



PASUKHAS GROUP BERHAD
[200501009342 (686389-A)]
(INCORPORATED IN MALAYSIA)



Annual Report 2024

- Civil Engineering & Construction Services
- M&E Engineering Services
- Trading
- Renewable Energy



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CORPORATE INFORMATION

Board of Directors

Mejar Dato' Ismail Bin Ahmad

Independent Non-Executive
Chairman

Mak Siew Wei

Executive Director

Tang Boon Koon

Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Chairperson

Tan Yee Ping

Member

Dato' Nik Ismail Bin Dato' Nik
Yusoff

Teoh Kim Hooi

NOMINATING COMMITTEE

Chairman

Dato' Nik Ismail Bin Dato' Nik
Yusoff

Member

Tan Yee Ping

Teoh Kim Hooi

REMUNERATION COMMITTEE

Chairman

Dato' Nik Ismail Bin Dato' Nik
Yusoff

Member

Tan Yee Ping

Teoh Kim Hooi

EMPLOYEES' SHARE OPTION SCHEME COMMITTEE

Chairman

Mak Siew Wei

Member

Tang Boon Koon

Tan Yee Ping

Dato' Nik Ismail Bin Dato' Nik Yusoff

Independent Non-Executive Director

Tan Yee Ping

Independent Non-Executive Director

Teoh Kim Hooi

Non-Independent Non-Executive Director
(Re-designated on 28 June 2024)

INVESTMENT COMMITTEE

Chairman

Mak Siew Wei

Member

Tang Boon Koon

Dato' Nik Ismail Bin Dato' Nik
Yusoff

COMPANY SECRETARY

Wong Yuet Chyn

(MAICSA 7047163)
(SSM PC NO. 202008002451)

Adeline Tang Koon Ling

(LS 0009611)
(SSM PC NO. 202008002271)

REGISTERED OFFICE

A3-3-8, Solaris Dutamas
No. 1, Jalan Dutamas 1
50480 Kuala Lumpur
Wilayah Persekutuan

Tel. No. : +60(3) 6413 3271

Fax No. : +60(3) 6413 3270

Email : infosec@wscs.com.my

CORPORATE OFFICE

DF2-11-01, Level 11, Persoft Tower
6B, Persiaran Tropicana
Tropicana Golf & Country Resort
47410 Petaling Jaya
Selangor Darul Ehsan

Tel. No. : +60(3) 7665 6088

Fax No. : +60(3) 7665 6089

Email : admin@pasukhas.com.my

Wan Thean Hoe

Executive Director cum Chief Executive
Officer

(Retired as Executive Director on 29 November
2023 and resigned as Chief Executive Officer on
22 April 2024)

EXTERNAL AUDITORS

Morison LC PLT (AF 002469)

Level 11-01, Uptown No. 3
Jalan SS 21/39
Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan

Tel. No. : +60(3) 7491 4419

Email : enquiries@morisonlc.com

SHARE REGISTRAR

Workshire Share Registration Sdn. Bhd.

[Registration No. : 202101030155
(1430455-D)]
A3-3-8, Solaris Dutamas
No. 1, Jalan Dutamas 1
50480 Kuala Lumpur
Wilayah Persekutuan

