trend, integrating ESG factors into our strategic planning. Regular training and stakeholder engagement ensure our teams remain agile and well prepared to respond to climate-related transitions and maintain competitiveness.
Climate Physical Risk (Acute and chronic)	Extreme weather events and long-term climate shifts, such as rising sea levels and higher temperatures, pose direct threats to marine construction and reclamation operations, affecting assets and services.	Short-to-long term	We undergo job safety analyses and enforce permit systems for hazardous tasks to mitigate immediate physical risks. For long-term resilience, we integrate climate projections into infrastructure design (e.g., elevated platforms, improved drainage) and conduct regular scenario modelling. Our OSHE Policy and site-specific risk assessments strengthen operational resilience, enabling us to respond effectively to climate related physical disruptions.
Subcontracting Risk	Inadequate oversight of subcontractors may result in deviations from ESG requirements, compromised project quality, and safety violations.	Short-to-medium-term	We maintain stringent supervision and quality assurance throughout all project phases. Subcontractors are required to comply with our ESG and safety protocols, and their performance is regularly evaluated to ensure consistent alignment with our standards.

STAKEHOLDER ENGAGEMENT

Transparent and effective communication with stakeholders is a key priority for our Group. It allows a better understanding of their perspectives and expectations regarding ESG priorities and the related environmental and social concerns of our operations. Through various communication channels, the Group actively seeks stakeholder feedback and addresses their concerns, with a view to continuously strengthening its ESG governance and management practices.



MATERIALITY ASSESSMENT

To obtain a comprehensive view of our ESG strategy and performance, our Group engaged an independent consultant to gather feedback from a broad range of stakeholders. To enhance the rigour and inclusiveness of our materiality assessment, we conducted surveys targeting key groups including the Board, senior management, employees, customers, subcontractors, and suppliers. Their comments have been carefully incorporated into relevant sections of this Report. Through ongoing engagement and responsiveness to stakeholder input, our Group reaffirms its commitment to continuously advancing its ESG efforts and maintaining alignment with stakeholder expectations.

Identification

- Drawing on materiality topics from Sustainability Accounting Standards Board ("**SASB**") Materiality Map, global ESG trends, peer benchmarking, and guidance from the ESG Reporting Code, our Group, with the support of an external consultant, identified 37 topics closely aligned with its operation and impact, spanning both environmental and social aspects.

Engagement

- Through an online questionnaire, the Group invited both internal and external stakeholders to evaluate the significance of 37 identified topics based on their relevance to the Group's business operations and stakeholder interests respectively.

Prioritisation

- The Group reviewed and consolidated stakeholder responses to assess the relative materiality of each identified ESG topic. Based on the results of the materiality assessment, this Report focuses on the most significant topics, outlining the Group's corresponding plans and impacts.

Verification

- The results were reviewed by management to ensure accuracy in this Report disclosures and alignment with the Group's strategic goals. The identified issues and their associated impacts are regularly assessed to ensure their relevance to the Group's evolving operations and priorities.

The significance of the 37 ESG-related issues are plotted in the materiality matrix, considering the influence on stakeholders and our business operations. The top right quadrant lists out the most material issues, whereas the least material issues are located at the bottom left.

Materiality Matrix

Environmental, Social and Governance Report

Social

Environment

1. Air emission
2. Greenhouse gas emission
3. Ecological impacts
4. Energy
5. Energy management
6. Environmental compliance
7. Green supply chain management
8. Greenhouse gas emission
9. Physical impacts of climate change
10. Waste and hazardous materials management
11. Water and wastewater management

Employment

12. Community relations
13. Customer welfare
14. Data security
15. Diversity and Inclusion
16. Diversity and equal opportunity
17. Employee development
18. Employee engagement
19. Employee retention
20. Employee training
21. Human rights
22. Labour rights
23. Occupational health and safety
24. Prevention of child labour and forced labour
25. Shareholder rights

Operation

26. Business ethics
27. Critical incident risk management
28. Customer privacy
29. Customer satisfaction
30. Customer service quality and complaints management
31. Intellectual property
32. Marketing and product and service labelling compliance
33. Product design and lifecycle management
34. Product quality and safety
35. Responsible supply chain due diligence
36. Socio-economic compliance

Community

37. Community involvement

The materiality assessment provides valuable insights into key ESG risks and opportunities across our operations. The below findings inform the development of strategic initiatives that address the most important ESG issues and optimise resource allocation.

Moreover, it enables us to better understand and respond to stakeholder expectations, strengthening their trust and satisfaction with our operations. By identifying and prioritising key ESG issues, we integrate these concerns into our main decision-making processes.

By leveraging the findings of the materiality assessment, our Group aims to create long-term value for stakeholders, reduce potential risks, and make positive contributions to society and the environment.

Main Concerns from Stakeholders	Our Responses	Sections
Customer Satisfaction	Our Group is committed to delivering exceptional, client-focused services that consistently meet or exceed expectations. Our quality management system, aligned with the International Organisation for Standardisation ("**ISO**") 9001:2015, provides a robust framework for delivering reliable services. We maintain proactive communication with clients throughout every project phase, appoint dedicated project managers to oversee progress, and conduct customer satisfaction surveys upon project completion. Feedback is formally reviewed during management meetings to identify areas for continuous improvement, ensuring that our services remain responsive, high-quality, and reliable.	VALUE CHAIN – Reliable Services OUR EMPLOYEES AND PROSPERITY – Healthy and Safe Workplace
Customer Privacy	Our Group is deeply committed to protecting the confidentiality and privacy of all client data. Our Data Protection Policy establishes clear expectations and requirements for the responsible handling of personal and business information. We process all client data in strict accordance with applicable laws and regulations and prohibit disclosure to third parties without explicit consent or legal mandate. Our robust security systems are designed to prevent unauthorised access, and employees are required to adhere to this policy, with any non-compliance leading to disciplinary action.	VALUE CHAIN – Reliable Services
Data Security	Safeguarding sensitive information is paramount to our operations. Beyond customer privacy, our Group has implemented a comprehensive framework to secure all assets and resources, including intellectual property, and to ensure the confidentiality of sensitive business information. We enforce strict policies, such as the Information Technology Security Policy and Password Setting Policy, and conduct regular policy reviews to ensure effectiveness. We require all employees and business partners to comply with our stringent data protection protocols to uphold the integrity and security of our data assets.	VALUE CHAIN – Reliable Services

Main Concerns from Stakeholders	Our Responses	Sections
Human Rights	Our Group is steadfast in its commitment to upholding and respecting fundamental human rights across all our operations and supply chain. We maintain a zero-tolerance policy towards any form of discrimination, child labour, or forced labour, strictly adhering to the standards defined by the International Labour Organisation. Our comprehensive Labour Policy, which includes our Gender Diversity Policy, and our robust Child Labour and Forced Labour Policies, ensure that we provide a fair, equitable, and respectful workplace.	OUR EMPLOYEES AND PROSPERITY – Fair and Diverse Workplace OUR EMPLOYEES AND PROSPERITY – Child and Forced Labour-free Workplace
Business Ethics (for example, anti-corruption, money laundering prevention)	Our Group upholds the highest standards of integrity and ethical conduct, guided by our comprehensive Code of Conduct. We strictly prohibit all forms of bribery, corruption, fraud, and money laundering through our anti-corruption and anti-fraud policies. Our robust governance framework includes formal reporting channels and a whistleblowing Policy, empowering employees and stakeholders to report any suspected misconduct with the guarantee of protection from retaliation. Regular compliance training is provided to all employees and directors to reinforce our culture of transparency, accountability, and ethical business practices.	VALUE CHAIN – Business Ethics

OUR SUSTAINABILITY ALIGNMENT

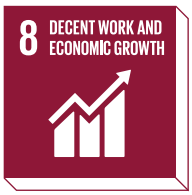
In 2015, the United Nations established the 2030 Agenda for Sustainable Development, comprising 17 Sustainable Development Goals ("**SDGs**") aimed at addressing global challenges, including poverty eradication, environmental protection, and the promotion of peace and prosperity by 2030.

As a responsible and forward-looking company, we have aligned our ESG governance and initiatives with the seven SDGs that are most material to our stakeholders and core business operations. Further information on our initiatives and commitments is provided in the following sections.

OUR PEOPLE – Healthy and Safe Workplace

OUR PEOPLE – Fair and Diverse Workplace

ECO-FRIENDLY OPERATIONS



OUR PEOPLE – Employment Conditions

VALUE CHAIN – Supply Chain Management; ECO-FRIENDLY OPERATIONS

CLIMATE CHANGE PREPAREDNESS

ECO-FRIENDLY OPERATIONS

Environmental, Social and Governance Report

OUR EMPLOYEES AND PROSPERITY

The Group places strong emphasis on the well-being of its employees and recognises their valuable contributions to the company. In recognition of their dedication, we uphold high standards in key areas of employment ethics including fair compensation, transparent recruitment practices, and adequate rest periods. These commitments reflect our goal of fostering a supportive and respectful workplace where employee well-being is prioritised.

Our Group is committed to promoting equal opportunities and views employee diversity as a key strength. We cultivate a culture of fairness across all aspects of employment, firmly opposing any forms of discrimination or harassment including derogatory remarks based on race or ethnicity. In addition, we actively promote gender equality in the workplace by ensuring equitable treatment in daily interactions and leadership development. We value and respect diverse talent regardless of gender, age or other personal characteristics.

To support and monitor gender equality across our workforce, our Group has established a comprehensive Gender Diversity Policy. This policy reflects our commitment to meaningful progress by setting measurable targets such as reducing turnover rates and maintaining gender balance across all organisational levels. It includes clearly defined, measurable gender ratio goals that are regularly reviewed and adjusted as necessary. The methodology for identifying and calculating gender ratios is set out in the Gender Diversity Policy, which forms part of our broader Labour Policy.

In addition to gender diversity, our Group places strong emphasis on fostering age diversity within the organisation. We recognise the value of the unique perspectives and experiences that a multi-generational workforce brings, knowing that individuals of different age groups contribute meaningfully to our collective success. By promoting age diversity, we hope to create an inclusive workplace where employees of all ages feel respected, valued, and empowered to share their knowledge and skills.

Through a range of initiatives including mentorship programmes, flexible work arrangements, and career development pathways tailored to different career stages, we support the growth and well-being of our employees across all age groups. This commitment reflects our belief in building a workforce that mirrors the diversity of society and is well-equipped to thrive in a dynamic business environment. Maintaining exceptional employment standards and ensuring a safe working environment remain top priorities for our Group. We actively pursue these goals by minimising health risks and promoting overall employee well-being. To enhance transparency and comparability, the following section presents employment statistics as of the end of the Reporting Period and for the fiscal year 2025.

Number of Employees		**2026**	2025
Total Number[1]		**69**	66
By gender	Male	**75.36%**	74.24%
	Female	**24.64%**	25.76%
By age group	Below 30	**11.59%**	6.06%
	30 – 50	**68.12%**	74.24%
	Over 50	**20.29%**	19.70%
By geographical region	Hong Kong	**1.45%**	1.52%
	Singapore	**10.14%**	12.12%
	Malaysia	**88.41%**	86.36%
By employment type	Senior Management	**2.90%**	3.03%
	Middle Management	**13.04%**	13.64%
	General Staff	**84.06%**	83.33%

Employee Turnover Rate[2]		**2026**	2025
Total Turnover Rate		**11.85%**	7.94%
By gender	Male	**13.86%**	8.60%
	Female	**5.88%**	6.06%
By age group	Below 30	**50.00%**	50.00%
	30 – 50	**8.33%**	6.38%
	Over 50	**7.41%**	0.00%
By geographical region	Hong Kong	**0.00%**	0.00%
	Singapore	**13.33%**	0.00%
	Malaysia	**11.86%**	9.26%

1 The number excludes the Directors.

2 The turnover rate is calculated by dividing the employees in the specified category leaving employment by the average number of employees in the specified category.

Healthy and Safe Workplace

SDG 3: Good Health and Well-being

In support of the objective to "Ensure healthy lives and promote well-being for all at all ages", we acknowledge our responsibility as employers to prioritise the health and well-being of our workforce. We are committed to providing a safe and healthy working environment for all employees, reflecting our dedication to their overall welfare and long-term sustainability.

In alignment with SDG 3: Good Health and Well-being, our Group is dedicated to fostering a safe and healthy work environment that places employee well-being at the forefront. We actively promote a balanced work–life culture to enhance overall wellness. To protect both our workforce and neighbouring communities, we have implemented a structured safety management framework and comprehensive safety policies across all company premises and operations.

As set out in our Code of Conduct Handbook and Safety Manual, we are committed to maintaining a safe, healthy, and productive workplace for all employees. Recognising that alcohol and substance abuse can adversely affect individual health, job performance, and overall workplace safety. In line with our commitment to employee well-being and operational integrity, we enforce a strict policy ensuring that our work environment is free from alcohol, drugs, and related issues.

In compliance with all laws and regulations, our Group is committed to maintaining a secure workplace and protecting employees from occupational hazards. During the Reporting Period, no significant instances of non-compliance were recorded. Reflecting our dedication to enhancing the quality of the work environment, we have established specific health and safety guidelines that align with legal requirements, environmental standards, and sustainable practices. Our OSHE Policy developed in accordance with global standards applies to all employees and temporary staff across our Group and its affiliates.

Our Group implements robust measures to safeguard the security of its business facilities, including the regular conduct of workplace safety and health inspections. Any instances of non-compliance are promptly reported during scheduled Health and Safety Committee (the "**Committee**") meetings. This standardised procedure ensures that our Group remains fully comply with both legal obligations and internal policies.

Better Emphasis on Worker Health and Safety Culture Employers must promote a strong safety culture by:		
Performing **daily toolbox meetings** and **safety briefings by the supervisory staff**.	Encouraging workers to report any risks without fear of reprisals.	Putting in place a thorough behaviour-based safety program to promote safe work behaviours and assess its efficacy.
Workers are given more protection under the amended OSHE, allowing them to refuse unsafe work conditions without repercussions.		

Integration of Advanced Technology for Safety Compliance Employers are encouraged to adopt digital solutions such as:		
AI-driven hazard detection on construction sites.	Drones for site surveillance and safety monitoring.	Wearable safety gadgets that monitor worker movements and notify them to potential dangers.
Digital record-keeping for incident reporting and safety audits are essential to demonstrate compliance.		

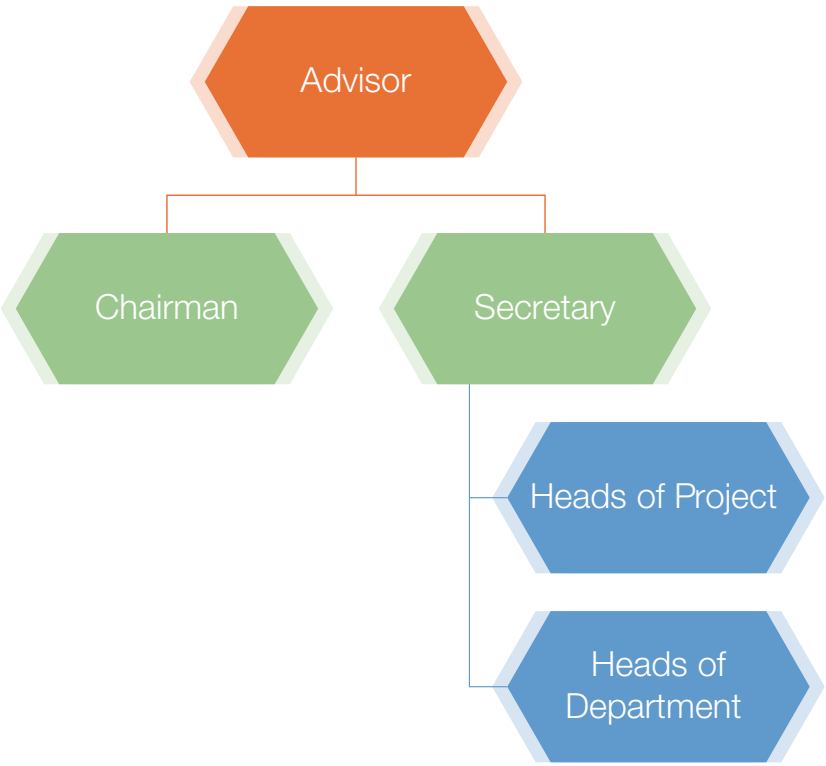
Aspect	Relevant Laws and Regulations	Jurisdiction
Workers' Health and Safety	• Construction Industry Development Board Act 1994 • Occupational Safety and Health (Amendment) Act 2022 • Occupational Safety and Health (Construction Work) (Design and Management) Regulations 2024 • Prevention and Control of Infectious Disease Act 1988 • Worker's Standard Accommodation and Amenities (Amendment) 2019	Malaysia
Working Environment	• Workplace Safety and Health Act	Singapore
	• Occupational Safety and Health Ordinance (Cap. 509) • Employees' Compensation Ordinance (Cap. 282)	Hong Kong
	• Environmental Quality (Amendment) Act 2024 • Prescribed Activities (Open Burning) Order 2000 • Environmental Quality (Scheduled Wastes) Regulations 2005	Malaysia

Safety Targets

Operating on the principle that accidents and injuries are avoidable through effective safety and health management, our Group achieved its safety and health goals for 2026 successfully. Continuing this momentum, we remain committed to pursuing these goals in 2027, underscoring our ongoing pledge to workplace safety and employee well-being.

Safety Management

Employee well-being is our Group's foremost priority, with all health and safety issues overseen by the Committee. Project and department heads are responsible for reporting directly to the Committee's chairperson and advisor. The Committee's is responsible for reviewing health and safety protocols, overseeing their effective implementation, and monitoring ongoing compliance. It also provides oversight and support in response to accidents, near-misses, hazardous incidents, occupational illnesses, or any violations of health and safety guidelines. To uphold high standards, the Committee conducts monthly walkthrough inspections to verify compliance to all relevant health and safety regulations.

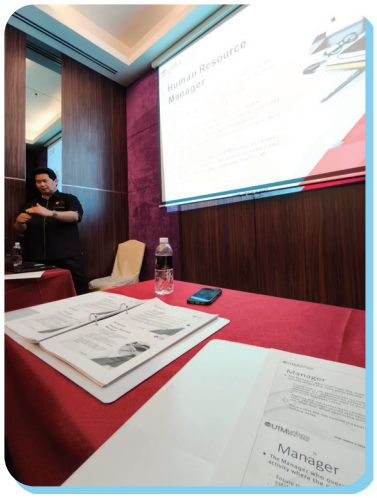


Environmental, Social and Governance Report

Safety Operations

Safeguarding our workforce is a fundamental pillar of our Group's operational framework. As part of our onboarding process, all new employees are needed to complete a health declaration form to certify their physical capability to meet the requirements of the work environment. In line with our proactive approach to workplace safety, we provide essential protective equipment such as safety harnesses, vests, and helmets and rigorously enforces their correct use across all operational sites.

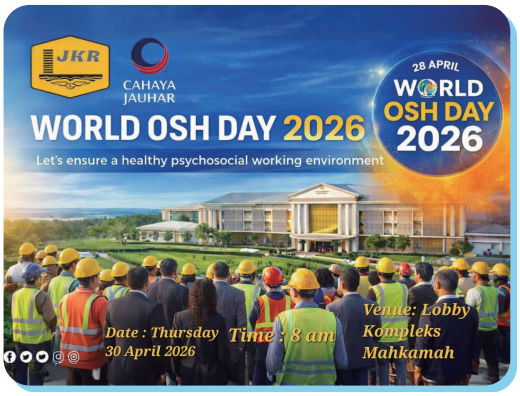
Central to our safety commitment is the OSHE Policy. A critical element of our safety culture is to ensure that every employee has a thorough understanding of the OSHE Policy and the relevant regulatory framework. The OSHE policy is clearly communicated to our employees during training sessions, project briefings, and throughout the various stages of project execution. We are confident that our collective dedication to safety underpins our risk mitigation efforts and contributes to a secure and resilient working environment.



To strengthen hazard identification and reinforce risk management practices, our Group carries out job safety analyses across all construction sites. Supervisors and inspectors conduct systematic evaluations of site-specific risks, document their findings, implement appropriate control measures, and assign clear responsibilities to safeguard the well-being of our workforce. Moreover, routine inspections of machinery and equipment are conducted to promptly detect and rectify any defects that may pose safety threats.

To effectively manage health and safety risks associated with hazardous tasks such as working at heights or in extreme conditions, our Group enforces a stringent permit system. Employees are obligated to secure the relevant permits in accordance with safety regulations and scheduled inspections before commencing such activities. As outlined in our Employee Handbook, failure to comply with safety instructions at project sites is considered as misconduct and may result in disciplinary action. Our Group responds promptly to any system irregularities that could pose significant health and safety risks. We maintain a strict zero-tolerance policy toward non-compliance with safety procedures, establishing procedures to withdraw authorisations and permissions when warranted.

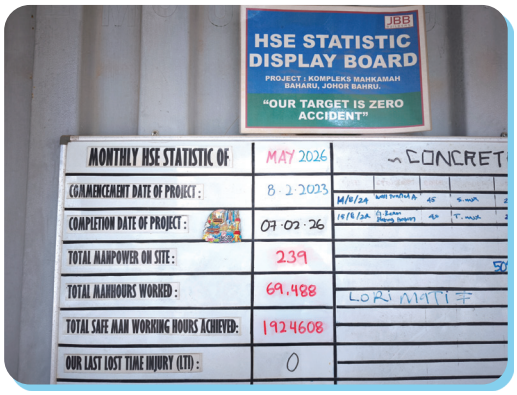
World OSHday Program



Toolbox meeting

Environmental, Social and Governance Report

Machinery and equipment safety inspection

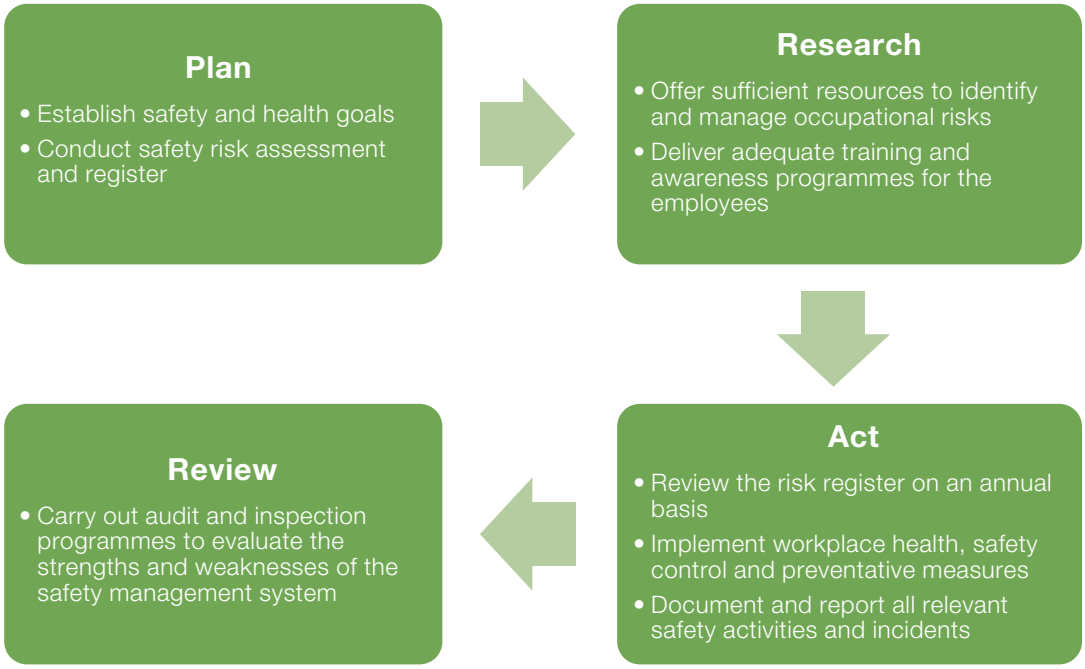


To ensure a safe and well organised construction environment, our Group undertakes regular on-site housekeeping and road cleaning for all project sites. A tidy and orderly worksite substantially minimises the risk of accidents caused by tripping over debris, tools, or materials, common hazards at construction settings. In addition, a clean workspace enhances hazard visibility, enabling workers to identify potential dangers such as exposed wires, uneven surfaces, or unsafe equipment more easily.

Regular housekeeping and site cleaning

Our HSE Framework

Our Group's HSE Manual provides a comprehensive framework to maintain quality control in health and safety risk management, consistent with the commitments set in our OSHE Policy. A structured safety management system is in place to oversee employee conduct during high-risk site activities, such as fire hazards and the operation of tools and machinery, ensuring strict compliance to safety protocols. To reinforce adherence, penalties are applied for any breaches of established rules and regulations. This framework enables our Group to manage health and safety risks across all operational areas effectively.



Environmental, Social and Governance Report

Safety Training

To continuously strengthen our workforce's safety knowledge across critical areas including project safety, emergency response, accident investigation, and firefighting, our Group has introduced an annual training schedule. This training plan includes safety orientation sessions covering a wide range of aspects, such as our safety and health regulations, best practices for safe work execution, basic survival methods and procedures for reporting accidents. These training sessions are targeted to increase awareness, preparedness, and compliance across all levels of the organisation.

The Challenges at the Construction Site Training Certificate

MIE ZAN ENTERPRISE (CA0310673-U) CERTIFICATE NUMBER: 2164 /26

MZE
MIE ZAN ENTERPRISE

CERTIFICATE OF PARTICIPATION

THIS CERTIFICATE IS PROUDLY AWARDED TO

AZIZI BIN.MOHD KHAIRAN
740425-01-5309

HAS SUCCESSFULLY ATTEND THE COURSE ENTITLED

CABARAN DI TAPAK BINA - COMBINATION FOUR IN ONE (PART 12)

ON 4 & 5 MAY 2026 CONDUCT BY **MIE ZAN ENTERPRISE**
AT ONLINE PLATFORM (ZOOM MEETING)

REGISTERED HRD Corp TRAINING PROVIDER

Azizan Bin Yahya
PRINCIPLE TRAINER

HQ/14/2026/00192(10 CEP)

Incident Handling

Our Group is well-equipped to respond to emergencies, supported by clearly established procedures that outline the appropriate actions, points of contact, and designated evacuation areas for different emergency scenarios. Should an accident or incident occur, a formal report is submitted in accordance with relevant regulations, followed by a prompt investigation. Remedial actions are then implemented, and potential improvements are discussed during review meetings to proactively prevent future occurrences.

Chemical Safety

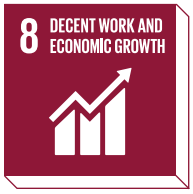
The safe management of chemicals is a key concern across our construction sites, as improper handling of hazardous substances can severely compromise worker health and safety. To address these risks, our Group operates a strict permit system that requires employees to secure authorisation before handling chemicals or hazardous materials. Subcontractors are required to submit a prior self-declaration, specifying the proposed use and storage location of each chemical for evaluation. The Safety Department is responsible for verifying and evaluating the safety information of all chemical items. Furthermore, we maintain a structured chemical inventory to monitor and control the substances stored on-site.

	2026	2025	2024
Number of lost days due to work-related injuries	**–**	–	–
Number of work-related fatalities	**–**	–	–

Employment Conditions

SDG 8: Decent Work and Economic Growth

Aligned with SDG 8 – "Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all", our Group is dedicated to advancing sustainable economic development across the regions where we operate. We pursue this objective by providing meaningful job opportunities for local workers, supporting to inclusive growth and long-term community resilience.



We place great importance on labour rights and actively engage with our employees to cultivate a fair and supportive work environment. In response to their needs and feedback, we have established a comprehensive compensation framework aimed at boosting motivation and job satisfaction. Performance-based wage increases, and discretionary bonuses are offered in proportion to individual appraisals and our Group's overall profitability, reflecting our commitment to rewarding excellence and promoting decent work for all.

We are dedicated to promoting sustainable work-life balance through well-crafted policies that promote a healthy lifestyle for all employees. In alignment with international labour rights, we ensure a fair and equitable work environment where eligible employees are fully entitled to a comprehensive range of paid leave options including relocation, medical, paternity, maternity, marriage, compassionate, and emergency leave. Moreover, we offer a range of allowances to support essential living standards, such as housing, travel, and relocation, reinforcing our dedication to employee well-being and quality of life.