Tel. No. : +60(3) 6413 3271

Fax No. : +60(3) 6413 3270

Email : info@wscs.com.my

PRINCIPAL BANKERS

Malayan Banking Berhad
RHB Bank Berhad

STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia Securities Berhad

Stock Name : PASUKGB

Stock Code : 0177

Sector : Industrial Products &
Services

CORPORATE WEBSITE

www.pasukhasgroup.com

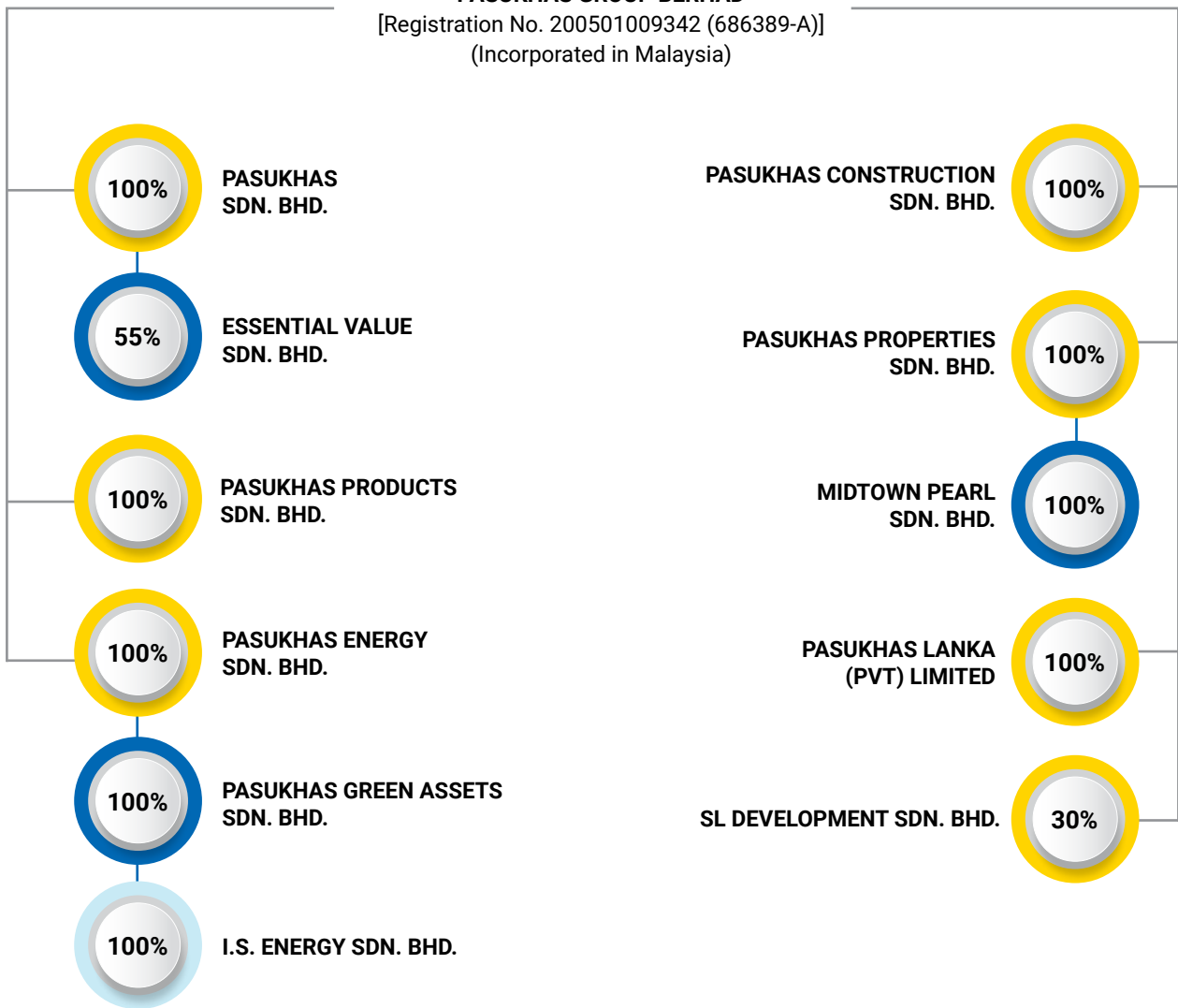
CORPORATE STRUCTURE

(As at 25 October 2024)



PASUKHAS GROUP BERHAD

[Registration No. 200501009342 (686389-A)]
(Incorporated in Malaysia)



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Nineteenth (“19th”) Annual General Meeting (“AGM”) of **PASUKHAS GROUP BERHAD** (the “Company”) will be held on a virtual basis through live streaming and online remote participation and voting from the broadcast venue at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on **Thursday, 28 November 2024 at 10.00 a.m.** or at any adjournment thereof for the purpose of considering and, if thought fit, passing the following resolutions with or without any modifications:

AGENDA

AS ORDINARY BUSINESS

- | | | |
|----|---|---|
| 1. | To receive the Audited Financial Statements of the Company for the financial year ended 30 June 2024 together with the Director’ and Auditors Reports thereon. | (Explanatory Note 1) |
| 2. | To approve the payment of Directors’ Fees amounting to RM600,000 to the Directors of the Company from 19 th AGM up to the conclusion of 20 th AGM. | (Ordinary Resolution 1) |
| 3. | To approve the payment of Directors’ Benefits to the Directors of the Company and its subsidiaries up to an amount of RM200,000 from 19 th AGM up to the conclusion of 20 th AGM. | (Ordinary Resolution 2)
(Explanatory Note 2) |
| 4. | To re-elect the following Directors retiring under Clause 97 of the Constitution of the Company, and who, being eligible offer themselves for re-election:-

(i) Mr. Mak Siew Wei
(ii) Mr. Tang Boon Koon
(iii) Dato’ Nik Ismail bin Dato’ Nik Yusoff | (Ordinary Resolution 3)
(Ordinary Resolution 4)
(Ordinary Resolution 5)
(Explanatory Note 3) |
| 5. | To re-appoint Messrs. Morison LC PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. | (Ordinary Resolution 6) |

AS SPECIAL BUSINESS

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

- | | | |
|----|--|---|
| 6. | Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016 (“CA 2016”) (“Proposed General Mandate”) | (Ordinary Resolution 7)
(Explanatory Note 4) |
| | “THAT subject always to Sections 75 and 76 of the CA 2016, the Constitution, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approval of any governmental and/or regulatory authorities, the Directors be and are hereby authorised to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company at the time of issuance and such authority under this resolution shall continue in force until the conclusion of the 20 th AGM or when it is required by law to be held, whichever is earlier, AND THAT the Directors be and are empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities. | |

NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

AS SPECIAL BUSINESS (Cont'd)

To consider and if thought fit, to pass the following Ordinary Resolution: (Cont'd)

THAT the existing shareholders of the Company hereby waive their pre-emptive rights to be offered new shares ranking equally to the existing issued shares in the Company pursuant to Section 85 of the CA 2016 read together with Clause 54 of the Constitution of the Company arising from any issuance of new shares of the Company pursuant to Sections 75 and 76 of the CA 2016.

AND THAT the Directors of the Company be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate."

7. To transact any other ordinary business for which due notice shall have been given in accordance with the Company's Constitution and the CA 2016.

**BY ORDER OF THE BOARD
PASUKHAS GROUP BERHAD**

**WONG YUET CHYN (MAICSA 7047163)
(SSM PC No. 202008002451)**

**ADELIN TANG KOON LING (LS 0009611)
(SSM PC No. 202008002271)**

Company Secretaries

Kuala Lumpur
30 October 2024

Notes:

1. Please refer to the Administrative Guide for the procedures to register and participate in the virtual meeting. Shareholders will not be allowed to attend the meeting in person at the broadcast venue on the day of the meeting.
2. A member of the Company entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies to attend, participate, speak and vote in his stead. A proxy may, but need not be a member of the Company and there shall be no restriction as to the qualification of the proxy.
3. Where a member appoints more than one (1) proxy, he/she shall specify the proportions of his/her holdings to be represented by each proxy, failing which, the appointment shall be invalid.
4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. If no name is inserted in the space provided for the name of your proxy, the Chairman of the meeting will act as your proxy.
6. The instrument appointing a proxy and the power of attorney or other authority (if any) may be made in physical form or electronic form. In the case of an appointment made in physical form, the proxy form must be deposited at the Company's Share Registrar's office at A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan or email to infosr@wscs.com.my. All proxy form submitted must be received by the Company not less than forty-eight (48) hours before the time appointed for holding meeting.

NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

Notes: (Cont'd)

7. If the appointer is a corporation, the instrument appointing a proxy must be executed under its Common Seal or under the hand of an officer or attorney duly authorised.
8. Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Securities, all the resolution set out in the Notice of 19th AGM shall be put to vote by poll.
9. For purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors ("ROD") as at 19 November 2024 and only a Depositor whose name appears on such ROD shall be entitled to attend the 19th AGM or appoint proxy to attend and/or vote in his/her behalf.

Explanatory Notes on Ordinary Business

1. Audited Financial Statements for the financial year ended 30 June 2024

The audited financial statements are laid in accordance with Section 340(1)(a) of the CA 2016 for discussion only under Agenda 1. They do not require the shareholders' approval and hence, it will not be put for voting.