We hold that equal rights and opportunities in employment are fundamental. Our approach prioritises hiring local workers, with selection based on merit and capabilities. We are dedicated to supporting their professional growth, enabling them to make meaningful contributions to their families and communities.

Fair and Diverse Workplace

SDG 5: Gender Equality

"Achieve gender equality and empower all women and girls".

The Group upholds a strict zero-tolerance policy against any form of discrimination towards women. We actively condemn such behaviours and are committed to fostering an inclusive and respectful workplace where all individuals are treated with dignity and fairness.

Our commitment to equitable employment practices is reflected in our dedication to fostering a workplace grounded in diversity, equality, and inclusion. We address any occurrences of bias, exclusion, or harassment fairly, regardless of an individual's age, ethnicity, race, nationality, gender, marital status, religious convictions, or sexual orientation. Within our employment framework, individuals with health conditions or disabilities are neither denied opportunities nor marginalised. Our Group firmly condemns the usage of child labour and has established various policies to prevent and prohibit such practices, including forced labour.

We are strong advocates of gender equality across all areas of our operations. To achieve this aim, we have implemented a Gender Diversity Policy that introduces our commitment to exploring innovative approaches for recruiting, selecting, and promoting female applicants or staff. Our goal is to increase female involvement at every organisational tier to achieve a balanced gender distribution within our workforce. To monitor our progress, we have defined a desired gender balance that we will regularly examine to verify consistency with our objectives.

We will quantify and establish a target to reach the attain gender ratio based on the current workforce, department needs and requirements. A target setting team is established, referred to as the strategic planning team, will be responsible for determining the target groups and timeline for achieving diversity within our Group.

The strategic planning team will identify and define a specific target group based on a set of robust indicators. This process will involve the head of each department, who will determine realistic targets for their respective teams. These department analysis and targets can then be consolidated to form an overall organisation goal.

Our policy reflects our belief that gender balance in the workplace is not merely morally appropriate but also advantageous to our operations. We recognise the valuable role of diversity, which brings innovative and diverse thoughts, viewpoints, and techniques for tackling challenges.

Our Group complies with all applicable laws and regulations governing remuneration and dismissal, recruitment and promotion, working hours, rest periods, equal opportunities, diversity, anti-discrimination, and other benefits and welfare provisions. During the Reporting Period, no significant violations of these laws took place that could have a substantial effect on our Group.

Aspect	Relevant Laws and Regulations	Jurisdiction
Workers' Health and Safety	• Employment Act 1955	Malaysia
	• Employment Act	Singapore
	• Employment Ordinance (Cap. 57)	Hong Kong

Child and Forced Labour-free Workplace

Our Group is committed to maintaining ethical employment standards that safeguard the rights of both potential candidates and current employees. We strongly reject child or forced labour, signifying that our Group maintains a strict zero-tolerance policy towards such immoral practices within our operational activities. To give effect to this commitment, we align our practices with the standards set forth by the International Labour Organisation and have developed policies against child and forced labour grounded in internationally established definitions. Our Human Resources Division manages the entire recruitment process, ensuring rigorous adherence to labour guidelines. Periodic training is provided to employees to prevent any instance of forced labour within our Group. Any improper employment practices, if any, must be ceased immediately.

Our Group adheres to every relevant law and regulation focused on prohibiting child and forced labour. During the Reporting Period, no substantial violations of these laws took place that might have a significant effect on our Group.

Aspect	Relevant Laws and Regulations	Jurisdiction
Workers' Health and Safety	• Children and Young Persons (Employment) Act 1966	Malaysia
	• Employment (Children and Young Persons) Regulations	Singapore
	• Employment Ordinance (Cap. 57)	Hong Kong

Child Labour

We are committed to fostering moral and accountable business operations. In alignment with this pledge, we have established a Child Labour Policy that prevents the use of "Child Labour" as defined and outlined by the International Labour Organisation. Under the definition, child labour involves tasks that strip children of their youth, their possibilities, and their self-worth, while posing significant risks to their bodily and emotional development.

Our Group strictly prohibits the hiring child labour as defined by the International Labour Organisation. We are fully committed to adhering to every relevant child labour regulation, covering aspects like compensation, work hours, overtime, and workplace environments. We further oppose any types of child exploitation. We expect that our business collaborators and affiliates will maintain comparable benchmarks and comply with the governing laws of the nations in which they conduct operations.

Minimum Age Convention, 1973 (No. 138) sets the general minimum age for admission to employment or work at 15 years (13 for light work) and the minimum age for hazardous work at 18 (16 under certain strict conditions). It provides the possibility of initially setting the general minimum age at 14 (12 for light work) where the economy and educational facilities are insufficiently developed.

Accordingly, as part of our recruitment procedures, our Human Resources Department verifies the age of candidates by obtaining their legitimate identification documents issued by recognised authorities before starting employment, to verify that candidates are at least 15 years old for general positions and 18 years old for roles involving hazards. We guarantee that this Child Labour Policy is executed and refined to meet industry benchmarks and leading practices. In the event of a violation of this Child Labour Policy and its guidelines, or if child labour is identified, the child is required to halt work at immediately, and our Human Resources Department will implement all essential measures to ensure to the relevant laws and regulations without any delays.

Our Group is dedicated to advancing ethical and responsible business operations, and we treat our obligation to prevent child labour with the highest level of seriousness. We ensure that every child is entitled to a youthful childhood phase, formal education, and a safe and nurturing atmosphere in which they become mature and thrive.

Forced Labour

Our Group is dedicated to advancing ethical and responsible business operations. In alignment with this pledge, we have established a Forced Labour Policy that aligns with the "Forced Labour" definition as specified by the International Labour Organisation. According to Forced Labour Convention, 1930 (No. 29), forced or compulsory labour is all work or service which is exacted from any person under the threat of a penalty and for which the person has not offered himself or herself voluntarily.

Our Group strictly prohibits the hiring of forced labour as defined above. Every employee must have the right to begin and terminate employment willingly and without restriction, free from any intimidation of sanction, while accounting for the statutory rights and duties of both entities in the employment dynamic. Coercion must not be applied in any situation to menace staff or compel them to consent to or continue in a role. Menaces or the deployment of aggression, molestation, or bullying targeted at labours, their relatives, or their proximate contacts shall not be utilised to scare specific employees or the entire workforce.

We guarantee that salaries are disbursed consistently and directly to the staff members. Non-monetary compensation must not be utilised to create indebtedness for an employee, and remuneration in the form of vouchers or promissory notes is forbidden, along with any payment methods that result (deliberate or otherwise) in removing the employee's capacity to terminate their employment. Staff members must not be subjected to debt servitude or obligated to labour to repay a debt that has been genuinely accumulated or inherited. Personnel should not be restricted, confined, or otherwise confined at the work premises or in accommodations managed by the employer, whether inside or outside of working hours. Any unlawful curbs on employees' liberty of movement are forbidden.

Our Human Resources Department is responsible for ensuring that this Forced Labour Policy is implemented and refined in line with sector benchmarks and optimal methods. We conduct regular training sessions to staff to confirm that no forced labour occurs within our Group. Additionally, we have formulated a Whistleblowing Policy, and any identified forced labour must be reported via the whistleblowing mechanism in accordance with the Whistleblowing Policy.

We are dedicated to advancing ethical and responsible business operations, and we treat our obligation to prevent forced labour with the utmost seriousness. We believe that every staff member is entitled to work in a safe and healthy environment, free from any form of coercion or exploitation.

Learning and Development

We recognise the vital role in preserving our Group's and our workforce's competitiveness through the continuous acquisition of professional skills, expertise, and industry knowledge. We regard our staff as essential resources, and we are committed to their retention and long term development.

Therefore, we have invested considerable effort in identifying the employees' training and growth requirements, while emphasising their advancement and educational prospects. Our Employment Training and Development Policy mandates that coaching, mentoring, and training must be offered to Board members, executives, new recruits, and other personnel.

During the Reporting Period, a comprehensive range of training programmes was delivered to our employees, highlighting the diversity of skills developed. Our training included broad and targeted sessions through seminars and focus groups. Training and materials are provided to Directors and employees at all levels periodically for them to refresh their knowledge, exercise their duties and develop the required competencies and, more broadly, the elements supporting a sound risk culture, including effective challenge and open communication.

We ensure that continuous training events are provided to equip our employees with in-depth understanding of sector-specific competencies. Training delivered during the Reporting Period covered a broad range of topics, including mental health awareness, document control and records management, management compliance, and a seminar on sustainable slope practices, further strengthening our workforce's capabilities and reinforcing our commitment to safety, compliance, and continuous improvement.

Furthermore, new employees are provided with induction training to facilitate their smooth integration into the working environment, covering topics such as the Company's profile and Code of Conduct. Employees are consistently encouraged to attend job-related seminars, webinars, courses and programs organised by professional or educational institutions, in Malaysia, Singapore, Hong Kong or other jurisdictions.

Training sessions regarding the latest internal control and corporate governance policies are provided, including the management of each department responsible for circulating and communicating the updated internal control policies to the employees of each of their respective department periodically.

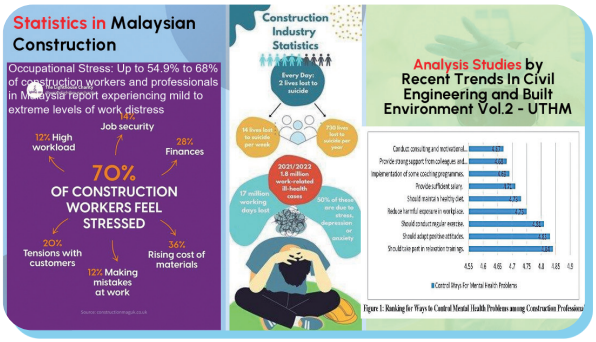
Human Resources Department further provides training for current employees to understand their duties through in-house briefings, relevant reading materials, training conducted by external professional organisations or parties for employees to safely discharge their duties, including but not limited to the professional knowledge and safe working at both land-based or marine sites.

Our strategy for delivering a comprehensive training framework is driven from our Group's goals not just to improve quality oversight by complying with our OSHE Policy, but also to leverage training initiatives in building a workplace that strikes a balance between security and aspiration.

The following outlines the different categories of training we offer to our personnel.

Industry Skills & Knowledge Training	Health & Safety Training	Corporate Governance Training	Externanl ESG Training	Induction Training

Mental health training



Document control and records management training

Management compliance training

The table below show the summary for training hours:

Employee Training		2026	2025
Total Number of Training Hours		**408.83**	707.88
Average Training Hours[3] per Employee		**6.06**	11.24
(% of employees who received training)[4]		**(97.78%)**	(92.06%)
By gender	Male	**5.02**	10.00
		(97.03%)	(88.17%)
	Female	**9.14**	14.72
		(100.00%)	(103.03%)
By employment type	Senior Management	**11.17**	26.94
		(100.00%)	(100.00%)
	Middle Management	**10.28**	11.06
		(88.89%)	(82.35%)
	General Staff	**5.20**	10.67
		(99.12%)	(93.33%)

Employee Motivation

Our annual performance review process reflects our commitment to employee growth and motivation. We seek to identify opportunities for enhancement and boost general employee enthusiasm. If an employee demonstrates performance below established standards, we provide assistance through tailored performance enhancement strategies. These plans are crafted to recognise particular domains for advancement and deliver essential tools and direction. Conversely, top-achieving employees are acknowledged for their outstanding inputs through salary increments and/or optional incentives. This approach fosters a culture of appreciation and compensation across our Group.

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3 It is calculated by dividing the employees who received training in the specified category by the average number of employees in the specified category.

4 The percentage of employees who received training includes employees who left the Group during the Reporting Period.

VALUE CHAIN

We recognise our duty as a trusted partner to our clients and partner with them to reliably produce outstanding initiatives within the agreed timelines. Our dedication to sustain shared values and standards likewise applies to our subcontractors, while we strive to nurture lasting relationships across our activities. We place considerable importance to building long term partnerships with both clients and commercial collaborators, appreciating their vital role in our accomplishments. To realise this, we actively engage with our subcontractors and personnel, collaborating closely to ensure that our services consistently satisfy and surpass client expectations and requirements.

Supply Chain Management

SDG 12: Responsible Consumption and Production

"To ensure sustainable consumption and production patterns".

We proactively consult with subcontractors on environmental issues and ensure that all sustainable and green procurement standards are consistently upheld throughout our operations.

Delivering efficient and reliable services is fundamental to meeting our clients' expectations, and robust supply chain management plays a pivotal role in achieving this. It serves as a direct reflection of our Group's operational excellence. We actively collaborate with our subcontractors to comprehensively implement ESG principles, embedding these objectives into our manufacturing and operational workflows. Through ongoing communication, we assess the extent to which ESG practices are incorporated into their internal processes. This ensures alignment with our standards and specifications, reinforcing our commitment to ESG values across the entire supply chain.

Selection of Subcontractors

Our Group applies a stringent vetting process for prospective subcontractors, beginning with a thorough self-assessment form designed to provide insight into their operational strengths and constraints. This comprehensive evaluation covers ESG-related risks, management policies and procedures, performance metrics, quality systems, business history, reputation, and track record. Subcontractors need to complete a detailed questionnaire addressing key criteria such as environmental quality and assurance, pollution control, labour rights, health and safety compliance, audit protocols, supply chain management, quality assurance, and anti-corruption and anti-bribery measures.

All the contracts with suppliers and subcontractors are required to include the clause and statement addressing health and safety, employment and labour standards, confidentiality and non-disclosure, protection of our Group intellectual property rights, data protection, anti-corruption and anti-fraud, taking initiative to prepare and mitigate all the possible impacts and losses from adverse weather conditions and unforeseeable climate change. Furthermore, all contractual parties are expected to comply with our "Supplier Code of Conduct", "Air Quality Control Procedure", "Pollutant Discharge Procedure", "Wastewater Management Procedure", "Hazardous Waste Management Procedure", and all applicable laws and standards, including but not limited to environmentally related legislation.

We conduct comprehensive evaluations of both ongoing and completed projects to assess subcontractors' capabilities in managing environmental factors. Existing subcontractors are subject to re-evaluation upon project completion or at least annually to ensure continued alignment with our environmental standards. Preference is given to suppliers and subcontractors who implement the ISO 14001 Environmental Management System, hold relevant sustainability certifications, and demonstrate compliance with ESG standards, applicable laws and regulations.

As part of our internal quality framework, we assess subcontractors' performance across key aspects including quality assurance, environmental management, and health and safety using a standardised rating scale from 1 to 5. Subcontractors who meet our standards are added to our approved list following management review and approval.

Subcontractor Engagement and Management

Our screening process mandates that all qualified subcontractors demonstrate full compliance with environmental regulations. Certified subcontractors are included in our Approved Subcontractor List for future collaborations. All on-site activities are governed by strict regulations and ongoing monitoring to ensure alignment with internal policies, with any deviations triggering immediate corrective actions. Regular site inspections are carried out to verify subcontractors' adherence to ESG standards, and any violations must be rectified without delay.

We conduct routine site meetings with subcontractors to facilitate open communication, resolve operational concerns, and provide ESG-focused training. Existing subcontractors undergo periodic reassessments based on criteria such as operational efficiency, quality work, and implementation of corrective actions to maintain high standards and regulatory compliance. Subcontractors who fail to meet the required benchmarks are expected to implement improvement plans to address identified shortcomings within their processes.

Green Procurement

Our Group is dedicated to minimising purchases that may contribute to environmental degradation by carefully evaluating the environmental impact of each procurement decision, including equipment, machinery, and general goods. We also actively promote the adoption of our Green Procurement principles among subcontractors, urging them to favour environmentally sustainable products wherever operational circumstances allow.

Our Group's Procurement Principles	
Prefer	**Avoid**
– Products with a high recycling rate	– Single-use disposable products
– Products with higher recyclable content	– Products with excessive water consumption
– Products with less packaging	– Products with excessive or non-recyclable packaging
– Products with higher energy efficiency	– Products that emit a large amount of irritating or toxic substances during installation, use and disposal
– Products manufactured by using green technology or with green fuels	
– Products with lower water consumption	
– Products with greater durability	

Supplier Code of Conduct

Our Group maintains a Supplier Code of Conduct that defines our core expectations of suppliers and subcontractors, requiring them to maintain a high standard of professionalism, ethical standards, and responsible business practices. The Code addresses key aspects including legal and regulatory compliance, environmental sustainability, human rights and social responsibility, ethical conduct and corporate governance, occupational health and safety, protection of our Group's data and assets, and responsible use of personal information. Ongoing compliance is monitored through periodic surveys conducted across our business partner network.

During the Reporting Period, our Group engaged with 43 subcontractors supplying sand and marine gas oil, sourced from Malaysia and Singapore. The table below provides a summary of supplier distribution statistics:

Supplier Distribution	2026	2025
Total number of subcontractors and/or suppliers	**43**	47
By geographical region		
(% of subcontractors and/or suppliers)		
Malaysia	**40 (93.02%)**	44 (93.62%)
Singapore	**3 (6.98%)**	3 (6.38%)

Reliable Services

Our Group continually demonstrates its dedication to clients through the effective delivery of major maritime construction projects and associated services. We strive to offer superior, client-oriented solutions by leveraging highly trained and specialised personnel to meet diverse needs with efficiency and reliability. There was no material non-compliance with laws or regulations relating to health and product safety, advertising, labelling, or privacy occurred during the Reporting Period.

Quality Services

Our commitment to providing high-quality products and services that satisfy client expectations and comply with regulatory requirements are reinforced by the quality management system implemented in our Malaysian operations, which is aligned with the international standard ISO 9001:2015.

To guarantee consistent delivery of high-quality services at every phase of our projects, our Group has established a set of robust project management frameworks. These frameworks also regulate our collaborations with subcontractors, who are required to comply with our Group's rigorous protocols to maintain the standard of their products and services. Upon receiving construction drawings from clients, we perform a detailed evaluation to identify any errors or discrepancies, formulate a project timeline, and apply necessary adjustments in accordance with defined quality benchmarks.

Our Group places strong significant on maintaining effective communication with clients, recognising it as a main factor in delivering high-quality products and services. When discrepancies arise, we engage in detailed discussions and in depth analysis to resolve issues collaboratively. Project and contract managers are assigned to monitor progress and provide scheduled updates, while the planning department establishes clear project milestones. Furthermore, project managers and quantity surveyors are responsible for tracking timelines and implementing corrective actions in the event of delays.

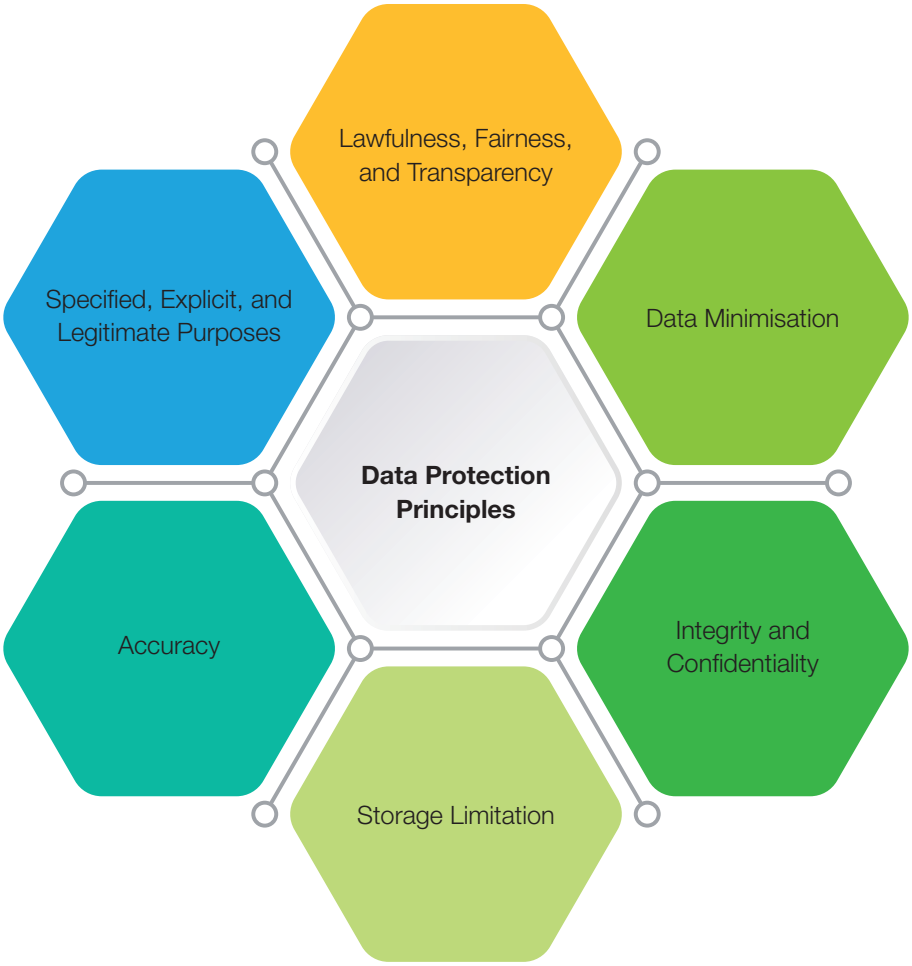
Our Group commits resources, enforces policies, and applies dedicated effort to ensure the consistent delivery of high quality outputs, with the objective of not merely meeting but surpassing client expectations. Our adaptable approach allows clients to submit defect lists when products do not meet their expectations, allowing us to implement timely and effective adjustments.

We place great value on client feedback and suggestions, recognising their importance in uncovering areas for enhancement and cultivating an environment conducive to continuous service improvement. To facilitate this, a customer satisfaction survey is conducted at the end of each project, covering aspects like project design, management, and overall quality. The results are reviewed during management meetings, where client responses are carefully analysed and summarised to guide future actions. Importantly, during the Reporting Period, our Group did not receive any complaints regarding its products or services.

Data Privacy

We are steadfast to conducting business with transparency, honesty, and integrity. In support of these principles, we have implemented a Data Protection Policy that outlines clear expectations and requirements for handling personal data. All client data is processed in accordance with applicable laws and regulations, and disclosure to third parties is strictly prohibited unless consent is provided or disclosure is legally mandated. This policy governs all personal data handled by our Group and forms part of our broader compliance framework. We only collect data that is relevant and necessary for our operations and maintain rigorous security systems to prevent unauthorised access. Employees are expected to adhere to this policy, and any breaches will result in appropriate disciplinary measures. Moreover, we protect our assets and resources including intellectual property and ensure the confidentiality of sensitive business information. The policy is regularly reviewed for effectiveness and communicated to all employees to guarantee proper implementation.

The principles outlined below showing the core of our Data Protection Policy:



Intellectual Property

Our Group is committed to protecting our intellectual property rights, including trademarks, patents, copyrights, designs, inventions, programs, and documentation. All works created by eligible employees are retained as our Group's intellectual property, and prior authorisation is mandatory for any use of these assets, including our Group's logo. During the Reporting Period, no instances of non-compliance with laws and regulations relating to intellectual property violations were observed. We treat any infringements seriously and will pursue legal action against parties found to have violated our rights. This commitment to protecting intellectual property supports the continued development of innovative products and services that benefit our clients and stakeholders.

Business Ethics

Our Group is dedicated to being a trustworthy partner to clients and stakeholders by upholding the highest moral principles across all aspects of operation. Any behaviour that may compromise our Group's reputation or integrity are strictly forbidden and will result in serious consequences. To promote ethical conduct and compliance with applicable laws and regulations, we have established a comprehensive Code of Conduct, supported by additional policies including the Anti-Corruption Policy, Anti-Fraud Policy, Policy Against Anti-Competition, and Reporting Channels and Whistleblowing Policy, as detailed below.

Our Group adheres fully to all applicable laws and regulations relating to bribery, extortion, fraud, and money laundering. During the Reporting Period, there were no material instances of non-compliance that could significantly impact our Group, nor were there any concluded legal cases involving corrupt practices against us or its employees.

Aspect	Relevant Laws and Regulations	Jurisdiction
Anti-corruption	• Anti-Corruption Commission Act 2009	Malaysia
	• Prevention of Corruption Act	Singapore
	• Prevention of Bribery Ordinance (Cap. 201)	Hong Kong

Code of Conduct

Our Group's Code of Conduct establishes the fundamental standards of behaviour expected of all our employees. Every employee bears responsibility to protect our Group's assets entrusted in their care from loss, theft or misuse. Employees are strictly prohibited from posting any sensitive information relating to our Group, customers, suppliers and sub-contractors to internet. This includes, but is not limited to, business dealings, financial arrangements, transactions or accounts relating to the Group. All employees need to strictly adhere to "Password Setting Policy", "Information Technology Security Policy", "Price Sensitive Information Policy" and "Inside Information Policy".

Anti-Corruption

Our Group's Anti-Corruption Policy strictly prohibit all forms of bribery and corruption in business activities. This encompasses offering, accepting, or authorising any financial or non-financial advantages, such as gifts, entertainment, or hospitality. We ensure accuracy and consistency of all company documentation, including books, invoices, records, accounts, funds, and assets. Compliance with anti-corruption standards is a critical factor in our subcontractor selection process, supported by rigorous due diligence to confirm alignment with our requirements.

Employees are obligated to disclose any potential conflicts of interest to senior management and the Human Resources Department. To reinforce understanding and adherence to our policies, we conduct regular anti-corruption training and workshops. During the Reporting Period, our Group has delivered anti-corruption training to staffs, strengthening ethical standards and promote integrity across our operations. The Human Resources Department also offers anti-corruption compliance consultation services to assist employees in maintaining ethical standards.

Our Group has implemented comprehensive procedures under its Anti-Corruption Policy to safeguard ethical standards. We strictly forbid all types of bribery and corruption, including offering, soliciting, or accepting any financial or other advantage, such as gifts, services, or hospitality to gain business or secure improper benefits. This applies equally to dealings with public officials and private sector entities. We periodically assess operational risks, review internal controls, and prohibit facilitation payments, which are considered bribes. Sponsorships and charitable donations are only allowed for recognised non-profit organisations and must be transparent, accurately recorded, and approved by the Human Resources Department and Executive Directors. Such donations must not be made to individuals, in cash, or at the request of public officials. Employees must promptly report any solicitation or extortion to the Head of Legal and Human Resources and are required to participate annual anti-corruption training.

Anti-Fraud

Fraud presents serious risks to a business's revenue, assets, reputation, and information. To address these risks, our Group has instituted an Anti-Fraud Policy that establishes procedures for identifying, reporting, and investigating potential fraud. The policy offers clear guidance to employees on how to recognise, and report potential fraud.

To proactively manage fraud risks, our Group conducts regular fraud risk assessments to pinpoint vulnerable areas and implement suitable mitigation strategies. These assessments help detect potential threats including inaccurate financial reporting, fraudulent billing, or asset misappropriation. To oversee these risks effectively, our Group has established a dedicated risk management team that specialises in identifying and addressing fraud-related issues.

Upon receipt of reports concerning perpetrated or suspected fraud from employees, the risk management team initiates an investigation. The investigation may be conducted internally and/or may involve external auditors, forensic professionals, or regulatory authorities, as appropriate.

Appropriate procedures are in place to track actions taken in response to concerns raised, ensuring that appropriate and timely follow-up actions are taken. Notwithstanding that the report is anonymous, the investigating team will evaluate the information provided based on its credibility and materiality, taking into account any supporting evidence, and distinguish between a genuine whistle-blowing concern and a grievance.

The risk management team is responsible for ensuring that investigations are concluded and matters are resolved within four weeks. Should any member of the team be suspected of involvement in the fraud under investigation, that individual will automatically recuse themselves from related meetings and deliberations.

This team works closely with all departments and employees to ensure comprehensive risk coverage. Our strong commitment to fraud prevention is essential to preserving the integrity of our operations, protecting assets, and maintaining the trust of our stakeholders.

Anti-Competition

Our Group is dedicated to cultivating a fair, inclusive, and respectful work environment. As part of this commitment, all employees are required to comply with international competition laws and regulations to uphold fair market practices. This ensures that our Group's business operations remain ethical, transparent, and aligned with global recognised standards.

Our Group's Policy of Anti-Competition reinforces our dedication to preventing any form of anti-competitive behaviour. This policy explicitly prohibits practices that distort fair market competition, including price-fixing, market allocation, and bid rigging. All employees are required to fully comply with this policy to ensure that our Group's business operations remain ethical and lawful.

Our business practices and strategies are subject to periodic review to prevent any potential anti-competitive conduct from arising across our Group.

The Human Resources Department coordinates the regular provision of training, guidance, and updates on relevant regulations to all employees concerning the prohibition of anti-competitive behaviours.

To support the Policy of Anti-Competition, our Group has implemented an internal awareness and reporting system that allows employees to report any suspected anti-competitive activities. This initiative fosters a culture of accountability, enabling employees to actively contribute to safeguarding our Group's integrity and reputation by speaking up when they observe conduct that breaches the policy.

Employees found to have violated the Policy Against Anti Competition are subject to disciplinary measures, which may include dismissal, and may also face individual criminal and/or civil prosecution in applicable jurisdictions. All relevant third parties who violate the Policy are subject to termination of all commercial relationships with our Group.

Furthermore, due diligence is required to be performed for all new customers, suppliers, subcontractors and other third parties to be engaged with. Background checks shall be conducted for new hires and external professional parties, consultants and any other individuals.

Reporting Channels and Whistleblowing Policy

Our Group has implemented formal reporting procedures to enable employees to raise concerns regarding any suspected non-compliance or violations of the Code of Conduct, Anti-Corruption Policy, Anti-Fraud Policy, or Policy of Anti-Competition. Reports can be submitted through various channels, including in-person, written communication, or by phone, depending on the nature of the situation. All complaints are treated with seriousness and investigated promptly, with outcomes reported to the Board and the Audit Committee.

In addition, our Group has implemented whistleblowing mechanisms that permit employees and stakeholders to report any instances of business misconduct directly to the management team. The Whistleblowing Policy clearly defines the scope of reporting and ensures that all submissions are handled with integrity and confidentiality. Individuals who provide credible information are safeguarded against retaliation and will not suffer any adverse consequences from our Group.

COMMUNITY ENGAGEMENT

Our Group is committed to contribute to the meaningful projects in the communities in which we operate, recognising that our long term success is closely intertwined with their well-being and progress. Our engagement focuses on key areas including culture, education, environment, health, social welfare, and sports, which are core pillars of our Group's Community Investment Policy. This policy directs our initiatives to generate positive social impact while remaining aligned with our broader commitment to social responsibility and community enrichment.

We remain steadfast in our efforts to uplift our local community through different forms of financial assistance. During the Reporting Period, we contributed approximately RM0.39 million in donations, sponsorships, and other community focused initiatives.

ECO-FRIENDLY OPERATIONS

SDG 6: Clean Water and Sanitation

"To ensure sustainable consumption and production patterns"

SDG14: Life Below Water

"To conserve and sustainably use the oceans, seas and marine resources for sustainable development"

In support of SDG 6 (Clean Water and Sanitation) and SDG 14 (Life Below Water), we have established rigorous procedures for managing wastewater discharge. These measures are designed to safeguard the quality of local water sources and the surrounding marine environment. We actively contribute to the preservation of clean water resources and the conservation of marine biodiversity. Our commitment to these objectives is outlined in the Wastewater Management Procedure, which is comprehensively described in this section.

Our Group is committed to sustainability and environmental responsibility across all facets of our operations. Operating in close proximity to coastal regions, we are fully aware of the potential environmental impacts of construction activities, including the generation of hazardous and non-hazardous waste, air pollutants, and greenhouse gas ("**GHG**") emissions. Notwithstanding these challenges, our dedication to protecting coastal and marine ecosystems remains unwavering.

To translate this commitment into action, we have established comprehensive environmental policies and procedures, including our Environmental Policy and Environmental and Natural Resources Management Policy. These procedures guide our efforts to protect these vital ecosystems. As set out in our Environmental Policy, we conduct regular reviews of our Environmental Management System to drive continuous improvement and ensure the effective implementation of environmental goals.

From the earliest stages of each project, we endeavour to lower environmental impact. We also collaborate closely with our subcontractors to ensure full compliance with our environmental standards. The following principles outline our approach to environmental stewardship across engineering, procurement, and construction activities.

Environmental Principles

Environmental Principles
1) Full compliance with all applicable environmental laws, regulations, and standards.
2) Reduction of adverse environmental impacts through proactive measures, including: • Limiting consumption of resources and energy; and • Preventing pollution of air, water, and soil
3) Prioritisation of vendors who demonstrate a clear and proactive commitment to environmentally responsible manufacturing practices during the procurement process.

Our Group maintains full compliance with all applicable environmental laws and regulations regarding air and GHG emissions, discharges to water and land, and resource usage. During the Reporting Period, there were no instances of material non-compliance that could have significantly impacted our Group. In addition, we experienced no issues concerning the sourcing of water to meet our operational needs.

Aspect	Relevant Laws and Regulations	Jurisdiction
Environment	• Ambient Air Quality Standard	Malaysia
	• Environmental Quality Act 1974	
	o Environmental Quality (Amendment) Act 2024	
	o Environmental Quality (Scheduled Wastes) Regulations 2005	
	• Environmental Quality (Sewage and Industrial Effluents) Regulations 1979	
	• Environmental Protection and Management Act 1999	Singapore
	• Air Pollution Control Ordinance (Cap. 311)	Hong Kong

The following summarises the environmental procedures that we practise on-site:

Pollutant Discharge Procedures

- Comprehensively identify, monitor, and manage all types of discharge, emissions, and deposits involving environmentally hazardous substances, pollutants, and waste materials;
- Ensure strict adherence to the Environmental Quality Act 2024 of Malaysia, including all related regulations governing pollution prevention, waste management, emissions control, and environmental protection actions;
- Effectively manage all forms of environmental discharges and emissions including pollutants, waste, noise, and the disposal or deposit of hazardous substances to avert environmental degradation and maintain regulatory compliance; and
- Impose an absolute prohibition on the discharge of waste into water bodies, thereby protecting aquatic ecosystems and preserving water quality standards.

Air Quality Control Procedures

- Outline all measures and practices implemented to control and preserve air quality throughout the construction phase;
- Guarantee adherence to Malaysia's Ambient Air Quality Standard to maintain safe and acceptable levels of air pollutants throughout operations;
- Reduce and manage the environmental consequences of air emissions generating from site operations;
- Establish and implement on-site dust control measures, including cleaning vehicle tires prior to accessing public roads and regularly wetting down construction areas and access routes to minimise fugitive dust emissions;
- Keep vehicles and machinery in optimal condition, including regular tuning and proper tire maintenance, to lower exhaust emissions and improve operational efficiency;
- Restrict site clearing activities strictly to designated project boundaries and immediately stabilise disturbed land to lower dust accumulation and airborne particulate matter; and
- Engage a qualified environmental consultant to perform air quality monitoring and sampling, with all collected samples sent to accredited laboratories for further analysis.

Wastewater Management Procedures

- Identify and describe the various categories of wastewaters produced during the construction activities, including sources such as equipment cleaning, concrete mixing, and site runoff;
- Adhere fully to the Environmental Quality (Amendment) Act 2024 of Malaysia, which sets forth requirements for pollution control, environmental protection, and sustainable resource management across all operational processes;
- Keep domestic sewage separated from construction generated wastewater and surface runoff to enable appropriate treatment and avoid cross contamination;
- Install on-site wastewater treatment facilities, such as septic tanks, to enhance the effluent quality before the desludging process;
- Provide sufficient sanitation facilities on-site, including fixed toilets and portable units at designated work areas, to maintain hygiene and convenience for workers;
- Engage an accredited contractor to carry out regular desludging activities on-site to ensure proper wastewater management and environmental requirements; and
- Carry out periodic self-monitoring evaluations to verify that effluent discharge consistently meets the required environmental requirements.

Hazardous waste management procedures

- Ensure proper handling, tracking, and documentation of all scheduled and non-scheduled waste generated by our Group;
- Maintain full compliance with the Environmental Quality (Scheduled Wastes) Regulations 2005, covering all aspects of scheduled waste management, like proper handling, storage, labelling, treatment, and disposal of scheduled wastes as defined by Malaysian law; and
- Ensure proper waste management, including the use of clearly labelled containers for all waste, promotion of material recycling and reuse, appropriate disposal of non-recyclable waste, segregation of waste in designated areas, recording and transfer of scheduled waste to approved storage facilities, and participating in relevant training programs to sustain compliance and raise awareness.

Emission Management and Resource Conservation

Our Group is committed to the responsible management of emissions and the conservation of resources as integral components of our sustainability agenda. We have made meaningful progress in transitioning towards a low-carbon and resilient business model, reflecting our determination to lowering our environmental footprint. This is demonstrated in our proactive adoption of renewable energy and the integration of energy-efficient practices across our operations.

The following outlines our key policies aimed at reducing emissions. A core element of our approach is the promotion of sustainable behaviours among our employees, such as encouraging economy class travel and the use of video conferencing for business engagements. Through these behavioural changes, we aim to reduce our environmental impact and cultivate a culture of sustainability throughout our Group.

As part of our commitment to energy conservation, we deliver regular training sessions to raise employees' awareness and understanding of energy-efficient practices. These sessions equip our employees with the knowledge required to perform informed decisions that advance our sustainability targets. We also promote simple yet effective habits, such as turning off lights, air conditioning, and equipment when not in use, and maximising the use of natural lighting and optimal room temperatures to enhance overall energy efficiency.

In line with our commitment to ESG principles, we have engaged a professional consultant to carry out a comprehensive assessment of our Scope 3 GHG emissions. Our approach centres on identifying key emission sources and establishing a robust tracking system to monitor progress. By prioritising Scope 3 emissions, we hope to significantly lower our environmental impact and set ambitious sustainability targets for the future.

Furthermore, our efforts to quantify and analyse Scope 3 GHG emissions reflect our dedication to a holistic approach to emissions management. By expanding our Scope 3 inventory and improving our data collection processes, we are working towards a more complete understanding of our overall emissions profile. This detailed analysis enables us to identify areas for improvement and implement targeted strategies to effectively minimise our total emissions.

Our dedication to emissions management extends beyond internal measures to encompass a holistic approach to monitoring and analysing our energy consumption. Through systematic data collection and ongoing analysis, we obtain valuable insights into usage patterns, enabling us to make well-informed actions and drive continuous improvements in our energy management plans.

Building on our achievement of receiving the ESG Committee Prize at the InnoESG Prize 2021 jointly awarded by the SocietyNext Foundation, UNESCO HK Association Global Peace Centre, and the Rotary Action Group for Peace alongside our ISO 9001:2015 certification, we are making tangible progress towards our environmental goals. These recognitions underscore our ongoing commitment to sustainability and inspire us to further improve our efforts to create a positive impact on the environment and the communities we serve.

REGISTRATION CERTIFICATE

SYNERGY CERTIFICATION

Issued to
JBB BUILDERS (M) SDN. BHD.

Carried out at the following site
No 20-01, Jalan Sri Perkasa 2/18, Taman Tampoi Utama, 81200 Johor Bahru, Johor

For the:
ISO 9001:2015

Scope of activities:
Construction of Building and Infrastructure, Reclamation and Dredging Works and Coastal & River Protection Structures

REGISTRATION NUMBER: 2	CERTIFICATE NUMBER: SCDS/QMS/1041
ISSUE DATE: 16 NOVEMBER 2026	EXPIRY DATE: 16 NOVEMBER 2023
FIRSTAUDIT DUE: 17 NOVEMBER 2028	

Authorised by:

Managing Director

SYNERGY CERTIFICATION (M) SDN BHD
Suite 1.2, Level 1, Block C
Kelana Square Office Suite
17, Jalan SS7/26, Kelana Jaya, 47301 Petaling Jaya, Selangor, Malaysia

www.synergycert.com

THIS IS A SINGLE SITE CERTIFICATION

THE VALIDITY OF CERTIFICATE IS SUBJECT TO REGULAR SURVEILLANCE AUDIT AND IT'S FINAL VALID AFTER SUCCESSFUL SURVEILLANCE AND CERTIFICATION LETTER ISSUED BY SCDS.

Motivated by these recognitions, we remain resolute in advancing our environmental targets. We plan to implement innovative approaches and sustainable actions that not only lower our environmental footprint but also contribute to a more sustainable future for all. Through continued dedication and collaboration, we endeavour to drive lasting positive change for both our Group and the wider community.

Waste Management

The nature of our site and office operations inevitably results in the production of various waste streams, including general refuse, hazardous materials, and construction debris. Nevertheless, we actively apply a thorough set of waste management policies and procedures aimed at reducing the environmental consequences associated with waste disposal.

In managing hazardous waste, we strictly follow our Hazardous Waste Management Procedure. This includes keeping hazardous materials in designated, secure areas in line with established protocols. All storage containers are required to meet strict safety standards and be clearly marked for proper identification. Our storage facilities are carefully designed and maintained to prevent any potential spills or leaks. We impose strict controls on both the volume and the duration for which hazardous waste can be stored. Moreover, only trained personnel equipped with appropriate protective gears are permitted to handle hazardous waste. Collection and disposal are carried out exclusively by licensed contractors to ensure full regulatory requirements.

For general waste management, we operate a systematic classification system to determine recyclability. Recyclable and reusable materials are either sold to scrap merchants or kept for future use, while non-recyclable items are responsibly disposed, with detailed records maintained for traceability. Our environmental dedication also encompasses air quality control. As outlined in our Air Quality Control Procedure, we strictly forbid the burning of waste on site. This policy is essential to maintain a clean and safe environment and in preventing air pollution and its associated hazards.

To raise environmental awareness and encourage resource conservation among employees, we have introduced green office principles across our operations. Employees are encouraged to adopt reuse, recycling, and energy saving in their everyday work. Moreover, we organise annual training sessions on waste management to educate employees on best methods for waste reduction and proper disposal.

Our Group complies with all relevant laws and regulations regarding waste generation and handling, which include appropriate packaging, labelling, sorting, and storage prior to disposal. During the Reporting Period, we recorded no significant instances of non-compliance that would have materially affected our Group.

Aspect	Relevant Laws and Regulations	Jurisdiction
Waste	• Environmental Quality (Scheduled Wastes) Regulations • First Schedule (Regulation 2) of Environment Quality (Schedule Waste) Regulation 2005 • Guidelines for Packaging, Labelling and Storage of Scheduled Wastes	Malaysia

Environmental Performance

During the Reporting Period, we commenced the collection of Scope 3 greenhouse gas emissions data as part of our commitment to robust emissions management. Acknowledging the importance of broadening our Scope 3 inventory, we intend to enhance our data collection initiatives in the coming years. This comprehensive approach enables us to analyse GHG emissions by location and category, thereby strengthening our capability to manage our overall emissions more effectively. The categories of Scope 3 GHG Emissions presented below are selected based on the Group's business nature and significance of revenue.

Environmental Performance Data (Scope 3)[5]	Unit	2026	2025
Total Scope 3 GHG Emissions[6]	**tCO_2e**	**19,538.01**	**19,045.46**
– Category 1: Purchased Goods and Services[7]	tCO_2e	97.28	91.81
– Category 2: Capital Goods[8]	tCO_2e	3.08	92.56
– Category 4: Upstream Transportation and Distribution[9]	tCO_2e	18,994.54	18,396.07
– Category 5: Waste Generated in Operations[10]	tCO_2e	0.02	0.02
– Category 6: Business Travel[11]	tCO_2e	18.27	45.32
– Category 7: Employee Commuting[12]	tCO_2e	107.28	99.54
– Category 8: Upstream Leased Assets[13]	tCO_2e	317.54	320.14
Intensity (By size of workforce)	tCO_2e per employee	283.16	288.57
Intensity (By Revenue)	tCO_2e per revenue in million	47.33	44.62

5 Scope 3 Category 3 Fuel– and Energy-related activities (not included in Scope 1 or Scope 2) is not applicable at this stage. We will explore such data collection and calculation method in the future. Scope 3 Category 9 Downstream Transportation and Distribution was not applicable, we did not distribute products to customers. Scope 3 Category 10 Processing of Sold Products was not applicable because we did not sell physical products. Scope 3 Category 11 Use of Sold Products was absent during the Reporting Period as we did not sell any marine gas oil consumption. Scope 3 Category 12 End-of-life Treatment of Sold Products was not applicable, we did not sell any product that requires end-of-life treatment. Scope 3 Category 13: Downstream Leased Assets were not included in the Scope 3 inventory during the reporting period. We will improve data collection in this area in the future. Scope 3 Category 14 Franchises were not applicable, we did not own any franchises. Scope 3 Category 15 Investments were not applicable, we did not own any investment as major operations.

6 Scope 3 represents indirect GHG emissions (not included in Scope 2) generated that occur in the value chain of an issuer, including both upstream and downstream emissions. It is calculated with reference to the US Environmentally-Extended Input-Output ("**USEEIO**") Model published in 2022 and Department for Environment, Food and Rural Affairs ("**DEFRA**") published in 2023.

7 Scope 3 Category 1 Purchased Goods and Services mainly includes cleaning service, consultancy fee, food and refreshment, hardware, printing and stationery, repair and maintenance, surveyor fee, telephone charges and internet, training fee, accounting fee and professional fee etc. It is calculated using spend-based methodology with reference to the USEEIO Model published in 2022. The data was initially collected in Ringgit Malaysia ("**RM**") and converted to United States Dollar ("**US$**") based on the exchange rate as of 30 June 2026.

8 Scope 3 Category 2 Capital Goods includes motor vehicles, furniture, fixtures and equipment, leasehold improvements, and plant and machinery. It is calculated using spend-based methodology with reference to the USEEIO Model published in 2022. The data was initially collected in RM and converted to US$ based on the exchange rate as of 30 June 2026.

9 Scope 3 Category 4 Upstream Transportation and Distribution, includes marine gas oil ("**MGO**") transportation and the transportation of equipment. It is calculated using a spend-based methodology with reference to the USEEIO Model published in 2022. The data for the transportation of equipment was initially collected in RM and converted to US$ based on the exchange rate as of 30 June 2026, using the conversion rate of 1 RM = 0.24 US$. The consumption volume is determined by estimating the MGO consumption per cubic meter (m^3) of sand delivered, as provided by the vessel owners based on different types of vessels, measured in liters.

10 Scope 3 Category 5 Waste Generated in Operations includes paper waste, plastic waste and toner cartridge. It is calculated with reference to DEFRA Waste Disposal Guidelines published in 2023.

11 Scope 3 Category 6 Business Travel includes air travel and others. It is calculated using the International Civil Aviation Organisation ("**ICAO**") to convert the travelling distance into emissions of passengers' CO_2/journey.

12 Scope 3 Category 7 Employee Commuting includes data on the commuting methods of 79 employees (including resigned employees during the Reporting Period), such as car (petrol), rental car and motorbike. It is calculated with reference to DEFRA Passenger Vehicles Guidelines published in 2023.

13 Scope 3 Category 8 Upstream Leased Assets includes the leased office, sites or hostel and motor vehicles. It is calculated with reference to It is calculated with reference to 2017 Clean Development Mechanism ("**CDM**") Electricity Baseline for Malaysia, the Intergovernmental Panel on Climate Change ("**IPCC**")'s methodology of GHG emissions calculation from combustion.

Our Group's overall environmental performance data, including Scope 1 and 2 emissions, for the Reporting Period and the year 2025 are summarised in the following table.

Environmental Performance Data (Overall)		Unit	2026	2025
Air Emissions	Nitrogen oxides ("**NO_x**")	kg	77.66	103.50
	Sulphur oxides ("**SO_x**")	kg	0.77	1.03
	Particulate Matter ("**PM**")	kg	6.48	8.60
Energy Consumption	**Total energy consumption**	**MWh**	**748.26**	**844.07**
	Direct energy consumption	MWh	477.46	639.16
	– Diesel	MWh	202.27	264.38
	– Unleaded petrol	MWh	275.19	374.78
	Indirect energy consumption	MWh	270.80	204.91
	– Purchased electricity[14]	MWh	270.80	204.91
	Total energy intensity			
	– By size of workforce	MWh per employee	11.46	13.43
	– By revenue[15]	MWh per revenue in million	2.84	2.81
GHG Emissions[16]	**Total GHG emission**	**tCO_2e**	**19,844.87[17]**	**19,351.05**
	– Scope 1[18]	tCO_2e	126.24	168.92
	– Scope 2[19]	tCO_2e	180.62	136.67
	– Scope 3	tCO_2e	19,538.01[20]	19,045.46
	Total GHG emission intensity			
	– By size of workforce	tCO_2e per employee	287.61	293.20
	– By revenue	tCO_2e per revenue in million	48.08	45.34

14 An increase in indirect energy consumption was observed during the Reporting Period. This was primarily driven by additional operational demands of a building project which required more manpower support to complete the project at sites, contributing to the rise in indirect energy consumption for the Reporting Period.

15 During the Reporting Period, emission intensity is disclosed based on revenue rather than the number of projects, in line with the approach adopted in the previous Reporting Period.

16 The calculation methodology referenced the GHG emissions calculation from combustion, IPCC, CDM Electricity Baseline for Malaysia, GHG Protocol – Emission Factors from Cross-Sector Tools, as well as the emission factors outlined in Appendix 2: Reporting Guidance on Environmental KPIs from the "How to Prepare an ESG Report" published by HKEx.

17 The increase in total GHG emission from 2025 to 2026 was due to the increase in emissions of purchased electricity and scope 3. For details about our Group's scope 3 categories, please refer to the "Environmental Performance Data (Scope 3)" table.

18 Scope 1 emissions refer to direct greenhouse gas emissions resulting from the use of unleaded petrol and diesel by company vehicles operating in Malaysia and Singapore.

19 Scope 2 emissions represent indirect greenhouse gas emissions from the consumption of purchased electricity at office locations and project sites in Malaysia and Singapore. It is location-based. The increase in Scope 2 emissions was primarily driven by higher electricity consumption at JBB Builders (M) Sdn. Bhd., which experienced increased business activity and operational demands of a building project which required more manpower support to complete the project at site during the Reporting Period.

20 For details of the Group's scope 3 categories, please refer to the "Environmental Performance Data (Scope 3)" table. The increase was mainly caused by upstream transportation and distribution, due to increased business activity.

Environmental Performance Data (Overall)		Unit	2026	2025
Water Consumption	**Freshwater[21]**	**m^3**	**19,824.00**	**16,829.00**
	Intensity			
	– By size of workforce[22]	m^3 per employee	324.98	295.25
	– By revenue[23]	m^3 per revenue in million	123.15	107.99
Waste[24]				
Hazardous Waste	**Total hazardous waste**	**tonne**	**0.0066**	**0.0078**
	Toner cartridge[25]	tonne	0.0066	0.0078
	Intensity			
	– By size of workforce	tonne per employee	0.00011	0.00014
	– By revenue	tonne per revenue in million	0.000041	0.000050
Non-hazardous Waste	**Total non-hazardous waste**	**tonne**	**2.77**	**2.88**
	Waste plastic[26]	tonne	1.40	1.45
	Waste paper[27]	tonne	1.37	1.43
	Intensity			
	– By size of workforce	tonne per employee	0.045	0.050
	– By revenue	tonne per revenue in million	0.017	0.018
Paper Consumption	**Office paper**	**tonne**	**0.79**	**0.91**
	Intensity			
	– By size of workforce	tonne per employee	0.011	0.014
	– By revenue	tonne per revenue in million	0.0019	0.0021

21 Water consumption increased during the Reporting Period, primarily caused by prolonged activity at existing project sites and continued use of site office facilities. As these projects progressed through resource-intensive phases, the Group bore responsibility for the associated water usage, contributing to the overall rise in consumption during the Reporting Period.

22 For water consumption, hazardous waste, non-hazardous waste and wastepaper, the workforce is presented for Malaysia only because share offices are used in Singapore and Hong Kong.

23 For water consumption, hazardous waste and non-hazardous waste, the revenue is presented for Malaysia only because share offices are used in Singapore and Hong Kong.

24 The weight figures are based on estimates. We plan to refine the measurement methodology in future Reporting Periods, where feasible.

25 The toner cartridge is recollected by service providers.

26 Waste plastic mainly generates from food packaging, as most staff purchase meals from external vendors for lunch.

27 Paper is mostly used for administrative and operational purposes, including the completion of existing projects and preparatory work for newly awarded ones–like project setup, final account settlements, and tasks under the defect liability period, which are not included under revenue-generating projects or submitted tenders/quotations.

Environmental, Social and Governance Report

Environmental Target Achievements

As a socially responsible organisation, we are firmly dedicated to lowering emissions and actively supporting the worldwide transition to a low-carbon economy. To uphold this commitment, we have set ambitious environmental objectives that guide our actions and decision-making. The following table provides an overview of these targets and our performance during the Reporting Period. Through transparent disclosure of our achievements, we aim to demonstrate our steadfast dedication to environmental sustainability and contribute meaningfully to combat climate change.