2. Proposed Directors' Benefits

The Proposed Ordinary Resolution 2, if passed, will authorise and approve the payment of Directors' Benefits comprised of meeting allowances payable to the Directors, where applicable, for their attendance of Board and Committee Meetings from 19th AGM up to the conclusion of 20th AGM.

3. Re-election of Directors

The Proposed Ordinary Resolutions 3, 4 and 5, if passed, will allow Mr. Mak Siew Wei ("Mr. Mak"), Mr. Tang Boon Koon ("Mr. Tang") and Dato' Nik Ismail bin Dato' Nik Yusoff ("Dato' Nik Ismail") to be re-elected and continued acting as Directors of the Company. Mr. Mak, Mr. Tang and Dato' Nik Ismail being eligible, have offered themselves for re-election at the 19th AGM pursuant to Clause 97 of the Constitution. The profiles of Mr. Mak, Mr. Tang and Dato' Nik Ismail are set out in the Directors' Profile section of the Annual Report 2024.

The Board (with exception of the retiring Director who abstained) supported Mr. Mak and Mr. Tang to seek for re-election as they are the Executive Directors who have deep understanding on the Company and its group of companies and vast experiences on the industry. Their contributions will bring benefits and opportunities to the Company and its group of companies.

The Board (with exception of the retiring Directors who abstained) was further satisfied that Dato' Nik Ismail has complied with the criteria of independence based on the ACE Market Listing Requirements and remain his independent in exercising his judgement and carry out his role as Independent Director.

NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

Explanatory Notes on Special Business

4. Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the CA 2016

The proposed Ordinary Resolution 7 is proposed for the purpose of renewing the general mandate for issuance of shares by the Company under Sections 75 and 76 of the CA 2016. The Ordinary Resolution 7, if passed, will give the Directors of the Company authority to allot and issue shares at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed 10% of the total number of issued shares of the Company.

The Proposed General Mandate will provide flexibility to the Company to raise additional funds expeditiously and efficiently during this challenging time, to meet its funding requirements including but not limited to funding future investment project(s), working capital and/or acquisitions.

By approving the allotment and issue of the Company's shares pursuant to the Proposed General Mandate which will rank the equally with the existing issued shares in the Company, the shareholders of the Company are deemed to have waived their pre-emptive rights pursuant to Section 85 of the CA 2016 and Clause 54 of the Constitution of the Company to be first offered the Company's Shares which will result in a dilution to their shareholdings percentage in the Company.

As at the date of this notice, no shares had been allotted and issued since the General Mandate granted to the Directors at the last AGM held on 29 November 2023 and this authority will lapse as the conclusion of the 19th AGM of the Company.

The Board, having considered the current and prospective financial position, needs and capacity of the Group, is of the opinion that the general mandate is in the best interests of the Company and its shareholders.

Personal Data Privacy

By registering for the meeting via remote participation and electronic voting and/or submitting an instrument appointing proxy(ies) and/or representatives to attend, speak and vote at the meeting and/or any adjournment thereof, a member of the Company: (i) consents to the processing of the member's personal data by the Company (or its agents): (a) for processing and administration of proxies and representatives appointed for the meeting; (b) for preparation and compilation of the attendance lists, minutes and other documents relating to the meeting (which includes any adjournments thereof); and (c) for the Company's (or its agents) compliance with any applicable laws, listing rules, regulations and/or guidelines (collectively the Purpose); (ii) warrants that he/she has obtained such proxy(ies)' and/or representative(s)' prior consent for the Company's (or its agents') processing of such proxy(ies)' and/or representative(s)' personal data for the Purposes; and (iii) agrees that the member will indemnify the Company for any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Note: The term "processing" and "personal data" shall have the meaning as defined in the Personal Data Protection Act, 2010.