	Targets	Target Achievements	Status
Energy Consumption	Our objective is to progressively replace all existing construction vehicles, machinery, and electrical appliances with high-efficiency models or those bearing energy-saving certifications, with the aim of achieving full implementation by the 2030 financial year.	Energy efficiency is a key factor in our purchasing processes, and we consistently prioritise vehicles, machinery, and products that carry recognised energy saving certifications. By consistently choosing certified high-efficiency solutions, we translate our environmental commitment into everyday purchasing decisions, reducing our operational emissions while supporting the market for sustainable technologies.	2026 2030
	Our objective is to engage only those subcontractors capable of providing energy efficient vehicles, machinery, and electrical appliances that carry certified energy saving labels, aiming to realise this target by the end of the 2030 financial year, wherever practicable.	We are actively working towards this target by prioritising subcontractors who demonstrate environmental responsibility in our selection process. Our self-assessment questionnaire addresses greenhouse gas emissions through targeted inquiries, including: "Does your group use high-efficiency vehicles, machinery, and electrical appliances, or those certified with energy-saving labels?" and "Does your group utilise renewable energy?" These evaluations enable us to evaluate subcontractor performance, and we prioritise engagement with suppliers and subcontractors who satisfy these criteria. We will continue to strengthen our procurement criteria and monitor progress towards full implementation by 2030.	2026 2030
	We hope to lower the average energy consumption of diesel and unleaded petrol by 2%, 5%, and 10% per unit of revenue by financial year ended 30 June 2025, 2030 and 2035 respectively from its financial year ended 30 June 2023 baseline.	Having recorded a notable decrease in the consumption of unleaded petrol and diesel, we have reduced our 2026 average energy consumption of diesel and unleaded petrol targets by around 40% per unit of revenue through ongoing efficiency measures and sustainable practices. Following is our current outcome: • Diesel oil intensity has decreased from 0.84 in 2023 to 0.49 in 2026. • Unleaded petrol intensity has decreased from 1.12 in 2023 to 0.67 in 2026.	2030 2035

	Targets	Target Achievements	Status
	We plan to lower the average energy consumption of purchased electricity by 2%, 5%, and 10% per unit of revenue by financial year ending 2025, 2030, and 2035 respectively from its financial year ended 30 June 2023 baseline.	Our electricity consumption intensity decreased from 1.90 MWh in 2023 to 1.68 MWh in 2026, which decreased by more than 10%. This is due to our actions in carrying out effective measures to lower electricity consumption. We have kept promoting simple yet effective habits, such as turning off lights, air conditioning, and equipment when not in use, and maximising the use of natural lighting and optimal room temperatures to enhance overall energy efficiency.	2030 2035
Paper Consumption	We intend to upgrade all existing printers to user authenticated models that track individual printing and copying activity, This measure is scheduled for completion in next replacement or before the end of the 2025 financial year.	We are currently in the process of upgrading all existing printers to user authenticated models that track individual printing and copying activity. In line with our commitment to modernising administrative processes, we actively promote the use of digital communication tools among employees to minimise unnecessary paper consumption. Furthermore, we advocate for the recycling of used paper and encourage double sided printing and copying as part of our broader efforts to reduce environmental impact.	2026
	We intend to transition from physical to electronic filing across all departments through the use of Enterprise Resource Planning ("**ERP**") system and online servers. This change will apply to all documents currently in place, unless physical filing is required by local laws or regulations.		
	We plan to lower the average paper consumption by 2%, 5% and 10% per unit of revenue to be generated by financial year ending 30 June 2025, 2030 and 2035 respectively from its financial year ended 30 June 2023 baseline.	Paper consumption intensity has shown a successful reduction, decreasing from 0.0028 tonnes in 2023 to 0.0019 tonnes in 2026 which is more than 30%. We will continue to promote electronic documentation, encouraging double-sided printing, and reinforcing paper recycling practices across the Group. These initiatives not only help conserve resources but also demonstrate our commitment to sustainability and responsible resource management.	2030 2035

	Targets	Target Achievements	Status
Air Emissions	Our target is to achieve reduction in average emission of SOx by 2%, 5% and 10% per number of projects generating revenue and tenders/quotations submitted by financial year ending 30 June 2025, 2030 and 2035 respectively from its financial year ended 30 June 2023 baseline.	SOx emissions intensity has largely decreased from the 2023 baseline of 0.0031 kg to just 0.0019 kg in 2026 which is nearly 40%. We are pleased to have achieved our 2025 goal, even for 2030 and 2035 goals, due to the effectiveness of our strategies and our commitment to regularly reviewing progress and identifying opportunities for improvement. By ongoing refining our practices to align with our sustainability targets, we strive to achieve a meaningful environmental impact and lasting success.	2030 2035
	We intend to lower the average emission of NOx by 2%, 5% and 10% per unit of revenue to be generated by financial year ending 30 June 2025, 2030 and 2035 respectively from its financial year ended 30 June 2023 baseline.	NOx emissions intensity has greatly reduced from the 2023 baseline of 0.35 kg to 0.19 kg in 2026 which is more than 45%. Having reached our established emissions goals, we are now focused on setting and achieving even more ambitious reduction targets in the years ahead.	2030 2035
	We aim to lower average PM emissions by 2%, 5%, and 10% per unit of revenue by financial year ending 2025, 2030, and 2035 respectively from its financial year ended 30 June 2023 baseline.	PM emissions intensity has reduced from the 2023 baseline of 0.029 kg to 0.016 kg in 2026, a decrease of over 40%. We remain resolute to further emissions reductions through ongoing, proactive measures. To support our emission reduction targets, we have already carried out various mitigation strategies aimed at strengthening environmental sustainability. These include improving operational efficiency, enhancing emission control technologies, prioritising collaboration with environmentally responsible subcontractors, and exploring cleaner alternative energy sources. We continue to advance these efforts as part of our wider sustainability goals.	2030 2035

	Targets	Target Achievements	Status
Water Consumption	We aim to install water collection points at all sites to capture surplus withdrawn water for reuse in cleaning, spraying, irrigation, and other uses by the financial year ending 30 June 2030.	We are in the early stages of planning for the installation of water collection points across all operational sites. To enhance water efficiency, we conduct regular inspections of our water facilities to identify and address leaks promptly. Moreover, we are actively raising our employee awareness on the importance of water conservation by training and signs.	2030
	We intend to lower the average consumption of ground water and water supply from pipes by 2%, 5% and 10% by financial year ended 30 June 2025, 2030 and 2035 respectively from its financial year ended 30 June 2023 baseline.	Our water consumption intensity increased from 28.54 m^3 in 2023 to 123.15 m^3 in 2026. We have not met the target. This rise was largely attributable to the increase of demand of the sites offices of a building project which required more manpower support to complete the project at sites. Despite this increase, we remain committed to enhancing our water efficiency and will continue to disclose our progress in future reports. We will improve water efficiency through regular facility inspections for prompt leak detection and repair, complemented by employee training and visual signage to foster a culture of water conservation.	2030
Waste	We hope to lower average hazardous waste generation per unit of revenue by 2%, 5%, and 10% by the financial year ended 30 June 2025, 2030, and 2035 respectively from its financial year ended 30 June 2023 baseline.	Hazardous waste intensity dropped from 0.014 kg in 2023 to 0.000041 kg in 2026, showing a decrease of nearly 100%. We are delighted to report that we have surpassed our 2025 targets, driven by our efforts in adopting a more comprehensive and responsible approach to hazardous waste reduction and disposal. We will reduce the amount and disclose our progress in future reports.	2030 2035
	Since 1 July 2020, we have planned to install recycling bins at all offices and sites to collect recyclable materials such as metals and aluminium, plastic bottles, wastepaper, ink cartridges, carton boxes, and other recyclables.	Recycling bins and collection points for reusable materials have been set up across our operations to support resource conservation and waste reduction. Going forward, we will continue to promote the use of these facilities among staff and further strengthen awareness of recycling and sustainable behaviours.	Since 2020
	Starting from 1 July 2020, we plan to establish collection points at all offices for reusable items such as stationery and non-confidential single-sided used paper, to promote reuse and reduce waste.		Since 2020

	Targets	Target Achievements	Status
Waste	Effective 1 July 2020, we eliminated single use plastics such as cutlery, bags, straws, and stirrers from all pantry areas as part of our commitment to reducing waste.	Plastic waste intensity has been decreased significantly from 0.49 tonnes in 2023 to 0.0087 tonnes in 2026, which is more than 98%. Going forward, we remain dedicated to driving further reductions by enhancing sustainable procurement, investigating alternative packaging options, and deepening employee engagement. These measures form part of our broader commitment to meeting our plastic waste goals and embedding environmental responsibility across our operations.	2030 ✓ 2035 ✓
	We hope to lower the average wastepaper by 2%, 5% and 10% per unit of revenue to be generated by financial year ending 30 June 2025, 2030 and 2035 respectively from its financial year ended 30 June 2023 baseline.	Wastepaper intensity has been dropped from 0.046 tonnes in 2023 to 0.0085 tonnes in 2026, which is a decrease of more than 80%. We continue to proactively assess our waste management practices, seeking further opportunities to minimise waste and improve paper efficiency. Having successfully met our wastepaper reduction goals, we are now focused on sustaining and building upon this achievement. Through continued promotion of paperless initiatives and enhanced recycling efforts, our Group is reinforcing its commitment to long-term environmental responsibility.	2030 ✓ 2035 ✓

CLIMATE CHANGE PREPAREDNESS

SDG 13: Climate Action

"Take urgent action to combat climate change and its impacts".

We have made significant progress in enhancing our resilience to climate-related challenges and strengthening our ability to withstand natural disasters. By proactively addressing climate risks, we are taking concrete steps to safeguard our operations, protect the environment, and support the communities in which we operate. Our continued commitment to SDG 13 reflects our dedication to building a sustainable future and ensuring the long-term viability of our marine construction activities.

The accelerating pace of global climate change presents mounting challenges to the marine construction industry. With rising temperatures and more frequent extreme weather events, we understand the urgent need to prioritise climate resilience. Climate change presents serious threats to our operations, the environment, and the communities we serve.

In line with our commitment to climate readiness, we have performed a thorough climate scenario analysis. This has allowed us to examine the potential impacts of a range of climate scenarios on our projects, operations, and supply chain. By incorporating these insights into our decision-making framework, we are better positioned to identify vulnerabilities, capitalise on opportunities, and implement adaptive strategies that secure the long-term resilience and sustainability of our business.

Environmental, Social and Governance Report

Our business model is centred on marine construction, reclamation, and related services, supported by a value chain that includes subcontractors, suppliers, and clients across Malaysia and Singapore. Climate-related risks are already having observable effects on our operations:

Project Disruptions

Our ongoing projects have experienced disruptions from extreme weather events, including flooding and high winds, leading to project delays, increased material costs, and additional site restoration efforts. These events have directly affected our operational efficiency and project timelines.

Procurement Decisions

We are observing increased expectations from clients and regulators regarding environmental performance. This has influenced our procurement decisions, with a growing emphasis on energy-efficient equipment, sustainable materials, and the selection of subcontractors who demonstrate ESG compliance.

Subcontractor Management

We have strengthened our subcontractor screening and evaluation processes to ensure alignment with our environmental and ESG standards, reflecting the growing importance of climate-related considerations in our value chain.

Insurance Scrutiny

We are experiencing increased scrutiny from insurers regarding climate risks, which has resulted in heightened focus on risk mitigation measures across our project sites.

Physical Risks

Physical risks arising from climate change relate to the potential harm inflicted on the natural environment and physical systems, including infrastructure, properties, and ecosystems. Under the business-as-usual scenario (Scenario 1), which represents the worst case projection of approximately 4ºC global warming by 2100, our Group faces considerably higher physical risks than under alternative scenarios.

For the purposes of this report, the Group defines its time horizons as follows: short-term (1-2 years), medium-term (3-5 years), and long-term (6-10+ years).

The table below details the climate physical risks relevant to our Group's business operations.

Climate Risks	Impact Period	Potential/Financial Impacts
Flooding	Acute, short-to-medium term	• Reclamation projects are usually situated in low-lying coastal areas, which are especially vulnerable to flooding during periods of heavy rainfall or high tides. Floods can cause damage to infrastructure, equipment, and materials, resulting in delays and increased costs. It may lead to erosion of the reclaimed land and compromise its stability, affecting its suitability for construction works. • Flood-related damage to equipment, materials, and infrastructure would result in increased repair and replacement costs, as well as project delays leading to revenue shortfalls and potential penalty payments. Our cash flows may be adversely affected through higher operating expenses and reduced billing milestones.
Cyclones and Hurricanes	Acute, short-to-medium term	• Cyclones and hurricanes pose risks of severe winds and torrential rainfall, which can trigger flooding, landslides, and damage to infrastructure. With wind speeds expected to escalate under Scenario 1, it could disrupt construction projects, damage equipment, and deplete materials supplies. • Severe weather events could result in significant repair and replacement costs for damaged equipment and infrastructure, alongside project delays causing revenue shortfalls, liquidated damages, and reduced billing milestones. Cash flows could be adversely affected through higher operating expenses and lower revenue recognition.

Climate Risks	Impact Period	Potential/Financial Impacts
Storm Surges	Acute, short-to-medium term	• Storm surges arise when high intensity winds propel seawater onto land, leading to coastal flooding and the inundation of low elevation areas. • Storm surges could cause direct damage to our coastal construction sites, equipment, and materials, resulting in increased repair and replacement costs, project delays, and revenue shortfalls. Our cash flows may be adversely affected through higher operating expenses and reduced billing milestones.
Rising Sea Levels	Chronic, medium-to-long term	• With about one third of Singapore's land situated below 5 metres in elevation, rising sea levels pose a growing threat of flooding and submersion of low lying coastal zones, including reclaimed areas. Saltwater may contaminate the freshwater sources, causing them unsuitable for construction activities or other purposes. • It may lead to increased operational costs for marine construction businesses as investment in desalination or alternative water treatment technologies is needed. • Investment in desalination or water treatment technologies would increase capital expenditure, reducing cash flows available for other operational needs. Higher ongoing operational costs for water sourcing may also compress profit margins. Additionally, our ability to finance such investments may be affected as lenders increasingly consider climate resilience in their credit assessments, potentially increasing our cost of capital.

Climate Risks	Impact Period	Potential/Financial Impacts
Heat Waves	Chronic, medium-to-long term	• High temperatures pose challenges to construction work, especially in physically demanding roles. In Scenario 1, heat stress is projected to cause a notable decline in labour productivity. • Reduced labour productivity could lead to project delays, increased labour costs (e.g., additional shifts, overtime, or hiring of replacement workers), and potential penalties for late completion. These factors would negatively affect our cash flows through higher operating expenses and reduced revenue from delayed project milestones. Over the long term, we may need to invest in heat mitigation measures, such as adjusted working hours, additional rest breaks, and cooling facilities, which would increase capital and operational expenditure.
Rising Mean Temperatures	Chronic, medium-to-long term	• Rising temperatures can accelerate the deterioration of construction materials such as concrete and asphalt, and may also affect the performance and longevity of construction machinery. • High temperatures tend to shorten their lifespan and increase the need for maintenance and replacements. • Increased maintenance and replacement frequency would raise our operating expenses and capital expenditure, thereby reducing cash flows. Additionally, we may face project delays due to equipment downtime or material performance issues, potentially affecting revenue recognition. Our ability to finance equipment upgrades may also be constrained as lenders increasingly favour companies with demonstrable climate resilience.

Transition Risks

Alongside physical climate risks, Malaysia's and Singapore's pledges to reach net zero emissions by 2050 and 2060, respectively, are anticipated to drive significant changes in current policies and regulations. Scenario 3, which centres on the transition to a lower carbon economy, presents a higher transition risk.

For the purposes of this report, the Group defines its time horizons as follows: short-term (1-2 years), medium-term (3-5 years), and long-term (6-10+ years).

The table below shows the climate transition risk to our Group's business operations.

Risk	Impact Period	Potential/Financial Impacts
Carbon Pricing	Short-to-medium term	During the Reporting Period, our Group has emitted a total of 19,844.87 tCO_2e, including 126.24 tCO_2e of Scope 1 emission, 180.62 tCO_2e Scope 2 emission and 19,538.01 tCO_2e Scope 3 emission. Emissions are expected to increase in line with business growth, as well as the continued expansion of Scope 3 inventory. **Global** • The Global Energy and Climate Model by the International Energy Agency ("**IEA**") suggests that the global average carbon price should reach US$90 to US$140 per tCO_2e by 2030 to support the net zero emissions by 2050 scenario[28]. **Singapore** • In line with its vision of attaining carbon neutrality by 2060, Singapore has introduced a progressively more ambitious carbon tax scheme. After the transitional period at S$5/$tCO_2e$, the carbon tax will be raised to Singapore Dollar ("**SGD**") $45/$tCO_2e$ in 2026 and 2027, with a view to reaching SGD$50-80/$tCO_2e$ by 2030[29]. **Malaysia** • Malaysia is also in the process of introducing a carbon pricing scheme and has pledged to achieve a 45% reduction in GHG emissions intensity of GDP by 2030[30].

[28] Based on Net Zero by 2050 scenario in Global Energy and Climate Model by IEA. For details, please refer to https://iea.blob.core.windows.net/assets/2db1f4ab-85c0-4dd0-9a57-32e542556a49/GlobalEnergyandClimateModelDocumentation2022.pdf.

[29] For details, please refer to https://www.nccs.gov.sg/singapores-climate-action/mitigation-efforts/carbontax/.

[30] For details, please refer to https://www.seda.gov.my/reportal/myrer/.

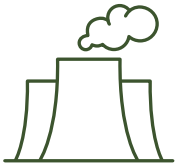
Risk	Impact Period	Potential/Financial Impacts
		Increased operating costs • The introduction of tighter environmental legislation and a carbon pricing system is likely to increase operating costs for our Group. For instance, potential cost drivers include heightened compliance burdens and the need to acquire carbon emission credits. **Supply chain disruption** • The introduction of a carbon pricing system may create disturbances in the construction material markets, which could in turn disrupt our Group's supply chain and cause shortages of essential raw materials.
Insurance Premiums	Medium-to-long term	• Insurance costs are likely to increase, and coverage options for assets in disaster prone locations may become more restricted. Increased insurance premiums would directly reduce our cash flows through higher operating expenses. Restricted coverage availability may also require us to self-insure or hold additional capital reserves, potentially increasing our cost of capital and reducing financial flexibility. **Example** • Federal Emergency Management Agency has integrated climate risk into the flood insurance cost, resulting in an estimated 18% annual premium increase for current policyholders over the next 20 years[31]. It is possible that our Group's local insurance providers will take similar steps.

[31] For details, please refer to https://abfer.org/media/abfer-events-2021/annual-conference/papers-real-estate/AC21P6004_Climate-Risk-Perceptions-and-Demand-for-Flood-Insurance.pdf.

Risk	Impact Period	Potential/Financial Impacts
Technology	Medium-to-long term	• Under a low carbon economy transition scenario, demand is expected to grow for technologies that contribute to environmental protection. • New reclamation technologies, such as deep cement mixing, are being developed with enhanced ecological considerations. • Our Group may experience a decline in demand for construction projects relying on conventional construction techniques and methodologies, while facing additional costs associated with the adoption of new practices, machinery, and processes. • These factors could lead to reduced revenue from conventional projects and increased capital expenditure on new equipment and retraining.
Reputation	Short-to-medium term	**Banks** • Given that all of our Group's main bankers have either aligned with or are working towards alignment with the Task Force on Climate-related Financial Disclosures ("**TCFD**") framework, they are likely to integrate climate risks considerations into their credit assessments and tighten borrowing requirements for businesses that do not demonstrate sufficient responsiveness to climate-related issues. Thus, there might be additional barriers for our Group to secure loans in the future, potentially increasing our cost of debt and could adversely impact on our cash flow and liquidity. **Investors** • With the growing emphasis on responsible investing, the increased stakeholders' concern and the adverse news on climate-related issues might weaken the investor sentiment. This may lead to a possible impact on the stock price and market capitalisation of our Group, thereby increasing our cost of equity capital and liquidity risk.

Our policies and actions aimed at combating climate change are outlined below.

ESG Management Policy:



We are dedicated to achieving sustainable operations and long term prosperity by continually enhancing our performance across economic, environmental, social, human capital, and governance aspects. The Board acknowledges that a resilient governance framework is fundamental to integrating sustainability into our strategic decision-making. Accordingly, the Board has implemented an ESG (including climate) policy that establishes clear processes for identifying, assessing, prioritising, overseeing, managing, monitoring, and communicating ESG-related risks.

This policy reinforces our commitment to reducing emissions, addressing climate-related challenges, and embedding sustainability principles into our day-to-day operations. We are dedicated to setting ambitious targets, monitoring progress closely, and evaluating our performance to drive ongoing improvement. Through disclosure and proactive stakeholder engagement, we strive to enhance awareness, build trust and cultivate a culture of sustainability across the organisation.

Environmental, Climate, and Natural Resources Management Policy:

Our Board understands the importance of tackling the environmental and natural resource impacts arising from our Group's operations. To address these concerns, the Board has adopted this Environmental, Climate, and Natural Resources Management Policy to provide clear guidelines and procedures that align with and support our overarching ESG Management Policy.

This Policy demonstrates our dedication to sustainability by providing a structured framework for overseeing risks associated with environmental, climate, and natural resource usage. It includes robust measures for risk assessment, internal controls, and proactive strategies of operational impacts on the environment and natural resources.

Across our construction sites, subcontractor and supplier networks, client engagements, and office operations, we enforce strict measures to limit negative environmental consequences. We actively identify activities that currently affect or may have the potential to affect natural resources and take decisive actions to alleviate the impacts.

In addition, recognising the urgency of climate-related risks, we are committed to identifying and addressing material climate-related risks that could affect our operations. Strategic initiatives are being carried out at all levels of the organisation to manage and mitigate these risks. Through this holistic approach, we ensure that sustainability principles are embedded into our everyday operations and strategic decision-making.

Combating Climate Change

During 2020, the TCFD issued its Guidance on Scenario Analysis for Non-financial Companies, encouraging businesses to develop their strategic plans against various plausible future scenarios. Climate scenario analysis is an important process that enables organisations identify and assess the potential consequences of a range of climate-related developments under uncertain future conditions.

We have referred to the Representative Concentration Pathways ("**RCPs**") developed by the IPCC as well as scenario frameworks provided by the IEA. Given that a comprehensive climate scenario analysis was carried out in 2023, and there have been no significant changes in our business operations or notable climate-related developments during this Reporting Period, we have retained the same scenario analysis for this year.

Countermeasures

Our Group has the capacity to adjust its strategy and business model over short, medium, and long-term horizons. In the short term, we are enhancing ESG governance and climate data collection, and integrating climate considerations into procurement and subcontractor selection. Over the medium term, we plan to replace existing construction vehicles, machinery, and electrical appliances with high-efficiency or energy-saving certified models by 2030, while exploring eco-engineering solutions for climate-resilient infrastructure. In the long term, we anticipate a transition towards low-carbon business models, supported by investments in renewable energy, sustainable procurement, and workforce upskilling, subject to regulatory and technological developments.

Moreover, to reduce the potential effects of climate-related risks, we have introduced various proactive measures. For instance, we have targeted areas vulnerable to wind and water erosion by applying mulching and introducing vegetation, effectively lowering erosion risks. For dust control, we have utilised close-turfing and hydro-seeding techniques to foster a more stable and controlled environment.

To control air currents and avoid the spread of loose soil, we have strategically installed barriers such as board fences, wind fences, and sediment fences across our sites. Moreover, we have introduced tree planting measures and established perennial grasses to act as natural windbreaks, thereby enhancing site resilience.

Through these actions, we are actively reducing the environmental impacts of our operations and encourage a more sustainable model to marine construction.

To manage climate transition risks, our Group has established a dedicated climate risk policy. The ESG Working Group, supported by an external consultant, is responsible for identifying, assessing, and overseeing climate-related risks. To ensure effective governance, the Audit Committee meets at least twice annually to supervise the climate risk management framework.

With regard to Singapore's carbon pricing framework, our Group is now assessing its impact on business operations in the region. We are also strengthening our data collection capabilities to support the development of an internal carbon pricing mechanism. This will allow us to measure the cost of emissions and establish meaningful climate-related targets that align with current and anticipated regulatory requirements, market conditions, and our Group's financial goals.

We have also identified the following significant areas of uncertainty:

1. Regulatory uncertainty: The pace and scope of carbon pricing implementation in Malaysia and Singapore remain uncertain, potentially affecting the timing and magnitude of compliance costs for our operations.

2. Climate projection uncertainty: The precise timing, frequency, and intensity of extreme weather events, such as cyclones and flooding, remain difficult to predict at a local level, which could impact project timelines and costs in ways not fully captured by our current scenarios.

3. Technological uncertainty: The availability and cost-effectiveness of emerging low-carbon technologies relevant to our industry are not yet fully established, which may affect the viability of our long-term adaptation and mitigation plans.

We will continue to monitor these uncertainties and refine our resilience assessment as more reliable data and methodologies become available.

Climate-related Opportunities

While climate change presents complex and significant challenges, it also offers valuable opportunities for our Group to drive growth and transformation. Based on the scenario analysis conducted by our third-party consultant, we have identified some opportunities. We anticipate further changes to our business model and value chain as climate risks intensify. We expect growing demand for climate-resilient infrastructure upgrades, eco-engineering solutions, and green technology investments. These opportunities may require us to allocate additional resources towards research, training, and capital expenditure. Conversely, we anticipate potential cost increases from carbon pricing and stricter environmental regulations, which may affect our operating margins and supplier costs. We are actively preparing to adapt our business model to capture these opportunities and mitigate associated risks.

For the purposes of this report, the Group defines its time horizons as follows: short-term (1-2 years), medium-term (3-5 years), and long-term (6-10+ years). The following table outlines these opportunities.

Opportunity	Description	Time Horizon	Potential/ Financial Impact
Infrastructure Upgrades and Replacements	Growing demand for upgrading and replacing coastal infrastructure due to accelerated wear caused by more frequent extreme sea level events, coastal flooding, and increased wave loading, particularly in Malaysia and Singapore.	Medium- to long-term	Increased project pipeline and revenue opportunities from public and private sector infrastructure renewal initiatives.
Green Investment Incentives	Leveraging public sector incentives such as Malaysia's "Green Investment Tax Allowance", which offers tax benefits for acquiring green technology assets and exemptions for providing green technology services.	Short-to-medium term	Tax savings and cost reductions, enhancing profitability and enabling competitive pricing for sustainable solutions.
Eco-Engineering and Nature-based Solutions	Offering specialised marine construction services such as eco-engineered seawalls, breakwaters, and shoreline protection systems that incorporate ecological benefits (e.g., bio-enhancing concrete, mangrove restoration, and sediment management for land raising). This meets rising demand for climate adaptation projects that combine structural integrity with biodiversity enhancement and flood risk reduction.	Medium- to long term	Creates a new, high-value revenue stream by tapping into the growing multi-billion-dollar climate adaptation market. Positions the Group as a leader in sustainable marine construction, enabling premium pricing. Facilitates cross-selling with existing services and strengthens relationships with developers and governments seeking resilient, future-proof solutions.

HKEX ESG REPORTING CODE INDEX

General Disclosures & KPIs		Explanation/Reference Section
Aspect A: Environment		
A1 Emissions	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Note: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.	ECO-FRIENDLY OPERATIONS
KPI A1.1	The types of emissions and respective emissions data.	ECO-FRIENDLY OPERATIONS – Environmental Performance
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (for example, per unit of production volume, per facility).	ECO-FRIENDLY OPERATIONS – Environmental Performance
KPI A1.4	Total non-hazardous waste produced (in tonnes) and where appropriate, intensity (for example, per unit of production volume, per facility).	ECO-FRIENDLY OPERATIONS – Environmental Performance
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	ECO-FRIENDLY OPERATIONS – Environmental Target Achievements
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	ECO-FRIENDLY OPERATIONS – Environmental Target Achievements

General Disclosures & KPIs		Explanation/Reference Section
A2 Use of Resources	Policies on efficient use of resources including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	ECO-FRIENDLY OPERATIONS
KPI A2.1	Direct and/or indirect energy consumption by type (for example, electricity, gas or oil) in total (kWh in '000s) and intensity (for example, per unit of production volume, per facility).	ECO-FRIENDLY OPERATIONS – Environmental Performance
KPI A2.2	Water consumption in total and intensity (for example, per unit of production volume, per facility).	ECO-FRIENDLY OPERATIONS – Environmental Performance
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	ECO-FRIENDLY OPERATIONS – Environmental Target Achievements
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	ECO-FRIENDLY OPERATIONS
KPI A2.5	Total packaging material used for finished products (in tonnes), and, if applicable, with reference to per unit produced.	Not applicable, as our business operation in the Reporting Period did not involve the use of packaging materials.
A3 The Environment and Natural Resources	Policies on minimising the issuer's significant impact on the environment and natural resources.	ECO-FRIENDLY OPERATIONS
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	ECO-FRIENDLY OPERATIONS

General Disclosures & KPIs		Explanation/Reference Section
Aspect B: Social		
B1 Employment	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	OUR EMPLOYEE AND PROSPERITY – Employment Conditions, Fair and Diverse Workplace
KPI B1.1	Total workforce by gender, employment type (for example, full– or part-time), age group and geographical region.	OUR EMPLOYEE AND PROSPERITY
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	OUR EMPLOYEE AND PROSPERITY
B2 Health and Safety	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	OUR EMPLOYEE AND PROSPERITY – Healthy and Safe Workplace
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	OUR EMPLOYEE AND PROSPERITY – Healthy and Safe Workplace
KPI B2.2	Lost days due to work injury.	OUR EMPLOYEE AND PROSPERITY – Healthy and Safe Workplace
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	OUR EMPLOYEE AND PROSPERITY – Healthy and Safe Workplace

General Disclosures & KPIs		Explanation/Reference Section
B3 Development and Training	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	OUR EMPLOYEE AND PROSPERITY – Learning and Development
KPI B3.1	The percentage of employees trained by gender and employee category (for example, senior management, middle management).	OUR EMPLOYEE AND PROSPERITY – Learning and Development
KPI B3.2	The average training hours completed per employee by gender and employee category.	OUR EMPLOYEE AND PROSPERITY – Learning and Development
B4 Labour Standards	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	OUR EMPLOYEE AND PROSPERITY – Child and Forced Labour-free Workplace
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	OUR EMPLOYEE AND PROSPERITY – Child and Forced Labour-free Workplace
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	OUR EMPLOYEE AND PROSPERITY – Child and Forced Labour-free Workplace
B5 Supply Chain Management	Policies on managing environmental and social risks of the supply chain.	VALUE CHAIN – Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	VALUE CHAIN – Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	VALUE CHAIN – Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	VALUE CHAIN – Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	VALUE CHAIN – Supply Chain Management

General Disclosures & KPIs		Explanation/Reference Section
B6 Product Responsibility	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	VALUE CHAIN – Reliable Services
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable, as our business operation in the Reporting Period did not involve selling or shipping of products.
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	VALUE CHAIN – Reliable Services
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	VALUE CHAIN – Reliable Services
KPI B6.4	Description of quality assurance process and recall procedures.	VALUE CHAIN – Reliable Services
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	VALUE CHAIN – Reliable Services

General Disclosures & KPIs		Explanation/Reference Section
B7 Anti-corruption	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	VALUE CHAIN – Business Ethics
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	VALUE CHAIN – Business Ethics
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	VALUE CHAIN – Business Ethics
KPI B7.3	Description of anti-corruption training provided to directors and staff.	VALUE CHAIN – Business Ethics
B8 Community Investment	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	COMMUNITY ENGAGEMENT
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	COMMUNITY ENGAGEMENT
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	COMMUNITY ENGAGEMENT

Climate-related Disclosures Requirement		Explanation/ Reference Section
(I) Governance		
19	An issuer shall disclose information about:	
19(a)	the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about:	ESG GOVERNANCE
	(i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	
	(ii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	
	(iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities;	
	(iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see paragraphs 37 to 40), including whether and how related performance metrics are included in remuneration policies (see paragraph 35); and	
19(b)	management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:	ESG GOVERNANCE
	(i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	
	(ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	

Climate-related Disclosures Requirement		Explanation/ Reference Section
(II) Strategy		
Climate-related risks and opportunities		
20	An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall:	
20(a)	describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term;	CLIMATE CHANGE PREPAREDNESS
20(b)	explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;	CLIMATE CHANGE PREPAREDNESS
20(c)	specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	CLIMATE CHANGE PREPAREDNESS
20(d)	explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	CLIMATE CHANGE PREPAREDNESS
Business model and value chain		
21	An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose:	
21(a)	a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and	CLIMATE CHANGE PREPAREDNESS/COMBATING CLIMATE CHANGE
21(b)	a description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	We are developing our data collection and assessment capabilities for future disclosure.

Climate-related Disclosures Requirement		Explanation/ Reference Section
Strategy and decision-making		
22	An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:	
22(a)	information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about: (i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities; (ii) current and anticipated adaptation and mitigation efforts; (iii) any climate-related transition plans the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan; and (iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40; and	COMBATING CLIMATE CHANGE ENVIRONMENTAL TARGET ACHIEVEMENTS Our Group has not yet adopted a formal climate-related transition plan. We are monitoring evolving regulatory requirements and industry best practices, and will evaluate the development of a plan in future reporting periods.
22(b)	information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	We are currently establishing relevant production and data collection mechanisms, and will declare them when permitted to be carried.
23	An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	We are currently establishing relevant production and data collection mechanisms, and will declare them when permitted to be carried.

Climate-related Disclosures Requirement		Explanation/ Reference Section
Financial position, financial performance and cash flows		
Current financial effect		
24	An issuer shall disclose qualitative and quantitative information about:	
24(a)	how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and	CLIMATE CHANGE PREPAREDNESS
24(b)	the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	Assessment of material adjustment risks to assets and liabilities is currently under development. We will disclose findings in the future reports.
Anticipated financial effect		
25	The issuer shall provide qualitative and quantitative disclosures about:	
25(a)	how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: (i) its investment and disposal plans; and (ii) its planned sources of funding to implement its strategy; and	We are currently establishing relevant production and data collection mechanisms, and will declare them when permitted to be carried.
25(b)	how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	We are currently establishing relevant production and data collection mechanisms, and will declare them when permitted to be carried.

Climate-related Disclosures Requirement		Explanation/ Reference Section
Climate resilience		
26	An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose:	
26(a)	the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of: (i) the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis; (ii) the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and (iii) the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term;	CLIMATE CHANGE PREPAREDNESS/COMBATING CLIMATE CHANGE

Climate-related Disclosures Requirement		Explanation/ Reference Section
26(b)	how and when the climate-related scenario analysis was carried out, including: (i) information about the inputs used, including: (1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) time horizons the issuer used in the analysis; and (7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis); (ii) the key assumptions the issuer made in the analysis; and (iii) the reporting period in which the climate-related scenario analysis was carried out.	COMBATING CLIMATE CHANGE – we disclosed use of IPCC RCPs and IEA frameworks for a 2023 analysis. However, specific scenarios (e.g., RCP 2.6/4.5/8.5), key assumptions, time horizons, and operational scope are not fully detailed.

Climate-related Disclosures Requirement		Explanation/ Reference Section
(III) Risk Management		
27	An issuer shall disclose information about:	
27(a)	the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about:	ESG GOVERNANCE – Risk Identification and Assessment, ESG Risk Management
	(i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes);	We are currently enhancing our risk identification framework and will provide further details in future reporting periods.
	(ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks;	
	(iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria);	
	(iv) whether and how the issuer prioritises climate-related risks relative to other types of risks;	
	(v) how the issuer monitors climate-related risks; and	
	(vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period;	
27(b)	the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and	COMBATING CLIMATE CHANGE
27(c)	the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	ESG GOVERNANCE

Climate-related Disclosures Requirement		Explanation/ Reference Section
(IV) Metrics and Targets		
Greenhouse gas emissions		
28	An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO_2 equivalent, classified as:	
28(a)	Scope 1 greenhouse gas emissions;	ECO-FRIENDLY OPERATIONS – Environmental Performance
28(b)	Scope 2 greenhouse gas emissions; and	ECO-FRIENDLY OPERATIONS – Environmental Performance
28(c)	Scope 3 greenhouse gas emissions.	ECO-FRIENDLY OPERATIONS – Environmental Performance
29	An issuer shall:	
29(a)	measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;	ECO-FRIENDLY OPERATIONS – Environmental Performance
29(b)	disclose the approach it uses to measure its greenhouse gas emissions including:	ECO-FRIENDLY OPERATIONS – Environmental Performance
	(i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions;	
	(ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and	
	(iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	

Climate-related Disclosures Requirement		Explanation/ Reference Section
29(c)	for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and	ECO-FRIENDLY OPERATIONS – Environmental Performance
29(d)	for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	ECO-FRIENDLY OPERATIONS – Environmental Performance
Climate-related transition risks		
30	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	The information required for these metrics is not yet available with sufficient reliability or granularity.
Climate-related physical risks		
31	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	The information required for these metrics is not yet available with sufficient reliability or granularity.
Climate-related opportunities		
32	An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	The information required for these metrics is not yet available with sufficient reliability or granularity.
Capital deployment		
33	An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	The information required for these metrics is not yet available with sufficient reliability or granularity.

Climate-related Disclosures Requirement		Explanation/ Reference Section
Internal carbon prices		
34	An issuer shall disclose:	
34(a)	an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and	We do not implement internal carbon pricing, this indicator is therefore not applicable.
34(b)	the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	We do not implement internal carbon pricing, this indicator is therefore not applicable.
Remuneration		
35	An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).	Climate-related factors are considered qualitatively under the remuneration policy, however, no specific climate-related rating ratio or index have been incorporated into our remuneration assessment system.
Industry-based metrics		
36	An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.	We have not yet referenced other industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in our industry.

Climate-related Disclosures Requirement		Explanation/ Reference Section
Climate-related targets		
37	An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and(b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose:	
37(a)	the metric used to set the target;	ENVIRONMENTAL TARGET ACHIEVEMENTS
37(b)	the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);	ENVIRONMENTAL TARGET ACHIEVEMENTS
37(c)	the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region);	ENVIRONMENTAL TARGET ACHIEVEMENTS
37(d)	the period over which the target applies;	ENVIRONMENTAL TARGET ACHIEVEMENTS
37(e)	the base period from which progress is measured;	ENVIRONMENTAL TARGET ACHIEVEMENTS
37(f)	milestones or interim targets (if any);	ENVIRONMENTAL TARGET ACHIEVEMENTS
37(g)	if the target is quantitative, whether the target is an absolute target or an intensity target; and	ENVIRONMENTAL TARGET ACHIEVEMENTS
37(h)	how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	ENVIRONMENTAL TARGET ACHIEVEMENTS

Climate-related Disclosures Requirement		Explanation/ Reference Section
38	An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	
38(a)	whether the target and the methodology for setting the target has been validated by a third party;	Third-party validation of targets and methodologies has not yet been undertaken. We are evaluating the need for external assurance as part of our ongoing ESG reporting enhancement.
38(b)	the issuer's processes for reviewing the target;	Formal processes for reviewing climate-related targets are being developed.
38(c)	the metrics used to monitor progress towards reaching the target; and	ENVIRONMENTAL TARGET ACHIEVEMENTS
38(d)	any revisions to the target and an explanation for those revisions.	No revisions to climate-related targets have been made to date. We will disclose any revisions in future reports as our target-setting processes mature.
39	An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	ENVIRONMENTAL TARGET ACHIEVEMENTS
40	For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose:	
40(a)	which greenhouse gases are covered by the target;	ENVIRONMENTAL TARGET ACHIEVEMENTS
40(b)	whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;	ENVIRONMENTAL TARGET ACHIEVEMENTS

Climate-related Disclosures Requirement		Explanation/ Reference Section
40(c)	whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target;	ENVIRONMENTAL TARGET ACHIEVEMENTS
40(d)	whether the target was derived using a sectoral decarbonisation approach; and	ENVIRONMENTAL TARGET ACHIEVEMENTS
40(e)	the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose: (i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits; (ii) which third-party scheme(s) will verify or certify the carbon credits; (iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and (iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).	We currently have no plan to use carbon credits to achieve its emissions reduction objectives. Any future planned use of carbon credits will be disclosed in accordance with HKEx's requirements.
Applicability of cross-industry metrics and industry-based metrics		
41	In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).	We have not yet referenced industry-based metrics, the information required for specific cross-industry metrics is not yet available with sufficient reliability or granularity.

Independent Auditor's Report

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF JBB BUILDERS INTERNATIONAL LIMITED
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of JBB Builders International Limited ("**the Company**") and its subsidiaries ("**the Group**") set out on pages 167 to 243, which comprise the consolidated statement of financial position as at 30 June 2026, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards ("**IFRSs**") issued by the International Accounting Standards Board ("**IASB**") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing ("**ISAs**") issued by the IASB. Our responsibilities under those standards are further described in the "*Auditor's responsibilities for the audit of the consolidated 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.

Independent and Other Ethical Responsibilities

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("**IESBA Code**"), as applicable to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code.

KEY AUDIT MATTERS

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

REVENUE FROM CONSTRUCTION SERVICES

Refer to Note 5 to the consolidated financial statements and the accounting policies in Note 2(p) to the consolidated financial statements.

The Key Audit Matter	How the matter was addressed in our audit
The Group recorded revenue from construction services of approximately RM160,237,000 for the year ended 30 June 2026. The Group recognises revenue from construction services progressively over time using the cost-to-cost method based on the proportion of the actual total contract costs incurred at the end of the reporting period compared to the estimated total budgeted contract costs to complete the construction contract. The revenue recognition therefore relies on estimations of total budget contract costs which requires significant management estimations and judgments. We identified the revenue recognition from construction services as a key audit matter because it is significant to the consolidated statement of profit or loss and other comprehensive income and management judgment is needed in estimating total budgeted contract costs and the amount of revenue to be recognised by the Group.	Our procedures in relation to recognition of revenue from construction services mainly included: • Testing and evaluating the effectiveness of the key internal controls in place on budget preparation and revenue recognition of the construction operations; • Evaluating the basis in determining the expected total costs to complete the contract. Checking the budgeted costs to complete the contract on a sample basis and evaluating the appropriateness of the key estimations and assumptions adopted by the management of the Company; • Checking to the key terms and conditions of construction contracts on a sample basis, and assessing whether they had been appropriately reflected in the estimation of total budgeted contract costs; • Checking construction costs incurred during the year by tracing to supporting documentation on a sample basis; • Performing recalculation of revenue recognised from construction services on a sample basis; and • Assessing the related disclosures in the consolidated financial statements with reference to the requirements of the IFRS 15.

RECOVERABILITY OF TRADE RECEIVABLES AND CONTRACT ASSETS

Refer to Note 16 and Note 17 to the consolidated financial statements and the accounting policies in Note 2(h)(i), Note 2(i) and Note 2(q) to the consolidated financial statements.

The Key Audit Matter	How the matter was addressed in our audit
Trade receivables and contract assets of the Group carried at approximately RM104,663,000 and RM25,026,000 respectively as at 30 June 2026. The Group measures loss allowance on trade receivables and contract assets at amounts equal to lifetime expected credit losses. Expected credit losses ("**ECL**") on these financial assets are estimated using a provision matrix which involved significant management judgement in estimating expected loss rate based on historical credit loss experience, adjusting factors that are specific to the debtors and assessment of both current and forecasted general economic conditions. We identified impairment assessment of trade receivables and contract assets as a key audit matter because of the significance of the Group's trade receivables and contract assets balances to the consolidated financial statements, combined with the significant degree of estimations by the management of the Company in estimating of ECL of trade receivables and contract assets which may affect their carrying values at the end of the reporting period.	Our procedures in relation to the loss allowance for trade receivables and contract assets mainly included: • Obtaining an understanding of how the management assess the ECL of trade receivables and contract assets; • Testing the mathematical accuracy of the ECL model on trade receivables and contract assets prepared by the management; • Testing whether items in the ageing report were categorised appropriately on a sample basis; • Assessing the reasonableness of the ECL by testing the accuracy of the historical default rate and examining the reasonableness of the forward looking information used by the management; and • Assessing the related disclosures in the consolidated financial statements with reference to the requirements of the IFRS 9.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements 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 CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 ISAs 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 consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, 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 internal control.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements 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 consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

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

OTHER MATTERS

This report is made solely to members of the Group, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

The engagement partner on the audit resulting in this independent auditor's report is Tan Guan Seng (practising certificate number: 03387/08/2028 J).

Crowe Malaysia PLT
Chartered Accountants
Malaysia, 24 September 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2026
(Expressed in Malaysian Ringgit)

	Note	2026 RM'000	2025 RM'000
Revenue	5	**412,763**	426,980
Direct costs		**(397,987)**	(409,309)
Gross profit		**14,776**	17,671
Other revenue	6	**3,127**	5,660
Other net income	6	**1,560**	1,499
Reversal/(allowance) for impairment loss on trade receivables and contract assets	7(c)	**1,818**	(1,608)
General and administrative expenses		**(20,475)**	(19,658)
Profit from operations		**806**	3,564
Share of loss of joint ventures		**(9)**	(8)
Finance costs	7(a)	**(276)**	(639)
Profit before taxation	7	**521**	2,917
Income tax expenses	11	**(1,011)**	(1,662)
(Loss)/profit for the year		**(490)**	1,255
Other comprehensive (expenses) for the year			
Items that will not be reclassified to profit or loss:			
Currency translation differences		**(1,960)**	(5,518)
Total comprehensive (expenses) for the year		**(2,450)**	(4,263)
(Loss)/profit for the year attributable to:			
Owners of the Company		**(536)**	1,331
Non-controlling interests		**46**	(76)
		(490)	1,255
Total comprehensive (expenses)/income attributable to:			
Owners of the Company		**(2,496)**	(4,187)
Non-controlling interests		**46**	(76)
		(2,450)	(4,263)
(Loss)/earnings per share (Sen per share)			
– Basic	12	**(0.11)**	0.27
– Diluted	12	**(0.11)**	0.27

The notes on pages 173 to 243 form part of these financial statements.

Consolidated Statement of Financial Position

As at 30 June 2026
(Expressed in Malaysian Ringgit)

	Note	2026 RM'000	2025 RM'000
Non-current assets			
Property, plant and equipment	13	**1,010**	1,667
Interests in joint ventures	14	**87**	96
Deposits paid for acquisition of investment properties	15(a)	**15,690**	27,637
Deposits placed for life insurance policies	15(b)	**–**	1,054
Deferred tax assets	24(b)	**26**	33
		16,813	30,487
Current assets			
Trade and other receivables	16	**109,672**	147,986
Contract assets	17(a)	**25,026**	28,690
Tax recoverable	24(a)	**467**	1,825
Deposits placed for life insurance policies	15(b)	**751**	–
Fixed deposits with maturity over three months	18(a)	**380**	5,700
Pledged bank deposits	18(b)	**6,384**	9,179
Cash and cash equivalents	19(a)	**109,566**	71,451
		252,246	264,831
Assets classified as held for sale	20	**–**	1,500
		252,246	266,331
Current liabilities			
Trade and other payables	21	**119,936**	142,775
Contract liabilities	17(b)	**18,429**	13,793
Bank loans	22	**–**	4,410
Lease liabilities	23	**154**	263
Provision for taxation	24(a)	**1,106**	1,452
Dividend payable to non-controlling interests		**6,119**	–
		145,744	162,693
Net current assets		**106,502**	103,638
Total assets less current liabilities		**123,315**	134,125

Consolidated Statement of Financial Position

As at 30 June 2026
(Expressed in Malaysian Ringgit)

	Note	2026 RM'000	2025 RM'000
Non-current liabilities			
Bank loans	22	–	1,974
Lease liabilities	23	219	437
Deferred tax liabilities	24(b)	78	54
		297	2,465
Net assets		123,018	131,660
Capital and reserves			
Share capital	25(b)	2,672	2,672
Reserves		119,794	122,290
Total equity attributable to equity owners of the Company		122,466	124,962
Non-controlling interests	28	552	6,698
		123,018	131,660

Approved and authorised for issue by the board of directors on 24 September 2026

Ng Say Piyu
Chairman and Executive Director

Lam Fung Eng
Executive Director

The notes on pages 173 to 243 form part of these financial statements.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2026
(Expressed in Malaysian Ringgit)

	Attributable to equity owners of the Company							
	Share capital RM'000	Share premium RM'000	Merger reserve RM'000	Exchange reserve RM'000	Retained profits RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 July 2024	2,672	71,999	6,316	7,563	40,599	129,149	7,202	136,351
Changes in equity for the year ended 30 June 2025:								
Profit/(loss) for the year	–	–	–	–	1,331	1,331	(76)	1,255
Other comprehensive expenses for the year								
Currency translation differences	–	–	–	(5,518)	–	(5,518)	–	(5,518)
Total comprehensive (expenses)/income for the year	–	–	–	(5,518)	1,331	(4,187)	(76)	(4,263)
Disposal of a non-wholly owned subsidiary	–	–	(27)	(45)	72	–	(428)	(428)
At 30 June 2025	2,672	71,999*	6,289*	2,000*	42,002*	124,962	6,698	131,660
At 1 July 2025	**2,672**	**71,999**	**6,289**	**2,000**	**42,002**	**124,962**	**6,698**	**131,660**
Changes in equity for the year ended 30 June 2026:								
(Loss)/profit for the year	**–**	**–**	**–**	**–**	**(536)**	**(536)**	**46**	**(490)**
Other comprehensive expenses for the year								
Currency translation differences	**–**	**–**	**–**	**(1,960)**	**–**	**(1,960)**	**–**	**(1,960)**
Total comprehensive (expenses)/income for the year	**–**	**–**	**–**	**(1,960)**	**(536)**	**(2,496)**	**46**	**(2,450)**
Dividend paid to non-controlling interests	**–**	**–**	**–**	**–**	**–**	**–**	**(6,192)**	**(6,192)**
At 30 June 2026	**2,672**	**71,999***	**6,289***	**40***	**41,466***	**122,466**	**552**	**123,018**

* These reserve accounts comprise consolidated reserves of approximately RM119,794,000 (2025: RM122,290,000) in the consolidated statement of financial position.

The notes on pages 173 to 243 form part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 30 June 2026
(Expressed in Malaysian Ringgit)

	Note	2026 RM'000	2025 RM'000
Operating activities			
Profit before taxation		521	2,917
Adjustments for:			
(Reversal)/allowance for impairment loss on trade receivables and contract assets	7(c)	(1,818)	1,608
Depreciation	7(c)	453	517
Loss/(gain) on disposal of property, plant and equipment	7(c)	52	(2)
Fair value loss on investment properties	7(c)	–	700
(Gain) on disposal of deposits paid for acquisition of investment properties	7(c)	(1,182)	(1,339)
(Gain) on deposits placed for life insurance policies	7(c)	(49)	(16)
(Gain) on early termination of a lease	7(c)	(1)	–
(Gain) on disposal of a non-wholly owned subsidiary	7(c)	–	(572)
(Gain) on partial disposal of a joint venture	7(c)	–	(11)
Share of loss of joint ventures		9	8
Interest expenses	7(a)	276	639
Interest income	6	(2,216)	(3,290)
Operating cash flow before movements in working capital		(3,955)	1,159
Decrease/(increase) in trade and other receivables		30,504	(52,731)
Decrease in contract assets		3,835	4,520
(Decrease)/increase in trade and other payable		(20,496)	24,673
Increase in contract liabilities		4,636	8,680
Cash from/(used in) operations		14,524	(13,699)
Net income tax refund/(paid)		108	(859)
Net cash generated from/(used in) operating activities		14,632	(14,558)

Consolidated Statement of Cash Flows

For the year ended 30 June 2026
(Expressed in Malaysian Ringgit)

	Note	2026 RM'000	2025 RM'000
Investing activities			
Proceeds on disposal of deposits paid for acquisition of investment properties		21,396	8,351
Proceeds from disposal of investment properties		1,500	–
Proceeds from disposal of deposits placed for life insurance policies		352	–
Proceeds on disposal of property, plant and equipment		104	2
Payments for purchases of property, plant and equipment		(63)	(637)
Net proceeds on disposal of a non-wholly owned subsidiary	32	–	798
Interest received		882	1,219
Withdrawal/(placement) of deposits with maturity over three months		5,320	(5,700)
Decrease/(increase) in pledged bank deposits		2,795	(1,070)
Net cash generated from investing activities		32,286	2,963
Financing activities			
Repayment of bank borrowings		(6,384)	(4,074)
Interest on bank borrowings		(250)	(604)
Capital element of lease rentals paid		(217)	(280)
Interest element on lease rental paid		(26)	(35)
Net cash used in financing activities		(6,877)	(4,993)
Net increase/(decrease) in cash and cash equivalents		40,041	(16,588)
Cash and cash equivalents at the beginning of the year		71,451	94,095
Effect of foreign exchange rate changes		(1,926)	(6,056)
Cash and cash equivalents at the end of the year	19(a)	109,566	71,451

The notes on pages 173 to 243 form part of these financial statements.

1. CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 30 April 2018 under the Companies Law (Cap. 22) (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information of the annual report.

The ordinary shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 10 May 2019 (the "**Listing**").

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are set out in Note 28. As at 30 June 2026, the directors of the Company consider that the Company is ultimately controlled by Dato' Ng Say Piyu and Datin Ngooi Leng Swee (the "**Controlling Shareholders**"), who have entered into a confirmatory deed on 16 May 2018.

2. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable IFRS Accounting Standards ("**IFRSs**"), which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards ("**IASs**") and Interpretations issued by the International Accounting Standards Board ("**IASB**") and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange. Material accounting policy information adopted by the Group are disclosed below.

The IASB has issued certain amendments to IFRSs which are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from the initial application of these developments to the extent that they are relevant to the Group for the current accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 30 June 2026 comprise the Company and its subsidiaries (together referred to as the "**Group**") and the Group's interests in joint ventures.

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the "**functional currency**"). The functional currency of the Company is Hong Kong dollars ("**HK$**") and the consolidated financial statements are presented in Malaysian Ringgit ("**RM**"), rounded to the nearest thousand, unless otherwise stated, as the Group's principal activities were carried out in Malaysia and Singapore in which the management uses RM to control and monitor the performance and financial position of the Group.

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(b) Basis of preparation of the financial statements (Continued)

The deposits placed for life insurance policies are carried at the cash surrender value of the policies.

Non-current assets classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell (see Note 2(w)).

Other than changes in accounting policies resulting from the application of new and amendments to IFRSs, the accounting policies and methods of computation used in the consolidated financial statements for the year ended 30 June 2026 are the same as those presented in the preparation of the Group's annual financial statements for the year ended 30 June 2025.

The preparation of the consolidated financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRSs that have a significant effect on the consolidated financial statements and key sources of estimation uncertainty are discussed in Note 4.

(c) Business combinations

(i) Business combinations involving entities under common control

A business combination involving entities under common control is a business combination in which all of the combining entities are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. The assets and liabilities of the entities being combined are measured at their carrying amounts as recorded by the entities being combined at the combination date. The difference between the carrying amount of the net assets obtained and the amount of consideration paid for the combination (or the total face value of shares issued) is adjusted to equity. The combination date is the date on which one combining entity effectively obtains control of the other combining entities.

(ii) Business combinations involving entities not under common control

A business combination involving entities not under common control is a business combination in which all of the combining entities are not ultimately controlled by the same party or parties both before and after the business combination. The acquirer, at the acquisition date, allocates the cost of the business combination by recognising the acquiree's identifiable assets, liabilities and contingent liabilities at their fair value at that date.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

For each business combination, the Group can elect to measure any non-controlling interests ("**NCI**") either at fair value or at the NCI's proportionate share of the subsidiary's net identifiable assets. NCI are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. NCI in the results of the Group are presented on the face of the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between NCI and the equity shareholders of the Company. Loans from holders of NCI and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position depending on the nature of the liability.

Changes in the Group's interests in existing subsidiaries

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

When the Group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in that former subsidiary is measured at fair value when control is lost.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see Note 2(h)(ii)), unless it is classified as held for sale (or included in a disposal group classified as held for sale) (see Note 2(w)).

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(e) Joint ventures

A joint venture is an arrangement in which the Group or the Company has joint control, whereby the Group or the Company has the rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

An investment in a joint venture is accounted for using the equity method, unless it is classified as held for sale (or included in a disposal group classified as held for sale) (see Note 2(w)). They are initially recorded at cost, which includes transaction costs. Subsequently, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of those investees, until the date on which joint control ceases.

When the Group's share of losses exceeds its interest in the joint venture, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method, together with any other long-term interests that in substance form part of the Group's net investment in the joint venture, after applying the expected credit loss ("**ECL**") model to such other long-term interests where applicable (see Note 2(h)(i)).

Unrealised gains arising from transactions with equity-accounted investee are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent there is no evidence of impairment.

(f) Property, plant and equipment

The following items of property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses (see Note 2(h)(ii)):

- right-of-use assets arising from leases over leasehold properties where the Group is not the registered owner of the property interest (see Note 2(g)); and

- items of plant and equipment, including right-of-use assets arising from leases of underlying plant and equipment (see Note 2(g)).

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components).

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values, if any, using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(f) Property, plant and equipment (Continued)

The estimated useful lives for the current and comparative periods are as follows:

Other properties leased for own use	Over the terms of the leases
Leasehold improvements	40%
Plant and machinery	20%
Motor vehicles	20%
Furniture, fittings and equipment	10% to 20%

Depreciation methods, useful lives and residual values are reviewed annually and adjusted if appropriate.

(g) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. This is the case if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for leases that have a short lease term of 12 months or less, and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. If not capitalised, the associated lease payments are recognised in profit or loss on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability, and are charged to profit or loss as incurred.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(g) Leased assets (Continued)

(i) As a lessee (Continued)

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see Notes 2(f) and 2(h)(ii)).

Refundable rental deposits are accounted for separately from the right-of-use assets (see Notes 2(h)(i) and 2(p)(i)(a)). Any excess of the nominal value over the initial fair value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its reassessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a lease modification, which means a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract, if such modification is not accounted for as a separate lease. In this case, the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(g) Leased assets (Continued)

(ii) As a lessor

The Group determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. Otherwise, the lease is classified as an operating lease.

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised in accordance with Note 2(p)(ii)(b).

When the Group is an intermediate lessor, the sub-leases are classified as a finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption described in Note 2(g)(i), then the Group classifies the sub-lease as an operating lease.

(h) Credit loss and impairment of assets

(i) Credit losses from financial instruments and contract assets

The Group recognises a loss allowance for ECLs on:

- financial assets measured at amortised cost (including cash and cash equivalents, fixed deposits with maturity over three months, pledged bank deposits and trade and other receivables); and

- contract assets as defined in IFRS 15 (see Note 2(q)).

The Group always recognises lifetime ECLs for trade receivables and contract assets. The ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECLs when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

The expected cash shortfalls are discounted using the following rates if the effect is material:

- fixed-rate financial assets, trade and other receivables and contract assets: effective interest rate determined at initial recognition or an approximation thereof; and

- variable-rate financial assets: current effective interest rate.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(h) Credit loss and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are the portion ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months); and

- lifetime ECLs: these are the ECLs that result from all possible default events over the expected lives of the items to which the ECL model applies.

Significant increases in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;

- significant deterioration in external market indicators of credit risk;

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

- an actual or expected significant deterioration in the operating results of the debtor;

- significant increases in credit risk on other financial instruments of the same debtor; and

- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(h) Credit loss and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

Significant increases in credit risk (Continued)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the trade receivables is aged more than 2 years; or
- the other financial asset is 90 days past due.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(h) Credit loss and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

Credit-impaired financial assets

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default as defined above;
- the restructuring of a loan or advance by the Group or terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset or contract asset is written off to the extent that there is no realistic prospect of recovery. This is generally the case when the asset becomes two years past due or when the Group otherwise 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.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(h) Credit loss and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information as described above. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with IFRS 16.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(h) Credit loss and impairment of assets (Continued)

(ii) Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than contract costs, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("**CGU**"s).

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

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

For assets other than goodwill, an impairment loss is reversed only to the extent that the resulting carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(i) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration and only the passage of time is required before payment of that consideration is due.

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortised cost (see Note 2(h)(i)).

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows. Cash and cash equivalents are assessed for ECLs (see Note 2(h)(i)).