FINANCIAL HIGHLIGHTS

	2024	2023 (Restated)*	2021	2020	2019
Profitability					
Revenue (RM'000)	74,755	139,241	79,711	10,860	29,087
Loss before tax (RM'000)	(18,054)	(23,942)	(21,709)	(42,158)	(11,301)
Profit from discontinued operation, net of tax (RM'000)	1,018	2,430	-	-	-
Loss for the year attributable to owners of the Company (RM'000)	(16,943)	(22,808)	(19,249)	(38,970)	(10,918)
Balance Sheet					
Share capital (RM'000)	224,233	224,233	212,914	117,501	89,922
Number of shares in issue (units) ('000)	190,529	190,529	1,408,867	1,194,717	814,417
Shareholders' equity (RM'000)	136,355	153,298	165,002	58,024	68,429
Financial Ratio					
Revenue growth	(46.31%)	74.68%	633.96%	(62.66%)	(70.13%)
Earnings growth	26.04%	8.20%	(49.25%)	277.73%	34.51%
Return on equity	(12.43%)	(14.85%)	(11.67%)	(67.16%)	(15.95%)
Share Information					
Weighted average number of ordinary shares (units) ('000)	190,529	184,398	623,964	864,053	813,684
Dividend per share (sen)	-	-	-	-	-
Loss per share (sen)	(8.90)	(12.37)	(3.08)	(4.51)	(1.34)
Net assets per share (sen)	71.57	80.48	11.71	4.86	8.40

* The 2023 financial figure have been re-presented in accordance with MFRS 5 for proposed disposal of I.S. Energy Sdn. Bhd. ("IESB")

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS

Pasukhas Group Berhad ("Pasukhas" or "the Company") is a public limited liability company and incorporated under the Companies Act of Malaysia. Listed on the ACE Market of Bursa Malaysia Securities Berhad, Pasukhas is primarily engaged in investment holding and providing management services. Its subsidiaries operate across various sectors, including:

- Civil Engineering and Construction;
- Mechanical & Electrical ("M&E") Engineering;
- Manufacturing of Low Voltage ("LV") Switchboards;
- Equipment and Sand Trading;
- Renewable Energy; and
- Property Development, Property Investment and Investment Holdings.

(collectively referred to as the "Group").

Starting as a M&E contractor, the Group has grown into a comprehensive civil, M&E service provider catering to a broad range of market segments like electronic factory, data centre, commercial tower, residential building and so on. Over the years, the Group has gained acclaim for its ability to handle complex projects, drive innovation, adopt new technologies, and make impactful contributions to the industry.

Civil Engineering and Construction Services

Our civil engineering services encompass a broad range of activities crucial to the planning, design, and execution of civil structural and infrastructure projects. This includes the development of essential structures such as factory, building, roads, bridges, drainage systems, and other public works that are foundational to modern society. Our civil engineering team is skilled in assessing and addressing the technical and environmental challenges associated with these projects. By applying advanced engineering principles and leveraging state-of-the-art technology, we ensure that our civil structural and infrastructure projects are not only functional and safe but also sustainable and resilient.

In our construction services, we focus on delivering high-quality and efficient building solutions across various sectors. Our team is adept at managing the construction of commercial buildings, residential complexes, industrial facilities, and specialised structures. We handle all aspects of construction, from initial site preparation and foundation excavation to the final touches of building and finishing. Emphasising safety, precision, and adherence to timelines, we strive to meet and exceed client expectations throughout the construction process.

Our approach integrates meticulous planning, rigorous quality control, and proactive project management to ensure successful outcomes and meets the high safety standard by Department of Occupational Safety and Health ("DOSH"). By continually adopting innovative construction techniques and technologies, we enhance efficiency and effectiveness, keeping our projects on the cutting edge.

By combining our expertise in civil engineering with our comprehensive construction services, we offer a holistic approach to project execution. This integration enables us to tackle complex projects with a unified strategy, ensuring coherence between design and implementation. Our commitment to innovation drives us to incorporate the latest advancements in technology and construction methods, positioning us as one of the key leaders in delivering cutting-edge solutions in both civil engineering and construction.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS (CONT'D)

M&E Engineering Services

The Group offers comprehensive M&E engineering solutions that span the entire project lifecycle, from design to completion. Our services include detailed design, system integration, fabrication, installation, testing, and commissioning of M&E systems. By ensuring seamless integration and high-quality execution, we deliver efficient and reliable systems tailored to meet the specific needs of each project.