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(k) Trade and other payables

Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, trade and other payables are stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(l) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequently, these borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with Note 2(s).

(m) Employee benefits

Short-term employee benefits and contributions to defined contribution retirement plans

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Obligations for contributions to defined contribution retirement plans are expensed as the related service is provided.

(n) Income tax

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

Current tax comprises the estimated tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income taxes. It is measured using tax rates enacted or substantially enacted at the reporting date. Current tax also includes tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(n) Income tax (Continued)

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

- temporary differences related to investment in subsidiaries and joint venture to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

- taxable temporary differences arising on the initial recognition of goodwill; and

- those related to the income taxes arising from tax laws enacted or substantially enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development.

The Group recognised deferred tax assets and liabilities separately in relation to its lease liabilities and right-of-use assets.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets and liabilities are offset only if certain criteria are met.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(o) Provisions and contingent liabilities

General provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

A provisions for onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under that contract and an allocation of other costs directly related to fulfilling that contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract (see Note 2(h)(ii)).

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

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

(p) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

(i) Revenue from contracts with customers

The Group is the principal for its revenue transactions and recognises revenue on a gross basis. In determining whether the Group acts as a principal or as an agent, it considers whether it obtains control of the products before they are transferred to the customers. Control refers to the Group's ability to direct the use of and obtain substantially all of the remaining benefits from the products.

Revenue is recognised when control over a product or service is transferred to the customer at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties such as value added tax or other sales taxes.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(p) Revenue and other income (Continued)

(i) Revenue from contracts with customers (Continued)

(a) Construction contracts

The Group's construction activities under construction contracts with customers create or enhance assets controlled by the customers.

When the outcome of a construction contract can be reasonably measured, revenue from the contract is recognised over time during the construction process using the cost-to-cost method. Under the cost-to-cost method, revenue is recognised based on the proportion of the actual costs incurred relative to the estimated total costs to provide a faithful depiction of the transfer of those services.

The likelihood of the Group earning contractual bonuses for early completion or suffering contractual penalties for late completion are taken into account in making these estimates, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The Group applies the most likely amount approach to estimate such variable consideration by considering the single most likely amount in a limited range of possible consideration amounts, taking into account the Group's current progress and future performance expectations compared to the agreed completion timeline.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

The Group's construction contracts include payment schedules which require stage payments over the construction period once milestones are reached and progress certificate was issued by customer. The Group also typically agrees to a retention period of 12 to 24 months for 5% to 10% of the contract value which the Group's entitlement to this final payment is conditional on the Group's work satisfactorily passing inspection. To the extent that the difference in timing arises for reasons other than the provision of finance, no financing component is deemed to exist. Otherwise, the Group has taken advantage of the practical expedient in paragraph 63 of IFRS 15 and does not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

If at any time the costs to complete the contract are estimated to exceed the remaining amount of the consideration under the contract, then a provision is recognised in accordance with Note 2(o).

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(p) Revenue and other income (Continued)

(i) Revenue from contracts with customers (Continued)

(b) Marine transportation services

Revenue is recognised upon the transportation services have been provided to customers.

(c) Sales of goods

Revenue is recognised when the customer takes possession of and accepts the products.

(d) Other practical expedient applied

In addition, the Group has applied the following practical expedient:

– For sales contract that had an original expected duration of one year or less, the Group has not disclosed the information related to the aggregated amount of the transaction price allocated to the remaining performance obligations in accordance with paragraph 121(a) of IFRS 15.

(ii) Revenue from other sources and other income

(a) Interest income

Interest income is recognised using the effective interest method. The "effective interest rate" is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(b) Rental income from operating leases

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are earned.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(p) Revenue and other income (Continued)

(ii) Revenue from other sources and other income (Continued)

(c) Project management services income

Project management services income is recognised over time in the period when services are rendered using output method.

(d) Dividends

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

(q) Construction contracts

(i) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see Note 2(p)) before being unconditionally entitled to the consideration under the terms in the contract. Contract assets are assessed for ECLs (see Note 2(h)(i)) and are reclassified to receivables when the right to the consideration becomes unconditional (see Note 2(i)).

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see Note 2(p)). A contract liability is also recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such latter cases, a corresponding receivable is also recognised (see Note 2(i)).

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see Note 2(p)(ii)(a)).

(ii) Contract costs

Contract costs are either the incremental costs of obtaining a contract with a customer or the costs to fulfil a contract with a customer which are not capitalised as inventory, property, plant and equipment (see Note 2(f)) or intangible assets.

Incremental costs of obtaining a contract, for example, sales commission, are capitalised if the costs relate to revenue which will be recognised in a future reporting period and the costs are expected to be recovered. Other costs of obtaining a contract are expensed when incurred.

Costs to fulfil a contract are capitalised if the costs relate directly to an existing contract or to a specifically identifiable anticipated contract; generate or enhance resources that will be used to provide goods or services in the future; and are expected to be recovered. Otherwise, costs of fulfilling a contract, which are not capitalised as inventory, property, plant and equipment or intangible assets, are expensed as incurred.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(q) Construction contracts (Continued)

(ii) Contract costs (Continued)

Capitalised contract costs are stated at cost less accumulated amortisation and impairment losses. Amortisation of capitalised contract costs is recognised in profit or loss when the revenue to which the asset relates is recognised (see Note 2(p)(i)(a)).

(r) Translation of foreign currencies

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currency are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured at historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

The functional currency of the Company is Hong Kong Dollars ("**HK$**"). The assets and liabilities of foreign operations are translated into RM at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into RM at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the exchange reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control or joint control is lost, the cumulative amount in the exchange reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. On disposal of a subsidiary that includes a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation that have been attributed to the NCI shall be derecognised, but shall not be reclassified to profit or loss. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of a joint venture while retaining joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(s) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(t) Related parties

a) A person, or a close member of that person's family, is related to the Group if that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or the Group's parent.

b) An entity is related to the Group if any of the following conditions applies:

(i) The entity and the Group are members of the same Group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(u) Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's board of directors (the chief operating decision maker) for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(u) Segment reporting (Continued)

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

(v) Deposits placed for life insurance policies

The Group acquired key management insurance policies, which includes both investment and insurance elements. The life insurance policies are initially recognised at the amount of premium paid, and subsequently measured at each financial year end at its cash surrender value. Changes to the cash surrender value at each financial year end will be recognised in profit or loss as a gain or loss on deposits. In the event of death of the insured person, the surrender of the policies, or the policies matured, the deposits will be derecognised and any resulting gains or losses will be recognised in profit or loss.

(w) Non-current assets classified as held for sale

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognised in profit or loss.

3. APPLICATION OF AMENDMENTS TO IFRS ACCOUNTING STANDARDS ("IFRSs")

The Group has applied the following amendments to IFRSs issued by the IASB for the first time in the current year:

Amendments to IAS 21	Lack of Exchangeability

The application of the amendments to IFRSs in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into other currency. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The Group's financial position and results of operations are sensitive to accounting methods, assumptions and estimates that underlie the preparation of the consolidated financial statements. Management bases the assumptions and estimates on historical experience and on other factors that the management believes to be reasonable and which form the basis for making judgments about matters that are not readily apparent from other sources. On an on-going basis, management evaluates its estimates. Actual results may differ from those estimates as facts, circumstances and conditions change.

The selection of material accounting policy information, the judgments and other uncertainties affecting the application of those policies and the sensitivity of reporting results to changes in conditions and assumptions are factors to be considered when reviewing the consolidated financial statements. The material accounting policy information are set out in Note 2 above. Management believes the following significant accounting policies involve the most significant judgments and estimates used in the preparation of the consolidated financial statements.

Key sources of estimation uncertainty

(i) Revenue recognition from construction contracts

As explained in accounting policy Note 2(p)(i)(a), revenue from construction contracts is recognised over time. Such revenue and profit recognition on uncompleted projects is dependent on estimating the total outcome of the contract, as well as the work done to date.

Based on the Group's recent experience and the nature of the construction activities undertaken by the Group, the Group has made estimates of the point at which it considered the work has sufficiently advanced such that the outcome of the contract can be reasonably measured. Until this point is reached the related contract assets disclosed in Note 17 do not include profit which the Group might eventually realise from the work done to date. In addition, actual outcomes in terms of total cost or revenue may be higher or lower than estimated at the end of the reporting period, which would affect the revenue and profit recognised in the future years as an adjustment to the amounts recorded to date.

(ii) Provision of expected credit losses on trade receivables and contract assets

Trade receivables and contract assets are reviewed by management at the end of each reporting period to determine the expected credit losses. Expected credit losses on trade receivables and contract assets are estimated using a provision matrix which involved significant management judgement in estimating expected loss rate based on historical credit loss experience, adjusted for factors that are specific to the debtors and assessments of both current and forecasted general economic conditions. Credit risk assessments focus on the customers' past history of making payments when due and current ability and willingness to pay, taking into account the financial position of the customers and the macroeconomic environment in which the customers operate.

The assessment of the credit risk involves high degree of estimation and uncertainty. When the actual future cash flows are less than expected or more than expected, a material provision of expected credit losses or a material reversal of provision of expected credit losses may arise.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Key sources of estimation uncertainty (Continued)

(iii) Impairment of non-current assets

If circumstances indicate that the carrying amount of an asset may not be fully recoverable, the asset may be considered "impaired", and an impairment loss may be recognised in accordance with accounting policy for impairment of assets as described in Note 2(h)(ii). The carrying amounts of assets are reviewed and tested for impairment, where applicable, periodically or whenever the events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable. When such a decline has occurred, the carrying amount is reduced to recoverable amount. The recoverable amount is the greater of the fair value less costs of disposal and value in use. In determining the value in use, expected future cash flows generated by the asset are discounted to their present value, which requires significant judgement relating to the level of revenue and amount of operating costs. Changes in these estimates could have a significant impact on the carrying value of the assets and could result in additional impairment charge or reversal of impairment in future periods, where applicable.

(iv) Determining the lease term

As explained in policy Note 2(g), a lease liability is initially recognised at the present value of the lease payments payable over the lease term. In determining the lease term at the commencement date for leases that include renewal options exercisable by the Group, the Group evaluates the likelihood of exercising the renewal options taking into account all relevant facts and circumstances that create an economic incentive for the Group to exercise the option, including favourable terms, leasehold improvements undertaken and the importance of that underlying asset to the Group's operation. The lease term is reassessed when there is a significant event or significant change in circumstance that is within the Group's control. Any increase or decrease in the lease term would affect the amount of lease liabilities and right-of-use assets recognised in future years.

Critical accounting judgements in applying the Group's accounting policies

Recognition of income taxes and deferred tax assets

Determining income tax provision involves judgment on the future tax treatment of certain transactions. Management evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatments of such transactions are reconsidered periodically to take into account all changes in tax legislation. Deferred tax assets are recognised in respect of deductible temporary differences, unused tax losses and unused tax credits. As those deferred tax assets can only be recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised, management's judgment is required to assess the probability of future taxable profits. Management's assessment is revised as necessary and additional deferred tax assets are recognised if it becomes probable that future taxable profits will allow the deferred tax asset to be recovered.

5. REVENUE AND SEGMENT REPORTING

The principal activities of the Group are the provision of marine construction services, and building and infrastructure services.

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or services lines is as follows:

	2026 RM'000	2025 RM'000
Revenue from contracts with customers within the scope of IFRS 15		
Construction contracts		
– Reclamation and related works	**80,904**	109,501
– Building and infrastructure	**79,333**	46,522
	160,237	156,023
Project management services		
– Building and infrastructure	**732**	–
Marine transportation	**251,794**	270,957
	412,763	426,980

Revenue from construction contracts and project management services are recognised over time, while revenue from marine transportation is recognised at a point in time.

As at 30 June 2026, the aggregate amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts is approximately RM343,379,000 (2025: RM610,938,000). This amount represents revenue expected to be recognised in future from construction contracts, project management services and marine transportation contracts entered into between the customers and the Group. The Group will recognise the expected revenue in future when or as the work is completed, which is expected to be during the years ending 30 June 2027 to 30 June 2029.

5. REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting

IFRS 8 Operating Segments requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the board of directors of the Company, being the chief operating decision maker (the "**CODM**"), for the purpose of allocating resources to segments and assessing their performance.

For management purposes, the Group is organised into business units based on their products and services and has three reportable segments as follows:

Marine construction services

- Reclamation and related works, which includes land reclamation and other marine civil works. Reclamation may involve soil investigation, hydrographic survey, pre-reclamation design, sand handling/filling, ground treatment, sand surcharge removal work and other related works. Marine civil works generally include construction of jetty, channel-crossing works, maintenance dredging and river diversion.

- Marine transportation, which involves transportation of marine sand and the filling material normally used in land reclamation, including the loading of marine sand extracted from the approved sand source onto sand carriers and carriage and delivery of marine sand to designated sites where the marine sand is unloaded to be used for land reclamation.

Building and infrastructure services

- General building works in construction of properties and infrastructure works and project management services.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 2. Segment profit/(loss) represents the profit/(loss) earned by each segment without allocation of central administrative and corporate expenses, unallocated other revenue and other net income, finance costs and share of loss of joint ventures. This is the measure reported to the CODM, for the purposes of resources allocation and performance assessment. Inter-segment sales are priced with reference to prices charged to external parties for similar orders.

No segment assets and liabilities are presented as they were not regularly provided to the CODM for the purpose of resources allocation and performance assessment.

Information regarding the above segments is reported below.

5. REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (Continued)

The following is an analysis of the Group's revenue and results by reportable segments:

For the year ended 30 June 2026

	Marine construction			
	Reclamation and related works RM'000	Marine transportation RM'000	Building and infrastructure RM'000	Total RM'000
Reportable segment revenue	80,904	251,794	80,065	412,763
Reportable segment profit	4,180	9,583	5,265	19,028
Unallocated central administrative and corporate expenses				(19,935)
Unallocated other revenue and other net income				1,713
Finance costs				(276)
Share of loss of joint ventures				(9)
Profit before taxation				521
Other segment information				
Depreciation	85	51	–	136
(Reversal)/allowance for impairment loss on trade receivables and contract assets	(1,688)	(27)	(103)	(1,818)
(Gain) on disposal of deposits paid for acquisition of investment properties	–	–	(1,182)	(1,182)
Loss on disposal of property, plant and equipment	52	–	–	52

5. REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (Continued)

The following is an analysis of the Group's revenue and results by reportable segments (Continued):

For the year ended 30 June 2025

	Marine construction			
	Reclamation and related works RM'000	Marine transportation RM'000	Building and infrastructure RM'000	Total RM'000
Reportable segment revenue	109,501	270,957	46,522	426,980
Reportable segment profit/(loss)	9,561	12,462	(32)	21,991
Unallocated central administrative and corporate expenses				(19,255)
Unallocated other revenue and other net income				828
Finance costs				(639)
Share of loss of a joint venture				(8)
Profit before taxation				2,917
Other segment information				
Depreciation	96	48	–	144
Allowance/(reversal) for impairment loss on trade receivables and contract assets	2,094	28	(514)	1,608
(Gain) on disposal of deposits paid for acquisition of investment properties	–	–	(1,339)	(1,339)
(Gain) on disposal of a non-wholly owned subsidiary	(572)	–	–	(572)

5. REVENUE AND SEGMENT REPORTING (CONTINUED)

Geographical information

The following is an analysis of geographical location of (a) the Group's revenue from external customers; and (b) the Group's property, plant and equipment, deposits paid for acquisition of investment properties, deposits placed for life insurance policies and interests in joint ventures. The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of property, plant and equipment, investment properties, deposits paid for acquisition of investment properties and deposits placed for life insurance policies are based on the physical location of the asset. In the case of interests in joint ventures, it is the location of operations of the joint ventures.

(a) Revenue from external customers

	2026 RM'000	2025 RM'000
Malaysia (place of domicile)	**160,969**	156,023
Singapore	**251,794**	270,957
	412,763	426,980

(b) Non-current assets

	2026 RM'000	2025 RM'000
Malaysia (Note)	**16,735**	30,236
Singapore	**52**	72
Hong Kong	**–**	146
	16,787	30,454

Note: Non-current assets exclude those related to non-current assets classified as held for sale.

Information about major customers

Revenue from customers contributing individually 10% or more of the Group's revenue is as follows:

	2026 RM'000	2025 RM'000
Customer i[1]	**251,794**	270,957
Customer ii[2]	**80,904**	85,876
Customer iii[3]	**79,195**	43,668
	411,893	400,501

5. REVENUE AND SEGMENT REPORTING (CONTINUED)

Information about major customers (Continued)

[1] Revenue from the Group's marine construction services – marine transportation services.

[2] Revenue from the Group's marine construction services – reclamation and related works.

[3] Revenue from the Group's building and infrastructure services.

6. OTHER REVENUE AND OTHER NET INCOME

	2026 RM'000	2025 RM'000
Other revenue		
Interest income on trade receivables owing from a customer	1,435	2,074
Interest income on financial assets measured at amortised cost	781	1,216
Handling service fee on provision of marine transportation services	491	2,191
Handling service fee on provision of diesel	410	10
Others	10	169
	3,127	5,660
Other net income		
Gain on disposal of deposits paid for acquisition of investment properties	1,182	1,339
Net foreign exchange gain	380	259
Gain on deposits placed for life insurance policies	49	16
Gain on early termination of a lease	1	–
(Loss)/gain on disposal of property, plant and equipment	(52)	2
Gain on disposal of a non-wholly owned subsidiary	–	572
Gain on partial disposal of a joint venture	–	11
Fair value loss on investment properties	–	(700)
	1,560	1,499

7. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

(a) Finance costs

	2026 RM'000	2025 RM'000
Interest on bank loans	250	604
Interest on lease liabilities (Note 13)	26	35
Total interest expenses on financial liabilities not at fair value through profit or loss	276	639

7. PROFIT BEFORE TAXATION (CONTINUED)

Profit before taxation is arrived at after charging/(crediting) (Continued):

(b) Staff costs (including directors' emoluments)

	2026 RM'000	2025 RM'000
Salaries, wages and other benefits	10,839	10,711
Contributions to defined contribution retirement plan (Note 35)	1,107	1,094
	11,946	11,805
Less: Amount included in direct costs	(269)	(280)
	11,677	11,525

(c) Other items

	2026 RM'000	2025 RM'000
Depreciation charge (Note 13)		
– owned property, plant and equipment	362	374
– right-of-use assets	91	143
	453	517
Short-term lease expenses (Note 13)	669	1,214
Less: Amount included in direct costs	(454)	(1,044)
	215	170
(Reversal)/allowance for impairment loss on trade receivables and contract assets (Note 26(a))	(1,818)	1,608
Auditors' remuneration	425	408
(Gain) on disposal of deposits paid for acquisition of investment properties	(1,182)	(1,339)
Net foreign exchange (gain)	(380)	(259)
(Gain) on deposits placed for life insurance policies (Note 15(b))	(49)	(16)
(Gain) on early termination of a lease	(1)	–
Loss/(gain) on disposal of property, plant and equipment	52	(2)
(Gain) on disposal of a non-wholly owned subsidiary	–	(572)
(Gain) on partial disposal of a joint venture (Note 14)	–	(11)
Fair value loss on investment properties (Note 20)	–	700

8. DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

For the year ended 30 June 2026

	Directors' fees RM'000	Salaries, allowances and benefits in kind RM'000	Discretionary bonus RM'000	Contributions to defined contribution plan RM'000	Total RM'000
Executive directors					
Dato' Ng Say Piyu *(Chairman)*	63	432	108	65	668
Mr. Lam Fung Eng	63	324	81	48	516
Mr. Ng Chong Boon	63	324	81	48	516
Non-executive director					
Datin Ngooi Leng Swee	63	–	–	–	63
Independent non-executive directors					
Mr. Tai Lam Shin (Note v)	63	–	–	–	63
Ms. Chan Pui Kwan	63	–	–	–	63
Mr. Chan Tsun Choi, Arnold (Note vl)	63	–	–	–	63
	441	1,080	270	161	1,952

For the year ended 30 June 2025

	Directors' fees RM'000	Salaries, allowances and benefits in kind RM'000	Discretionary bonus RM'000	Contributions to defined contribution plan RM'000	Total RM'000
Executive directors					
Dato' Ng Say Piyu *(Chairman)*	67	432	108	65	672
Mr. Lam Fung Eng	67	324	81	49	521
Mr. Ng Chong Boon	67	324	81	49	521
Non-executive director					
Datin Ngooi Leng Swee	67	–	–	–	67
Independent non-executive directors					
Mr. Tai Lam Shin (Note v)	67	–	–	–	67
Ms. Chan Pui Kwan	67	–	–	–	67
Mr. Chan Tsun Choi, Arnold (Note vl)	67	–	–	–	67
	469	1,080	270	163	1,982

8. DIRECTORS' EMOLUMENTS (CONTINUED)

Notes:

(i) The emoluments of executive directors of the Company shown above were for their services as directors of the Company and its subsidiaries. The emoluments of the non-executive director and independent non-executive directors of the Company were for their services as directors of the Company.

(ii) No director received any emoluments from the Group as an inducement to join or upon joining the Group or as compensation for loss of office during the years ended 30 June 2026 and 2025. No director waived or agreed to waive any emoluments during the years ended 30 June 2026 and 2025.

(iii) Executive and non-executive directors of the Company are entitled to discretionary bonus payments which are determined with reference to the operating results of the Group, salaries paid by comparable companies and individual performance of the director.

(iv) The Company has no position as the chief executive officer. The day-to-day management of the Group's business is handled by the executive directors of the Company and senior management collectively.

(v) Mr. Tai Lam Shin was designated as the lead independent non-executive director of the Company on 24 April 2025.

(vi) Mr. Chan Tsun Choi, Arnold resigned as an independent non-executive director of the Company on 23 July 2026.

9. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, 3 (2025: 3) are directors of the Company whose emoluments are disclosed in Note 8. The aggregate of the emoluments of the remaining 2 (2025: 2) individuals are as follows:

	2026 RM'000	2025 RM'000
Salaries, allowances and benefits in kind	**1,165**	1,202
Discretionary bonus	**291**	300
Contributions to defined contribution retirement plan	**62**	65
	1,518	1,567

The emoluments of the 2 (2025: 2) individuals with the highest emoluments are within the following bands:

	2026 Number of individuals	2025 Number of individuals
HK$Nil to HK$1,000,000	**–**	–
HK$1,000,001 to HK$1,500,000	**2**	2

No emoluments were paid or payable by the Group to these employees as an inducement to join or upon joining the Group or as compensation for loss of office during the year ended 30 June 2026 (2025: nil).

10. DIVIDENDS

The board of directors of the Company does not recommend to declare any final dividend for the year ended 30 June 2026 (2025: nil).

11. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(a) Income tax in the consolidated statement of profit or loss and other comprehensive income represents:

	2026 RM'000	2025 RM'000
Current tax		
Malaysia corporate income tax	8	163
Singapore corporate income tax	1,109	1,587
Over provision in prior years	(136)	(130)
	981	1,620
Deferred tax (Note 24(b))		
Origination and reversal of temporary differences	17	42
Under provision in prior years	13	–
	30	42
Income tax expenses for the year	1,011	1,662

(i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.

(ii) No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the years ended 30 June 2026 and 2025.

(iii) Corporate income tax in Malaysia is calculated at the statutory rate of 24% of the estimated taxable profit for the years ended 30 June 2026 and 2025.

(iv) Corporate income tax in Singapore is calculated at the statutory rate of 17% of the estimated taxable profit for the years ended 30 June 2026 and 2025. 75% of the chargeable income of first Singapore dollars ("**SGD**") 10,000 and 50% of the chargeable income of next SGD190,000 are exempted under Inland Revenue Authority of Singapore's partial tax exemption scheme for the years ended 30 June 2026 and 2025. A corporate income tax rebate of 50% corporate income tax payable capped at SGD40,000 is granted by the Inland Revenue Authority of Singapore for the year ended 30 June 2026.

11. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

(b) Reconciliation between tax expenses and accounting profit at applicable tax rates:

	2026 RM'000	2025 RM'000
Profit before taxation	521	2,917
Notional tax on profit before taxation, calculated at the rates applicable to the profit/(loss) in the countries concerned	(80)	112
Tax effect of non-deductible expenses	1,450	1,691
Tax effect on non-taxable income	(293)	(552)
Tax effect of tax loss not recognised	1,143	–
Utilisation of tax losses previously not recognised	(538)	–
Tax effect of tax exemptions	(181)	(58)
Over provision in prior years	(123)	(130)
Others	(367)	599
	1,011	1,662

12. (LOSS)/EARNINGS PER SHARE

(a) Basic (loss)/earnings per share

The calculation of basic (loss)/earnings per share is based on the consolidated loss attributable to owners of the Company of approximately RM536,000 (2025: profit attributable to owner of the Company of approximately RM1,331,000) and the weighted average of 500,000,000 ordinary shares (2025: 500,000,000 ordinary shares) in issue during the year ended 30 June 2026.

(b) Diluted (loss)/earnings per share

The diluted (loss)/earnings per share is the same as the basic (loss)/earnings per share as there were no dilutive potential ordinary shares in existence during the years ended 30 June 2026 and 2025.

13. PROPERTY, PLANT AND EQUIPMENT

	Other properties leased for own use RM'000	Leasehold improvements RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Furniture, fittings and equipment RM'000	Total RM'000
Cost:						
At 1 July 2024	333	490	24,479	2,820	2,384	30,506
Exchange realignments	(19)	–	–	(2)	(3)	(24)
Additions	152	–	151	159	439	901
Disposals	(151)	–	–	(80)	–	(231)
Disposals through disposal of a non-wholly owned subsidiary	–	(261)	(24,417)	(370)	(248)	(25,296)
At 30 June 2025	315	229	213	2,527	2,572	5,856
At 1 July 2025	315	229	213	2,527	2,572	5,856
Exchange realignments	(4)	–	–	(4)	(2)	(10)
Additions	–	5	–	–	58	63
Disposals	(147)	–	–	–	(189)	(336)
At 30 June 2026	164	234	213	2,523	2,439	5,573
Accumulated depreciation:						
At 1 July 2024	106	471	24,457	2,330	1,805	29,169
Exchange realignments	(14)	–	–	–	(1)	(15)
Depreciation for the year	143	11	26	135	202	517
Disposals	(151)	–	–	(80)	–	(231)
Disposals through disposal of a non-wholly owned subsidiary	–	(256)	(24,398)	(369)	(228)	(25,251)
At 30 June 2025	84	226	85	2,016	1,778	4,189
At 1 July 2025	84	226	85	2,016	1,778	4,189
Exchange realignments	(1)	–	–	(1)	(1)	(3)
Depreciation for the year	91	4	30	139	189	453
Disposals	(43)	–	–	–	(33)	(76)
At 30 June 2026	131	230	115	2,154	1,933	4,563
Carrying amount:						
At 30 June 2026	33	4	98	369	506	1,010
At 30 June 2025	231	3	128	511	794	1,667

13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Right-of-use assets

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

	2026 RM'000	2025 RM'000
Other properties leased for own use, carried at depreciated cost	33	231
Motor vehicles, carried at depreciated cost	333	456
	366	687

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

	2026 RM'000	2025 RM'000
Depreciation charge of right-of-use assets by class of underlying asset:		
Other properties leased for own use	91	143
Motor vehicles	123	116
	214	259
Interest on lease liabilities (Note 7(a))	26	35
Expense relating to short-term leases and other leases with remaining lease term ending within 12 months after the end of reporting period (Note 7(c))	669	1,214

During the year ended 30 June 2026, there was no new addition to right-of-use assets. During the year ended 30 June 2025, additions to right-of-use assets were approximately RM264,000. This amount Included the purchase of one motor vehicle of approximately RM112,000, and the remainder primarily related to the capitalised lease payments payable under 1 new tenancy agreement.

The Group regularly entered into short-term leases for office premises, staff quarters, motor vehicles, machineries and space for parking. As at 30 June 2026 and 2025, the portfolio of short-term leases is similar to the portfolio of leases for which the short-term leases expense was recognised during the year.

The maturity analysis of lease liabilities and future cash outflows arising from leases that are not yet commenced are set out in Notes 23 and 26(b).

The total cash outflow for leases during the year ended 30 June 2026 was RM912,000 (2025: RM1,529,000).

13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Right-of-use assets (Continued)

(i) Other properties leased for own use

The Group has obtained the right to use other properties as its office premises through tenancy agreements. The leases typically run for an initial period ranging from 2 to 3 years.

Some leases include an option to renew the lease for an additional period after the end of the contract term. Where practicable, the Group seeks to include such extension options exercisable by the Group to provide operational flexibility. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. If the Group is not reasonably certain to exercise the extension options, the future lease payments during the extension periods are not included in the measurement of lease liabilities.

(ii) Other leases

The Group leases office premises, staff quarters, motor vehicles, machineries and space for parking under leases expiring from 1 to 12 months. Some leases include an option to renew the lease when all terms are renegotiated, while some include an option to purchase the leased equipment at the end of the lease term at a price deemed to be a bargain purchase option. None of the leases includes variable lease payments.

14. INTEREST IN JOINT VENTURES

	2026 RM'000	2025 RM'000
Cost of investment in unlisted joint ventures	**188**	188
Share of post-acquisition loss and other comprehensive loss, net of dividends received	**(101)**	(92)
	87	96

14. INTEREST IN JOINT VENTURES (CONTINUED)

Details of the Group's interest in joint ventures, which are accounted for using the equity method in the consolidated financial statements, are as follows:

Name of company	Place of incorporation and business	Class of shares held	Particulars of issued and paid up capital	Percentage of						Principal activity
				Ownership interest		Voting power		Profit sharing		
				2026	2025	**2026**	2025	**2026**	2025	
JBB Kimlun Sdn. Bhd. ("**JBB Kimlun**")	Malaysia	Ordinary	RM750,000	**25%**	25%	**50%**	50%	**25%**	25%	Building construction
Legasi Suria Selatan Sdn. Bhd. ("**LSSSB**")	Malaysia	Ordinary	RM100	**30%**	–	**50%**	50%	**30%**	–	Operations and construction of power plants

Notes:

(a) JBB Kimlun was incorporated on 2 May 2017 and the Group's interest in this joint venture is held indirectly by the Company. The Group, together with its joint venture partner, intend to carry out general building construction services.

Pursuant to a shareholders' agreement dated 3 May 2017 and its supplemental agreements dated 9 May 2017, 16 May 2017 and 31 March 2019 respectively entered into between the Group and a joint venture partner (the "**Parties of JBB Kimlun**"), decisions about the relevant activities of JBB Kimlun require the unanimous consent of the Parties of JBB Kimlun. As such, the interest of the Group in JBB Kimlun is considered to be a joint venture despite that the Group holds more than half of the equity interest therein.

During the year ended 30 June 2025, the Group entered into a share sale agreement to dispose 35% shareholdings of JBB Kimlun to a Malaysia incorporated limited company independent to the Group with consideration of RM150,000. The net assets of JBB Kimlun before the disposal was approximately RM397,000. A gain on disposal of approximately RM11,000 (Note 7(c)) was recognised for the year ended 30 June 2025. As at 30 June 2026 and 2025, the Group had 25% interests in JBB Kimlun and JBB Kimlun remains as the joint venture of the Group.

(b) LSSSB was incorporated on 7 October 2025 and the Group's interest in this joint venture is held indirectly by the Company. The Group, together with its joint venture partner, intend to carry out the business of developing, constructing, owning, operating and maintaining a solar photovoltaic plant.

Pursuant to the shareholders' agreement dated 18 November 2025 entered into between the Group and a joint venture partner (the "**Parties of LSSSB**"), decisions about the relevant activities of LSSSB require the unanimous consent of the Parties of LSSSB. As such, the interest of the Group in LSSSB is considered to be a joint venture despite that the Group holds 30% equity interest therein.

14. INTEREST IN JOINT VENTURES (CONTINUED)

JBB Kimlun and LSSSB are unlisted corporate entity whose quoted market price are not available.

Aggregate information of joint ventures that are not individually material:

	2026 RM'000	2025 RM'000
Aggregate carrying amount of the Group's interest in these joint ventures	87	96
The Group's share of (loss) for the year	(9)	(8)
The Group's share of other comprehensive income	–	–
The Group's share of total comprehensive (expenses)	(9)	(8)

15. DEPOSITS

(a) Deposits paid for acquisition of investment properties

(i) During the year ended 30 June 2026, the Group disposed 6 properties located in the area of Mukim of Plentong, District of Johor Bahru, State of Johor, Malaysia to 6 independent third parties to the Group, amounted to approximately RM13,129,000 in aggregate, including 4 sale and purchase agreements entered into by the Group during the year ended 30 June 2025 and 2 sale and purchase agreements entered into by the Group during the year ended 30 June 2026.

A net gain on disposal (before deducting the expenses associated with the disposal) of approximately RM1,182,000 was recognised and the carrying amount of the deposits paid for acquisition of the abovementioned properties amounted to approximately RM11,947,000 was recognised during the year ended 30 June 2026.

(ii) During the year ended 30 June 2025, the Group disposed 7 properties located in the area of Mukim of Plentong, District of Johor Bahru, State of Johor, Malaysia to 7 independent third parties to the Group, amounted to approximately RM16,412,000 in aggregate, including 2 sale and purchase agreements entered into by the Group during the year ended 30 June 2024.

A net gain on disposal (before deducting the expenses associated with the disposal) of approximately RM1,339,000 was recognised and the carrying amount of the deposits paid for acquisition of the abovementioned properties amounted to approximately RM15,073,000 was recognised during the year ended 30 June 2025.

15. DEPOSITS (CONTINUED)

(a) Deposits paid for acquisition of investment properties (Continued)

(iii) During the year ended 30 June 2025, the Group entered into 4 sale and purchase agreements to dispose 4 properties located in the area of Mukim of Plentong, District of Johor Bahru, State of Johor, Malaysia to 4 independent third parties to the Group, amounted to approximately RM9,488,000 in aggregate, conditional upon obtaining the foreign consent from the State Authority of Johor given that the purchasers are the foreigners of Malaysia. The carrying amount of the deposits paid for the abovementioned properties amounted to approximately RM8,306,000 was included in the balances as at 30 June 2025. Such balances will be derecognised upon obtaining each of the respective foreign consent.

As at 30 June 2025, there were 4 (2026: nil) sale and purchase agreements entered into by the Group to dispose 4 (2026: nil) properties located in the area of Mukim of Plentong, District of Johor Bahru, State of Johor, Malaysia, conditional upon obtaining the foreign consent from the State Authority of Johor given that the purchasers are the foreigners of Malaysia. The carrying amount of the deposits paid for the abovementioned properties amounted to approximately RM8,306,000 (2026: nil) was included in the balances as at 30 June 2025. Such balances will be derecognised upon obtaining each of the respective foreign consent.

During the year ended 30 June 2026 and 2025, no reversal for impairment loss on deposits paid for acquisition of investment properties was recognised. The valuations of recoverable amount of deposits paid for acquisition of investment properties (excluding those entered into the sale and purchase agreements while pending the foreign consent to be obtained from the State Authority of Johor) as at 30 June 2026 and 2025 were carried out by an independent firm, Knight Frank Malaysia Sdn. Bhd., who has among its valuers registered with The Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia, with recent experience in the location and category of properties being valued. The recoverable amount of deposits paid for acquisition of investment properties located in Malaysia is determined using market comparison approach by reference to recent sales price of comparable properties on a price per square foot basis, adjusted to reflect the locations and conditions of the subject properties, using market data which is publicly available.

As at 30 June 2026, the amount of deposits paid for acquisition of investment properties represents the consideration paid for the acquisition of 28 (2025: 34) investment properties in Malaysia. As the legal titles in respect of those investment properties had not been vested in the Group as of the end of each reporting period, the payments made were accounted for as deposits paid.

	2026		2025	
	No.	**RM'000**	No.	RM'000
At 1 July	**34**	**27,637**	41	42,710
Disposals	**(6)**	**(11,947)**	(7)	(15,073)
At 30 June	**28**	**15,690**	34	27,637

As at 30 June 2026, deposits paid for acquisition of investment properties of approximately RM12,911,000 (2025: RM12,911,000) have been pledged to a bank as security for a bank facility granted to the Group.

15. DEPOSITS (CONTINUED)

(b) Deposits placed for life insurance policies

	2026 RM'000	2025 RM'000
At beginning of the year	1,054	1,038
Gain on deposits placed for life insurance policies (Note 7(c))	49	16
Surrender	(352)	–
At the end of the year	751	1,054
Analysed as:		
Current	751	–
Non-current	–	1,054
	751	1,054

During the year ended 30 June 2021, a life insurance policy (the "**Policy 2021**") was taken to insure an executive director of the Company (the "**Insured Person**"). Under the Policy 2021, the beneficiary is a bank (the "**Bank**") and the total insured sum is approximately RM3,200,000. At the inception of the Policy 2021, the Group paid an upfront payment of approximately RM804,000. For any insured event happened to the Insured Person, the insured sum will first be used to settle the outstanding bank loans of the Group to the Bank, and thereafter any excess portion will be payable to the Group. The Bank will pay the Group a variable return per annum afterwards (with no minimum return guaranteed) during the effective period of the Policy 2021. The Policy 2021 can be withdrawn at any time with surrender charges if such withdrawal occurs before the 10th anniversary from date of inception and a cash refund will be received based on the cash surrender value of the Policy 2021, which is determined by the gross premium paid plus accumulated return earned and minus any charges made in accordance with the terms and conditions of the Policy 2021, at the date of withdrawal. The Policy 2021 exposes the Group to significant insurance risk.

During the year ended 30 June 2020, a life insurance policy (the "**Policy 2020**") was taken to insure the Insured Person. Under the Policy 2020, the beneficiary is the Bank and the total insured sum is approximately RM1,610,000. At the inception of the Policy 2020, the Group paid an upfront payment of approximately RM401,000. For any insured events happened to the Insured Person, the insured sum will first be used to settle the outstanding bank loans of the Group to the Bank and thereafter any excess amount will be payable to the Group. The Policy 2020 can be withdrawn at any time with surrender charges if such withdrawal occurs before the 10th anniversary from the date of inception and a cash refund will be received based on the cash surrender value of the Policy 2020 at the date of withdrawal.

As at 30 June 2025, the directors of the Company expect that the Policy 2021 and Policy 2020 will be terminated at the 10th anniversary from the date of inception and there will be no specific surrender charges in accordance with the terms of the Policy 2021 and Policy 2020. The directors of the Company consider that the expected life of the Policy 2021 and Policy 2020 will remain unchanged from initial recognition.

15. DEPOSITS (CONTINUED)

(b) Deposits placed for life insurance policies (Continued)

In the event of death of the Insured Person, the deposits will be derecognised and any resulting gains or losses will be recognised in profit or loss.

During the year ended 30 June 2026, with the repayment of the bank loans, Policy 2020 was disposed at a net surrender value of approximately RM352,000. As at 30 June 2026, based on the latest information from the bank, the bank is currently undergoing internal process for the disposal of Policy 2021 and the estimated net surrender value is approximately RM751,000.

16. TRADE AND OTHER RECEIVABLES

	Note	2026 RM'000	2025 RM'000
Trade receivables	(i)	112,476	144,119
Less: allowance for doubtful debts (Note 26(a))		(7,813)	(9,471)
	(ii)	104,663	134,648
Deposits, prepayments and other receivables	(iii), (iv)	3,888	3,950
Other receivables from disposal of deposits paid for acquisition of investment properties	(iii)	1,121	9,388
		109,672	147,986

Notes:

(i) As at 30 June 2026, trade receivables of approximately RM1,055,000 (2025: RM3,305,000) and contract assets of approximately nil (2025: RM33,000) as disclosed in note 17(a) owing from a customer are secured by the original issue documents of strata/individual titles and other transfer documents pertaining to 3 (2025: 3) properties of total net price of approximately RM7.0 million (2025: RM7.0 million) being held in escrow by the Group's solicitor pursuant to the master supplemental agreement dated 22 June 2022.

(ii) All of the trade receivables are expected to be recovered within one year.

(iii) The amount of deposits, prepayments and other receivables and other receivables from disposal of deposits paid for acquisition of investment properties are expected to be recovered or recognised as expenses within one year.

(iv) As at 30 June 2026, the amount of deposits, prepayments and other receivables included amount due from a joint venture of approximately RM22,000 (2025: amount due from a related company of approximately RM60,000, in which a key management personnel of the Group has a controlling interest). The amount was unsecured, non-trade nature and repayable on demand.

16. TRADE AND OTHER RECEIVABLES (CONTINUED)

Aging analysis of trade receivables

As at the end of the reporting period, the aging analysis of trade receivables, based on the invoice date and net of loss allowance, is as follows:

	2026 RM'000	2025 RM'000
Within 30 days	40,586	39,503
31 to 60 days	29,145	50,128
61 to 90 days	9,993	13,563
Over 90 days	24,939	31,454
	104,663	134,648

Trade receivables are generally due within 30 to 90 days from the date of invoice. Further details on the Group's credit policy and credit risk arising from trade receivables are set out in Note 26(a).

17. CONSTRUCTION CONTRACTS

(a) Contract assets

Amounts represent the Group's rights to considerations from customers for the provision of marine construction services and building and infrastructure services, which arise when: (i) the Group completed the relevant services under such contracts; and (ii) the customers withhold certain amounts payable to the Group as retention money to secure the due performance of the contracts for a period of generally 12 to 24 months (defect liability period) after completion of the relevant works. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it becomes unconditional and is invoiced to the customer.

17. CONSTRUCTION CONTRACTS (CONTINUED)

(a) Contract assets (Continued)

The Group's contract assets are analysed as follows:

	Note	2026 RM'000	2025 RM'000
Contract assets	(i)		
Arising from performance under construction contracts		622	4,455
Retention receivables		24,404	24,235
		25,026	28,690
Gross carrying amount	(ii)	25,046	28,881
Less: loss allowance (Note 26(a))		(20)	(191)
		25,026	28,690
Receivables from contracts with customers within the scope of IFRS 15, which are included in "Trade and other receivables" (Note 16)		104,663	134,648

Notes:

(i) As at 30 June 2026, the amount of approximately RM18,396,000 (2025: RM20,162,000) included in the contract assets are expected to be recovered after more than one year, all of which related to retention receivables. All of the other contract assets are expected to be recovered within one year.

(ii) As at 30 June 2026, trade receivables of approximately RM1,055,000 (2025: RM3,305,000) as disclosed in note 16 and contract assets of approximately nil (2025: RM33,000) owing from a customer are secured by the original issue documents of strata/individual titles and other transfer documents pertaining to 3 (2025: 3) properties of total net price of approximately RM7.0 million (2025: RM7.0 million) being held in escrow by the Group's solicitor pursuant to the master supplemental agreement dated 22 June 2022.

Typical payment terms which impact on the amount of contract assets recognised are as follows:

– The Group's construction contracts include payment schedules which require stage payments over the construction period once milestones are reached and progress certificate was issued by customer. The Group also typically agrees to a retention period of 12 to 24 months for 5% to 10% of the contract value. This amount is included in contract assets until the end of the retention period as the Group's entitlement to this final payment is conditional on the Group's work satisfactorily passing inspection.

The changes in contract assets are due to (i) adjustments arising from changes in the measure of progress of contracting work; and (ii) reclassification to trade receivables when the Group has unconditional right to the consideration for the year ended 30 June 2026.

17. CONSTRUCTION CONTRACTS (CONTINUED)

(b) Contract liabilities

	2026 RM'000	2025 RM'000
Contract liabilities		
Construction contracts		
— Billings in advance of performance	**18,429**	13,793

Typical payment terms which impact on the amount of contract liabilities recognised are as follows:

– When the Group receives a deposit before the production activity commences this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the project exceeds the amount of the deposit. The amount of the deposit, if any, was negotiated on a case by case basis with customers.

Movements in contract liabilities

	2026 RM'000	2025 RM'000
At beginning of the year	**13,793**	5,113
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	**(13,793)**	(5,113)
Increase in contract liabilities as a result of billing in advance of construction activities	**18,429**	13,793
At the end of the year	**18,429**	13,793

All of the contract liabilities are expected to be recognised as income within one year.

18. FIXED DEPOSITS WITH MATURITY OVER THREE MONTHS AND PLEDGED BANK DEPOSITS

(a) Fixed deposits with maturity over three months

As at 30 June 2026, the weighted average effective interest rate of the Group's fixed deposits with maturity over three months was 2.1% (2025: 3.9%) per annum.

(b) Pledged bank deposits

i Pledged bank deposits have been pledged to banks as security for banking facilities granted to the Group.

ii The effective interest rates of the pledged bank deposits are as follow:

	2026	2025
Pledged bank deposits	**3.79%**	1.54%

19. CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise:

	2026 RM'000	2025 RM'000
Deposits with banks	**–**	34,518
Cash and bank balances	**109,566**	36,933
Cash and cash equivalents in the consolidated statement of cash flows	**109,566**	71,451

(b) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified as Group's consolidated statement of cash flows as cash flows from financing activities.

19. CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (CONTINUED)

(b) Reconciliation of liabilities arising from financing activities (Continued)

	Lease liabilities RM'000	Bank loans RM'000	Total RM'000
At 1 July 2025	700	6,384	7,084
Exchange realignments	(3)	–	(3)
Non-cash – termination of lease liabilities	(106)	–	(106)
Non-cash – interest cost	26	250	276
Non-cash – gain on early termination of a lease	(1)	–	(1)
Cash flow – financing activities	(243)	(6,634)	(6,877)
At 30 June 2026	373	–	373
At 1 July 2024	721	10,458	11,179
Exchange realignments	(5)	–	(5)
Non-cash – new lease liabilities	264	–	264
Non-cash – interest cost	35	604	639
Cash flow – financing activities	(315)	(4,678)	(4,993)
At 30 June 2025	700	6,384	7,084

20. ASSETS CLASSIFIED AS HELD FOR SALE

On 30 June 2025, the Group entered into sale and purchase agreements to dispose investment properties to 2 independent third parties to the Group, amounted to RM1,500,000 in aggregate.

As at 30 June 2025, investment properties amounted to RM2,200,000 were reclassified as assets held for sale amounted to RM1,500,000, resulting in a fair value loss of RM700,000 (Note 7(c)), being the difference between the proceeds of disposal of RM1,500,000 and the carrying amount of the investment properties of RM2,200,000 for the year ended 30 June 2025.

The disposal is consistent with the Group's long-term policy to focus its activities on the Group's construction businesses. The disposal, which is expected to be completed upon the receipt of the consideration of the investment properties from the purchasers and completion of the registration of the title of investment properties under the land registry (i.e. within 12 months), have been classified as assets held for sale and presented separately in the consolidated statement of financial position.

As at 30 June 2025, assets classified as held for sale amounted to RM1,500,000 have been pledged to a bank as security for bank facilities granted to the Group. Based on the latest information from the bank, no redemption of money is required for the release of the pledged of the abovementioned assets from the bank facilities while the bank is currently undergoing internal process to approve the release of the pledged of the abovementioned assets from the bank facilities.

As at 30 June 2026, the properties were sold and released from pledging of bank facilities granted to the Group.

21. TRADE AND OTHER PAYABLES

	Note	2026 RM'000	2025 RM'000
Trade payables		**107,678**	129,804
Other payables and accruals	(i)	**751**	947
Retention payables	(ii)	**11,507**	12,024
		119,936	142,775

Notes:

(i) As at 30 June 2025, the amount of other payables and accruals included amount due to a joint venture of approximately RM6,000 (2026: nil) which was unsecured, non-trade and repayable on demand.

(ii) As at 30 June 2026, except for the amounts of approximately RM7,805,000 (2025: RM7,960,000) included in the retention payables which are expected to be settled after one year, all of the trade and other payables are expected to be settled within one year or are repayable on demand.

Aging analysis of trade payables

As at the end of the reporting period, the aging analysis of trade payables, based on the invoice date, is as follows:

	2026 RM'000	2025 RM'000
Within 30 days	**58,874**	54,487
31 to 90 days	**44,393**	64,582
Over 90 days	**4,411**	10,735
	107,678	129,804

22. BANK LOANS

	2026 RM'000	2025 RM'000
Bank loans, secured	–	6,384

The bank loans were repayable as follows:

	2026 RM'000	2025 RM'000
Within 1 year or on demand	–	4,410
Within a period of more than 1 year but not exceeding 2 years	–	1,974
	–	6,384
Less: Amounts due within 1 year shown under current liabilities	–	(4,410)
Amounts shown under non-current liabilities	–	1,974

As at 30 June 2026, the Group's banking facilities were secured and guaranteed by:

(i) deposits paid for acquisition of investment properties of approximately RM12,911,000 (2025: RM12,911,000) (Note 15(a));

(ii) deposits with licensed banks of the Group with carrying amounts of approximately RM6,384,000 (2025: RM9,179,000) (Note 18(b));

(iii) assets classified as held for sale of nil (2025: approximately RM1,500,000) (Note 20).

As at the end of the reporting period, the bank loans bear interest as follow:

	2026	2025
Bank loans	N/A	7.20%

As at 30 June 2026, the Group had aggregate banking facilities of approximately RM4,000,000 (2025: RM142,000,000) for loans and borrowings. Unused facilities as at the same date amounted to approximately RM4,000,000 (2025: RM122,000,000).

23. LEASE LIABILITIES

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of the reporting period:

	2026		2025	
	Present value of the minimum lease payments RM'000	**Total minimum lease payments RM'000**	Present value of the minimum lease payments RM'000	Total minimum lease payments RM'000
Within 1 year	**154**	**168**	263	291
After 1 year but within 2 years	**121**	**128**	218	234
After 2 years but within 5 years	**98**	**101**	219	229
	219	**229**	437	463
	373	**397**	700	754
Less: total future interest expenses		**(24)**		(54)
Present value of lease liabilities		**373**		700

24. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) Current taxation in the consolidated statement of financial position represents:

	2026 RM'000	2025 RM'000
Tax recoverable	**467**	1,825
Provision for taxation	**(1,106)**	(1,452)
	(639)	373

24. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

(b) Deferred tax assets and liabilities recognised:

The components of deferred tax (assets)/liabilities recognised in the consolidated statement of financial position and the movements during the years are as follows:

	Capital allowances in excess of depreciation RM'000	Unrealised foreign exchange gain/(loss) RM'000	Credit loss allowance RM'000	Others RM'000	Total RM'000
At 1 July 2024	48	(3)	(31)	(40)	(26)
Exchange realignments	–*	–	1	–	1
Charge/(credit) to profit or loss (Note 11(a))	38	18	(13)	(1)	42
Disposals through disposal of a non-wholly owned subsidiary	–	–	4	–	4
At 30 June 2025 and 1 July 2025	86	15	(39)	(41)	21
Exchange realignments	**(1)**	**–**	**2**	**–**	**1**
Charge/(credit) to profit or loss (Note 11(a))	**1**	**(15)**	**3**	**41**	**30**
At 30 June 2026	**86**	**–**	**(34)**	**–**	**52**

* The amount represents an amount less than RM1,000.

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset in the table above. The following is the analysis of the deferred tax balances for financial reporting purposes:

	2026 RM'000	2025 RM'000
Deferred tax assets	**26**	33
Deferred tax liabilities	**(78)**	(54)
	(52)	(21)

* The amount represents an amount less than RM1,000.

24. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

(c) Deferred tax assets and liabilities not recognised:

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

	2026 RM'000	2025* RM'000
Tax losses	1,922	1,317
Deductible temporary differences	2,106	2,473
	4,028	3,790

* Certain comparative figures have been restated to reflect the revised tax losses carry-forward and other temporary differences available to the Group.

The above tax losses are under Malaysia subsidiaries which allowed to be utilised for 10 (2025: 10 consecutive years of assessment for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of the above tax losses as it is not probable that future taxable profits against which the above tax losses can be utilised will be available in the relevant tax jurisdiction and entity.

There were no other material unrecognised deferred tax assets and liabilities as at 30 June 2026 and 2025.

25. CAPITAL AND RESERVES

(a) Movement in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity.

(b) Share capital

	No. of shares	Amount RM'000
Authorised ordinary shares of HK$0.01 each		
At 1 July 2024, 30 June 2025 and 30 June 2026	2,000,000,000	10,535
Issued and fully paid ordinary shares of HK$0.01 each		
At 1 July 2024, 30 June 2025 and 30 June 2026	500,000,000	2,672

25. CAPITAL AND RESERVES (CONTINUED)

(c) Share premium

The share premium represents the difference between the par value of the shares of the Company and proceeds received from the issuance of the shares of the Company. Under the Companies Law of Cayman Islands, the share premium account of the Company is distributable to the owners of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company would be in a position to pay off its debt as they fall due in the ordinary course of business.

(d) Merger reserve

Merger reserve of the Group represents the difference between the nominal value of ordinary shares issued by the Company, and the issued share capital of JBB Builders (M) Sdn. Bhd., and Pavilion Ingenious Sdn. Bhd. exchanged in connection with the reorganisation in preparation for the listing of the Company's shares on the Stock Exchange.

(e) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of the operations outside Malaysia. The reserve is dealt with in accordance with the accounting policies set out in Note 2(r).

(f) Distributability of reserve

As at 30 June 2026, the aggregate amount of reserves available for distribution to owners of the Company was RM121,021,000 (2025: RM113,953,000).

(g) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group manages its capital structure and makes 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 sell assets to reduce debt. No changes in the objective, policies or processes for managing capital were made during the years ended 30 June 2026 and 2025.

The management of the Group reviews the capital structure on a regular basis. As part of this review, the management considers the cost of capital and the risk associated with each class of capital. Based on recommendation of the management, the Group will balance its overall capital structure through the payment of dividends as well as issue of new debt or the redemption of the debt.

25. CAPITAL AND RESERVES (CONTINUED)

(g) Capital management (Continued)

The Group monitors capital using, inter alia, a gearing ratio which is net debt divided by total equity. Net debt includes interest-bearing bank loans and leases liabilities, less pledged bank deposits, fixed deposits with maturity over three months and cash and cash equivalents. The gearing ratio as at 30 June 2026 and 2025 are as follows:

	2026 RM'000	2025 RM'000
Leases liabilities	373	700
Bank loans	–	6,384
Total debt	373	7,084
Less: Pledged bank deposits	(6,384)	(9,179)
Fixed deposits with maturity over three months	(380)	(5,700)
Cash and cash equivalents	(109,566)	(71,451)
Net debt	N/A	N/A
Total equity	123,018	131,660
Net debt-to-equity ratio	N/A	N/A

26. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial assets and financial liabilities are disclosed in Note 2.

The Group has classified the financial instruments as follows:

	2026 RM'000	2025 RM'000
Financial assets		
Financial assets at amortised cost	224,371	232,241
Financial liabilities		
Financial liabilities at amortised cost	126,428	149,859

26. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

The main risks arising from the Group's financial instruments are credit risk, liquidity risk, interest rate risk and foreign currency exchange risk. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade and other receivables, contract assets, fixed deposits with maturity over three months, pledged bank deposits and cash at banks. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

Trade receivables and contract assets

The Group has established a credit risk management policy under which individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle their debts. Normally, the Group does not obtain collateral from customers.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate. Significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. As at 30 June 2026, approximately 53% (2025: 49%) of the total gross trade receivables and contract assets was due from the Group's largest customer and approximately 99% (2025: 99%) of the total gross trade receivables and contract assets were due from the Group's five largest customers.

For certain large customers or customers with a high risk of default, the Group assesses the risk of loss of each customer individually based on their financial information, past trends of payments and external credit rating, where applicable.

The Group measures loss allowances for trade receivables and contract assets at an amount equal to lifetime ECLs, which is calculated using a provision matrix. The Group segments its trade receivables and contract assets based on geographic regions, due to different loss patterns experienced in the different regions.

26. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (Continued)

Trade receivables and contract assets (Continued)

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables and contract assets:

	2026							
	Malaysia			Singapore			Total	
	Expected loss rate %	Gross carrying amount RM'000	Loss allowance RM'000	Expected loss rate %	Gross carrying amount RM'000	Loss allowance RM'000	Gross carrying amount RM'000	Loss allowance RM'000
Trade receivables (Note 16)								
Current (not past due)	0.08	5,942	5	0.26	34,739	90	40,681	95
Less than 3 months past due	0.14	516	1	0.26	38,723	101	39,239	102
3 to 6 months past due	6.15	467	29	–	–	–	467	29
Over 6 months to 1 year past due	11.58	1,428	165	–	–	–	1,428	165
Over 1 year to 2 years past due	11.33	26,207	2,968	–	–	–	26,207	2,968
Over 2 years past due	100.00	4,248	4,248	–	–	–	4,248	4,248
Credit impaired	100.00	206	206	–	–	–	206	206
		39,014	7,622		73,462	191	112,476	7,813
Contract assets (Note 17(a))	0.08	25,046	20	–	–	–	25,046	20
		64,060	7,642		73,462	191	137,522	7,833

	2025							
	Malaysia			Singapore			Total	
	Expected loss rate %	Gross carrying amount RM'000	Loss allowance RM'000	Expected loss rate %	Gross carrying amount RM'000	Loss allowance RM'000	Gross carrying amount RM'000	Loss allowance RM'000
Trade receivables (Note 16)								
Current (not past due)	1.16	3,948	46	0.27	35,697	96	39,645	142
Less than 3 months past due	6.34	25,257	1,603	0.27	49,419	134	74,676	1,737
3 to 6 months past due	9.77	21,366	2,087	–	–	–	21,366	2,087
Over 6 months to 1 year past due	6.56	721	47	–	–	–	721	47
Over 1 year to 2 years past due	8.04	2,450	197	–	–	–	2,450	197
Over 2 years past due	100.00	4,049	4,049	–	–	–	4,049	4,049
Credit impaired	100.00	1,212	1,212	–	–	–	1,212	1,212
		59,003	9,241		85,116	230	144,119	9,471
Contract assets (Note 17(a))	0.66	28,881	191	–	–	–	28,881	191
		87,884	9,432		85,116	230	173,000	9,662

26. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (Continued)

Trade receivables and contract assets (Continued)

Expected loss rates are based on actual loss experience over the past 3 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Movement in the loss allowance account in respect of trade receivables and contract assets during the year is as follows:

	2026 RM'000	2025 RM'000
At the beginning of the year	**9,662**	8,077
Exchange realignments	**(11)**	(8)
Disposals through disposal of a non-wholly owned subsidiary	**–**	(15)
(Reversal)/allowance for impairment loss recognised (Note 7(c))	**(1,818)**	1,608
At the end of the year	**7,833**	9,662

The following significant changes in the gross carrying amounts of trade receivables and contract assets contributed to the decrease in the loss allowance as at 30 June 2026:

– decrease in loss allowance provided due to the collection from long-aged customers and decrease in balances of trade receivables and contract assets, resulted in the reversal of loss allowance of approximately RM1,818,000.

The following significant changes in the gross carrying amounts of trade receivables and contract assets contributed to the increase in the loss allowance as at 30 June 2025:

– increase in loss allowance provided for certain customers with higher credit risks based on the latest market information and payment history and the increase in balances of trade receivables and contract assets, resulted in the increase of loss allowance of approximately RM1,608,000.

26. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (Continued)

Other receivables and deposits

For other receivables and deposits, the management of the Group makes periodic individual assessment on the recoverability of other receivables and deposits based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable. The management of the Group believes that there is no significant increase in credit risk of other receivables and deposits since initial recognition and the Group provided impairment based on 12 months ECL. As at 30 June 2026 and 2025, the Group assessed the ECL for other receivables and deposits were insignificant and thus no loss allowance was recognised.

Cash and cash equivalents, fixed deposits with maturity over three months and pledged bank deposits

To manage this risk, deposits are mainly placed with reputable financial institutions with high credit-ratings assigned by international credit-rating agencies. There has been no recent history of default in relation to these financial institutions.

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables shows the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash outflows (including interest payments computed using contractual rates or, if floating, based on rates at the end of the reporting period) and the earliest date the Group can be required to pay.

For bank loans which contain a repayment on demand clause which can be exercised at the bank's sole discretion, the analysis shows the cash outflow based on the earliest period in which the Group can be required to pay, that is, if the lenders were to invoke their unconditional rights to call the loans with immediate effect. The maturity analysis for other bank loans and leases liabilities is prepared on the scheduled repayment dates.

26. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(b) Liquidity risk (Continued)

As at 30 June 2026

	On demand or within 1 year RM'000	More than 1 year but less than 2 years RM'000	More than 2 years but less than 5 years RM'000	Total contractual undiscounted cash flows RM'000	Carrying amounts RM'000
Non-derivative financial liabilities					
Trade and other payables	119,936	–	–	119,936	119,936
Leases liabilities	168	128	101	397	373
Dividend payable to non-controlling interests	6,119	–	–	6,119	6,119
	126,223	128	101	126,452	126,428

As at 30 June 2025

	On demand or within 1 year RM'000	More than 1 year but less than 2 years RM'000	More than 2 years but less than 5 years RM'000	Total contractual undiscounted cash flows RM'000	Carrying amounts RM'000
Non-derivative financial liabilities					
Trade and other payables	142,775	–	–	142,775	142,775
Bank loans	4,677	1,985	–	6,662	6,384
Leases liabilities	291	234	229	754	700
	147,743	2,219	229	150,191	149,859

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group is exposed to fair value interest rate risk in relation to the Group's fixed-rate short-term fixed deposits with maturity over three months, pledged bank deposits and leases liabilities. The management of the Group considers that the Group's exposure from these fixed-rate short-term fixed deposits with maturity over three months, pledged bank deposits and leases liabilities to interest rate risk is not significant.

26. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(c) Interest rate risk (Continued)

The Group's interest rate risk arises primarily from cash at banks and bank loans. Cash at banks and bank loans at variable rates expose the Group to cash flow interest rate risk. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of Malaysia base lending rate from the Group's bank loans denominated in Ringgit Malaysia.

Sensitivity analysis

As at 30 June 2026, the Group did not have any floating rate borrowings and hence, no sensitivity analysis is presented.

As at 30 June 2025, it is estimated that a general increase/decrease of 95 basis points in interest rates for bank loans, with all other variables held constant, would have decreased/increased the Group's profit for the year and retained profits by approximately RM46,000.

The sensitivity analysis above indicates the instantaneous change in the Group's profit for the year and retained profits that would arise assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to floating rate instruments which expose the Group to cash flow interest rate risk at that date. The analysis has been performed on the same basis throughout the year ended 30 June 2025.

(d) Foreign currency exchange risk

The Group undertakes certain transactions denominated in foreign currencies, hence exposure to exchange rate fluctuations arises. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure closely and seeks to keep the net exposure to an acceptable level. The Group will consider hedging significant foreign currency exposure should the need arise.

The Group has foreign currency denominated cash and cash equivalents which expose the Group to foreign currency risk.

i) Exposure to currency risk

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in Malaysian Ringgit ("**RM**"), translated using the spot rate at the year end date. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency are excluded.

	Exposure to foreign currencies			
	2026		2025	
	Hong Kong dollars RM'000	**Singapore dollars RM'000**	Hong Kong dollars RM'000	Singapore dollars RM'000
Financial assets				
Cash and cash equivalents	**2**	**37,242**	34,521	2,840

26. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(d) Foreign currency exchange risk (Continued)

ii) Sensitivity analysis

The following table indicates the instantaneous changes in the Group's profit for the year and retained profits that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

	2026			2025		
	Increase/ (decrease) in foreign exchange rates	Increase/ (decrease) on loss for the year RM'000	Effect on retained profits RM'000	Increase/ (decrease) in foreign exchange rates	Increase/ (decrease) on profit for the year RM'000	Effect on retained profits RM'000
Hong Kong dollars	5%	–*	–*	5%	1,312	1,312
	(5%)	–*	–*	(5%)	(1,312)	(1,312)
Singapore dollars	5%	1,862	1,862	5%	108	108
	(5%)	(1,862)	(1,862)	(5%)	(108)	(108)

* The amount represents an amount less than RM1,000.

Results of the analysis as presented in the above table represent an aggregate of the instantaneous effects of each of the Group entities' profit for the year and retained profits measures in the respective functional currencies, and then translated into RM at the exchange rate ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to remeasure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period. The analysis excludes differences that would result from the translation of the financial statements of the foreign operations into the Group's presentation currency. The analysis is performed on the same basis for the year ended 30 June 2025.

(e) Fair values estimations

The carrying amount of the Group's financial instruments carried at amortised cost were not materially different from their fair values as at 30 June 2026 and 2025.

27. COMMITMENTS

Capital commitments

Significant capital expenditure contracted for at the end of each of the reporting period but not recognised as liabilities is as follows:

	2026 RM'000	2025 RM'000
Equipment	81	81

28. SUBSIDIARIES

The following is a list of subsidiaries as at 30 June 2026 and 2025:

Name of company	Place of incorporation and business	Class of shares held	Particulars of issued and paid up capital	Proportion of ownership interest						Principal activity
				Group's effective interest		Held by the Company		Held by subsidiaries		
				2026	2025	2026	2025	2026	2025	
JBB Delima Investment Limited	British Virgin Islands	Ordinary	US$2	100%	100%	100%	100%	-	–	Investment holding
Classic Solution Holdings Limited	British Virgin Islands	Ordinary	US$1	100%	100%	100%	100%	-	–	Investment holding
Harbour Elite International Limited	British Virgin Islands	Ordinary	US$2	100%	100%	100%	100%	-	–	Investment holding
JBB Holdings (Malaysia) Sdn. Bhd.	Malaysia	Ordinary	RM36,000,002	100%	100%	-	–	100%	100%	Investment holding
JBB Resources (HK) Limited	Hong Kong	Ordinary	HK$10,000	100%	100%	-	–	100%	100%	Construction and trading of sand
JBB Resources (Singapore) Private Limited	Singapore	Ordinary	SGD100,000	100%	100%	-	–	100%	100%	Construction and trading of marine gas oil and sand
JBB Builders (M) Sdn. Bhd.	Malaysia	Ordinary	RM41,000,000	100%	100%	-	–	100%	100%	Marine construction, building and infrastructure services and trading of marine gas oil
JBB Marine (M) Sdn. Bhd.	Malaysia	Ordinary	RM1,000,000	52%	52%	-	–	52%	52%	Marine transportation and fleet management
Pavilion Ingenious Sdn. Bhd.	Malaysia	Ordinary	RM1,000,000	100%	100%	-	–	100%	100%	Sand dredging and loading works

28. SUBSIDIARIES (CONTINUED)

The following table lists out the information relating to the Group's sole subsidiary which has a material non-controlling interest (NCI). The summarised financial information presented below represents the amounts before any inter-company elimination.

JBB Marine (M) Sdn. Bhd.

	2026 RM'000	2025 RM'000
NCI percentage	48%	48%
Current assets	7,297	13,981
Non-current assets	–	–*
Current liabilities	(6,146)	(26)
Non-current liabilities	–	–*
Net assets	1,151	13,955
Carrying amount of NCI	552	6,698

* The amount represents an amount less than RM1,000.

Revenue	–	–
Profit/(loss) for the year and total comprehensive (expenses)	96	(162)
Profit/(loss) allocated to NCI	46	(78)
Dividend declared to NCI	(6,192)	–
Cash flows generated from/(used in) operating activities	2,053	(196)
Cash flows generated from investing activities	31	33

29. RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the consolidated financial statements, the Group entered into the following material related party transactions.

The directors of the Company are of the view that the following parties/companies were related parties that had transactions or balances with the Group during the year:

Name of party	Relationship with the Group
JBB Kimlun	A joint venture
Kukuh Sejahtera Sdn. Bhd.	A company controlled by a key management personnel of the Group

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the executive directors of the Company as disclosed in Note 8 and certain of the highest paid employees as disclosed in Note 9, is as follows:

	2026 RM'000	2025 RM'000
Short-term employee benefits	2,580	2,621
Post-employment benefits	181	183
	2,761	2,804

(b) Transactions with related parties

During the year, the Group entered into the following related party transactions:

Non-continuing transactions

	2026 RM'000	2025 RM'000
Management fee expenses		
JBB Kimlun	69	69
Professional fee expenses		
Kukuh Sejahtera Sdn. Bhd.	240	390

The directors of the Company consider that the above related party transactions during the year were conducted on mutually-agreed terms in the ordinary course of the Group's business.

29. RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Applicability of the Listing Rules relating to connected transactions

The related party transactions in respect of the professional fee expenses to Kukuh Sejahtera Sdn. Bhd. above constitute continuing connected transactions as defined under Chapter 14A of the Listing Rules. However those transactions are exempt from the disclosure requirements under Chapter 14A of the Listing Rules as they are below the de minimis threshold under Rule 14A.76(1).

30. NEW AND AMENDMENTS TO IFRSs NOT YET EFFECTIVE

At the date of this report, the Group has not early applied the following new and amendments to IFRSs and interpretations that have been issued but are not yet effective:

Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency[2]
Amendments to IAS 28	Amendments to the Fair Value Option for Investments in Associates and Joint Ventures[2]
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11[1]
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments[1]
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity[1]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]
Amendments to IFRS 19	Subsidiaries without Public Accountability: Disclosures[2]
IFRS 18	Presentation and Disclosure in Financial Statements[2]
IFRS 19	Subsidiaries without Public Accountability: Disclosures[2]
IFRS 20	Regulatory Assets and Regulatory Liabilities[3]

1 Effective for annual periods beginning on or after 1 January 2026.
2 Effective for annual periods beginning on or after 1 January 2027.
3 Effective for annual periods beginning on or after 1 January 2029.
4 Effective for annual periods beginning on or after a date to be determined.

Except for the new IFRS mentioned below, the directors of the Company anticipate that the application of all other new and amendments to IFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

IFRS 18 Presentation and Disclosure of Financial Statements

IFRS 18 "Presentation and Disclosure in Financial Statements" will replace IAS 1 "Presentation of Financial Statements" upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: "operating", "investing" and "financing" and introduces 2 new subtotals: "operating profit or loss" and "profit or loss before financing and income tax". In addition, IFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and their accompanying notes. The statement of financial position and the statement of cash flows will also be affected. The potential impact of the new standard on the financial statements of the Group and of the Company has yet to be assessed.

31. COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

	2026 RM'000	2025 RM'000
Non-current assets		
Property, plant and equipment	–	146
Investment in a subsidiary	76,307	78,893
	76,307	79,039
Current assets		
Other receivables, prepayment and deposits	88	93
Amounts due from subsidiaries	611	37,041
Cash and cash equivalents	70,206	1,315
	70,905	38,449
Current liabilities		
Accruals and other payables	397	378
Amounts due to subsidiaries	23,122	346
Leases liabilities	–	74
	23,519	798
Net current assets	47,386	37,651
Total assets less current liabilities	123,693	116,690
Non-current liabilities		
Lease liabilities	–	65
Net assets	123,693	116,625
Capital and reserves		
Share capital	2,672	2,672
Reserves	121,021	113,953
	123,693	116,625

Approved and authorised for issue by the board of directors on 24 September 2026.

Ng Say Piyu
Chairman and Executive Director

Lam Fung Eng
Executive Director

31. COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION (CONTINUED)

Movements in the Company's reserves:

	Share premium RM'000	Exchange reserve RM'000	Capital reserve RM'000	Retained profits/ (Accumulated losses) RM'000	Total RM'000
At 1 July 2024	71,999	14,248	44,602	246	131,095
Loss for the year	–	–	–	(2,286)	(2,286)
Other comprehensive expenses for the year					
Currency translation difference	–	(14,856)	–	–	(14,856)
Total comprehensive expenses for the year	–	(14,856)	–	(2,286)	(17,142)
At 30 June 2025/1 July 2025	71,999	(608)	44,602	(2,040)	113,953
Profit for the year	–	–	–	10,281	10,281
Other comprehensive expenses for the year					
Currency translation difference	–	(3,213)	–	–	(3,213)
Total comprehensive income/(expenses) for the year	–	(3,213)	–	10,281	7,068
At 30 June 2026	71,999	(3,821)	44,602	8,241	121,021

Note:

Capital reserve represented the difference between the nominal value of the issued share capital of the Company and the net asset value of subsidiaries upon the reorganisation in preparation for the listing of the Company's shares on the Stock Exchange.

32. DISPOSAL OF A NON-WHOLLY OWNED SUBSIDIARY

During the year ended 30 June 2025, the Group entered into a sale agreement to dispose Gabungan Jasapadu Sdn. Bhd., a 50% non-wholly owned subsidiary of the Group which engages in the business of land-based machinery works and rental, to Mr. Toh Ang Poo (the "**Disposal A**"), who together with his spouse, held 50% shares of Gabungan Jasapadu Sdn. Bhd. before the Disposal A.

The net assets of Gabungan Jasapadu Sdn. Bhd., at the date of disposal were as follows:

	2025 RM'000
Property, plant and equipment	45
Deferred tax assets	4
Trade and other receivables	1,551
Tax recoverable	9
Cash and cash equivalents	202
Trade and other payables	(955)
Non-controlling interests	(428)
Net assets disposed of	428
Gain on disposal (Note 7(c))	572
Total consideration	1,000
Satisfied by:	
Cash and cash equivalents	1,000
Total consideration received	1,000
Net cash inflows arising on disposal:	
Consideration received in cash and cash equivalents	1,000
Less: cash and cash equivalents disposed of	(202)
	798

There were no disposals of subsidiaries made during the year ended 30 June 2026. The gain on disposal is included in the loss for the year as disclosed in Note 7(c).

33. MAJOR NON-CASH TRANSACTIONS

(i) During the year ended 30 June 2026, the Group settled dividend declared to non-controlling interests of approximately RM73,000 by offsetting with the payment on behalf of the non-controlling interests.

(ii) During the year ended 30 June 2025, additions to motor vehicles of the Group of approximately RM112,000 were financed by lease liabilities.

Please refer to Note 13 for further details.

(iii) During the year ended 30 June 2025, the Group entered into sale and purchase agreements to dispose investment properties to 2 independent third parties to the Group, amounted to RM1,500,000 in aggregate. Investment properties amounted to RM2,200,000 were reclassified as assets held for sale amounted to RM1,500,000, resulting in a fair value loss of RM700,000, being the difference between the proceeds of disposal of RM1,500,000 and the carrying amount of the investment properties of RM2,200,000.

Please refer to Note 20 for further details.

34. SHARE OPTION SCHEME

A share option scheme (the "**Scheme**") was adopted by the Company on 11 April 2019 for the primary purpose of providing incentives or rewards to eligible participants which will expire on 10 April 2029. Under the Scheme, the board of directors of the Company may grant options to the eligible participants, including employees, directors, advisors, consultants, service providers, agents, customers, suppliers, partners or joint-venture partners of the Group, to subscribe for shares in the Company.

The maximum number of shares in respect of which options may be granted at any time under the Scheme together with options which may be granted under any other share option schemes for the time being of the Company must not in aggregate exceed 10% of the shares of the Company in issue of 500,000,000 shares as at the date of Listing (the "**Scheme Mandate Limit**"). The Company may seek approval of the shareholders in general meeting to refresh the Scheme Mandate Limit provided that the total number of shares available for issue upon exercise of all options which may be granted under the Scheme and any other schemes of the Company shall not exceed 10% of the shares of the Company in issue at the date of approval of refreshing of the Scheme Mandate Limit. The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and other share option schemes of the Company shall not exceed 30% of the total number of shares of the Company in issued from time to time.

Options granted must be taken up within 21 days from the date of grant, upon payment of HK$1.00. The subscription price is determined by the board of directors of the Company, and shall not be less than the highest of (i) the closing price of the Company's shares as stated in the daily quotations sheet issued by the Stock Exchange on the date of grant; (ii) the average closing price of the Company's shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's shares on the date of grant.

No share options are granted since the adoption of the Scheme and there are no outstanding share options under the Scheme as at 30 June 2026 and 2025.

35. EMPLOYEE RETIREMENT BENEFITS

Defined contribution retirement plans

The Group operates a Mandatory Provident Fund Scheme (the "**MPF Scheme**") under the Mandatory Provident Fund Schemes Ordinance (Cap. 485 of the Laws of Hong Kong). For its employee employed under the jurisdiction of the Hong Kong Employment Ordinance and the eligible employees of the Group's subsidiaries in Malaysia and Singapore are required to participate in Statutory Employees Provident Fund in Malaysia and the Central Provident Fund schemes in Singapore, respectively (the "**Schemes**"). The Schemes are defined contribution retirement plans of the Group.

The MPF Scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF Scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK$30,000. Contributions to the plan vest immediately, there is no forfeited contributions that may be used by the Group to reduce the existing level of contribution.

The assets of the Statutory Employee Provident Fund in Malaysia are held separately from those of the Group, in funds under the control of trustees. The Group contributes 4%-13% of the relevant payroll costs to the scheme, which contribution is matched by employees at lower rate 0%-11%.

The Group contributed 9%-17% (2025: 9%-17%) of the relevant wages while the employees contributed 7.5%-20% (2025: 7.5%-20%) of the relevant wages to the Central Provident Fund scheme in Singapore, subject to a cap of monthly ordinary wages of SGD6,000 and annual additional wages of SGD102,000 less total ordinary wages subject to Central Provident Fund for the year, for all employees who are Singapore citizens or permanent residents of Singapore.

During the years ended 30 June 2026 and 2025, the Group has no forfeiture of contributions to the Schemes under the defined contribution retirement plans (i.e. contributions processed by the employer on behalf of the employee who has left the defined contribution retirement plans prior to vesting fully in such contributions) as the contributions to the Schemes are vested fully and immediately to the employees once the contributions to the Schemes have been paid. As at 30 June 2026 and 2025, no forfeited contributions to the Schemes under the defined contribution retirement plans may be used by the Group to reduce the existing level of contributions. The total expense recognised in the profit or loss of approximately RM1,107,000 (2025: RM1,094,000) during the year ended 30 June 2026 represents contributions payable to these Schemes by the Group at rates specified in the rules of the Schemes (Note 7(b)).

36. EVENTS AFTER THE REPORTING PERIOD

(i) During the year ended 30 June 2026, the Company entered into a sale and purchase agreement with a vendor, a company established under the laws of the People's Republic of China (the "**PRC**") with limited liability (the "**Vendor**"), pursuant to which the Vendor has conditionally agreed to sell, and the Company (or its subsidiaries) has conditionally agreed to purchase 100% equity interest in Chengdu Jianfu Convenience Store Management Co., Ltd., (the "**Chengdu Jianfu**") a company established under the laws of the PRC with limited liability, at a total consideration of RMB120 million (equivalent to approximately HK$134.8 million). Upon completion of the acquisition of Chengdu Jianfu pursuant to the terms and conditions of the sale and purchase agreement, Chengdu Jianfu will become an indirect wholly-owned subsidiary of the Company and the financial results, assets and liabilities of Chengdu Jianfu will be consolidated into the financial statements of the Group. As of the date of this annual report, the Company remains engaged in the due diligence review and is in the midst of performing the legal and operational processes required to complete the acquisition of Chengdu Jianfu.

(ii) Subsequent to the year ended 30 June 2026, the Group entered into a sale and purchase agreement to dispose 1 property located in the area of Mukim of Plentong, District of Johor Bahru, State of Johor, Malaysia to an independent third party to the Group, amounted to approximately RM1,791,000. The carrying amount of the deposits paid for the abovementioned property, which was included in "Deposits paid for acquisition of investment properties", amounted to approximately RM1,773,000 as at 30 June 2026.

(iii) Subsequent to the year ended 30 June 2026, the Group entered into a sale and purchase agreement with a non-controlling shareholder to acquire 48% shareholding of JBB Marine (M) Sdn. Bhd. (the "**Acquisition**"), a 52% non-wholly owned subsidiary of the Group before the Acquisition. The consideration of the Acquisition was approximately RM425,000 and the net assets of JBB Marine (M) Sdn. Bhd. before the Acquisition was approximately RM1,151,000. A gain on disposal of approximately RM127,000 was recognised. Upon the completion of the Acquisition, the Group will have 100% shareholdings interest in JBB Marine (M) Sdn. Bhd..

Financial Summary

RESULTS

	For the year ended 30 June				
	2026	2025	2024	2023	2022
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	**412,763**	426,980	329,330	217,776	512,303
Gross profit	**14,776**	17,671	8,332	12,285	29,159
Profit/(loss) before taxation	**521**	2,917	3,226	(6,922)	16,758
Income tax expenses	**(1,011)**	(1,662)	(832)	(1,291)	(3,263)
(Loss)/profit for the year	**(490)**	1,255	2,394	(8,213)	13,495
(Loss)/profit for the year attributable to:					
– Owners of the Company	**(536)**	1,331	2,994	(8,226)	12,527
– Non-controlling interests	**46**	(76)	(600)	13	968
	(490)	1,255	2,394	(8,213)	13,495

ASSETS AND LIABILITIES

	As at 30 June				
	2026	2025	2024	2023	2022
	RM'000	RM'000	RM'000	RM'000	RM'000
Total assets	**269,059**	296,818	276,808	218,867	294,794
Total liabilities	**(146,041)**	(165,158)	(140,457)	(85,539)	(155,534)
Net assets	**123,018**	131,660	136,351	133,328	139,260
Equity attributable to equity owners of the Company	**122,466**	124,962	129,149	125,526	129,971
Non-controlling interests	**552**	6,698	7,202	7,802	9,289
Total equity	**123,018**	131,660	136,351	133,328	139,260

Particulars of Major Properties

As at 30 June 2026

A. DEPOSITS PAID FOR ACQUISITION OF INVESTMENT PROPERTIES

No.	Property	Uses	Term of lease	Built-up area (approximate square feet)	Nature of Property
Properties located in the area of Mukim of Pengerang and Mukim of Pantai Timur, Kota Tinggi, Johor, Malaysia					
1	Parcel No. 52 Phase 1B, Cluster, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,485	Residential
2	Parcel No. 53 Phase 1B, Cluster, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,485	Residential
3	Parcel No. 54 Phase 1B, Cluster, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,485	Residential
4	Parcel No. 57 Phase 1B, Cluster, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,485	Residential
5	Parcel No. 58 Phase 1B, Cluster, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,485	Residential
6	Parcel No. 59 Phase 1B, Cluster, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,485	Residential
7	Parcel No. 63 Phase 1B, Cluster, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,485	Residential
8	Parcel No. 67 Phase 1B, Cluster, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,485	Residential

Particulars of Major Properties

No.	Property	Uses	Term of lease	Built-up area (approximate square feet)	Nature of Property
9	Parcel No. 68 Phase 1B, Cluster, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,485	Residential
10	Parcel No. 77 Phase 1B, Cluster, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,485	Residential
11	Parcel No. 79 Phase 1B, Cluster, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,485	Residential
12	Parcel No. 18 Phase 1B, Double Storey Terrace House, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,005	Residential
13	Parcel No. 171 Phase 1B, Double Storey Terrace House, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,215	Residential
14	Parcel No. 88 Phase 1B, Double Storey Terrace House, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,005	Residential
15	Parcel No. 89 Phase 1B, Double Storey Terrace House, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,005	Residential
16	Parcel No. 95 Phase 1B, Double Storey Terrace House, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,215	Residential

Particulars of Major Properties

No.	Property	Uses	Term of lease	Built-up area (approximate square feet)	Nature of Property
17	Parcel No. 97 Phase 1B, Double Storey Terrace House, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,005	Residential
18	Parcel No. 105 Phase 1B, Double Storey Terrace House, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,005	Residential
19	Parcel No. 116 Phase 1B, Double Storey Terrace House, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,005	Residential
20	Parcel No. 123 Phase 1B, Double Storey Terrace House, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,005	Residential
21	Parcel No. 232 Phase 1B, Double Storey Terrace House, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,005	Residential
22	Parcel No. 233 Phase 1B, Double Storey Terrace House, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,005	Residential
23	Parcel No. 240 Phase 1B, Double Storey Terrace House, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,005	Residential
24	Parcel No. 242 Phase 1B, Double Storey Terrace House, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,005	Residential

Particulars of Major Properties

No.	Property	Uses	Term of lease	Built-up area (approximate square feet)	Nature of Property
25	Parcel No. 245 Phase 1B, Double Storey Terrace House, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,005	Residential
26	Parcel No. 246 Phase 1B, Double Storey Terrace House, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,005	Residential
27	Parcel No. 247 Phase 1B, Double Storey Terrace House, H.S.(D) 36899 PTD 6008, in the Mukim of Pengerang, District of Kota Tinggi, State of Johor	Intended to held for sale	Leased for a term of 99 years till 25 May 2115	2,215	Residential
Properties located in the area of Mukim of Tebrau, District of Johor Bahru, State of Johor, Malaysia					
28	B10-01, The Astaka, Jalan Astaka Boulevard, One Bukit Senyum, 80300 Johor Bahru, Johor Darul Takzim	Intended to held for sale	Interest in perpetuity	2,207	Residential