Our M&E engineering expertise is particularly focused on industries such as water treatment and sewerage, palm oil and sugar mills, refineries, oil and gas and chemical. We provide specialised solutions that enhance operational efficiency and reliability, supporting complex infrastructure and industrial processes. Through our integrated approach and commitment to excellence, we ensure that our clients receive high-performance systems that meet industry standards and project specifications.

Our engineering services include:

- Procurement, installation, testing, and commissioning of medium voltage (MV) systems, power and distribution transformers, generator systems, LV systems, and extra-low voltage (ELV) systems, including switchgears, panels, and cabling works.
- Electrical system studies, load flow analysis, and protection relay grading.
- Supervisory Control and Data Acquisition (SCADA) systems and telemetry systems for plant control and monitoring.
- Designing, procuring, and installing mechanical ventilation and air conditioning (MVAC) systems and fire protection systems.
- Retrofit solutions.
- Energy management solutions.

The Group is dedicated to setting new benchmarks in the M&E engineering industry. Our commitment to excellence is reflected in the recognition we have earned from various prestigious organisations. We are proud to be acknowledged by our peers for maintaining world-class standards in both our services and products.

Our industry-leading status is underscored by a series of notable accreditations:

- **Construction Industry Development Board (CIDB) Certification:** Recognising our adherence to construction industry standards and practices set by the CIDB, ensuring our operations meet the required quality benchmarks.
- **ISO 9001:2015:** This internationally recognised certification demonstrates our dedication to quality management systems, ensuring consistent delivery of high-quality products and services that meet customer and regulatory requirements.
- **Suruhanjaya Tenaga (Switchboard):** Accreditation from the Energy Commission of Malaysia for our switchboard products, verifying their compliance with national electrical safety and performance standards.
- **Suruhanjaya Tenaga (Contractor):** Certification from the Energy Commission of Malaysia, affirming our qualifications and capabilities as a contractor in the energy sector, underscoring our expertise and reliability in handling complex engineering projects.
- **Suruhanjaya Perkhidmatan Air Negara (SPAN):** Permit from National Water Services Commission of Malaysia that allows us to operate within the water services sector. It signifies that we adhere to the regulations and standards set forth by SPAN, ensuring that our operations align with national policies on water supply and sewerage services.

These accreditations highlight our ongoing commitment to excellence and innovation in the M&E engineering field, reinforcing our reputation as a leading provider of high-quality engineering solutions.

Manufacturing of LV Switchboards

We involved in sub-distribution for the generation, transmission, distribution, and conversion of electric energy, as well as the control of equipment that consumes electrical energy.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS (CONT'D)

Equipment and Sand Trading

In 2020, the Group diversified its business by entering into sand trading sector, focusing on the sales and purchase contracts for river and sea sand sourced from Pekan, Pahang. Pasukhas Products Sdn. Bhd., a wholly-owned subsidiary of the Company, has entered into a river sand extraction and main operation agreement with BB Energy Sdn. Bhd.. These ventures reflect our commitment to broadening our business scope and leveraging new market opportunities.

Renewable Energy

Pasukhas announced its indirect wholly-owned subsidiary, Pasukhas Green Assets Sdn. Bhd. ("PGASB") had on 15 May 2024 entered into a Share Sale Agreement with Full Spectrum G Sdn. Bhd. ("FSGSB") to dispose its entire 100% equity interest in I.S. Energy Sdn. Bhd. ("IESB") for a total consideration of RM4.0 million. Upon completion, IESB shall cease to be a subsidiary of the Company. The proposed disposal is expected to be completed in second quarter of financial year ending 2025.

The rationale for the proposed disposal is to restructure and streamline operations for operational efficiency with minimum administrative costs. The proposed disposal also provides an opportunity for the Group to unlock the value and monetise its investment in IESB, to fund the Group working capitals requirements.

Property Development, Property Investment and Investment Holdings

Since diversifying into property development in 2018, we have expanded our capabilities to include the creation and management of residential and commercial properties. This addition complements our core services, allowing us to offer a complete suite of solutions that span from initial design and construction to long-term property management. Our property development projects benefit from the same high standards of quality and innovation that define our engineering and construction work.

In addition to property development, we engage in investment properties to generate rental income and capitalise on potential capital appreciation. This strategic approach allows us to diversify our income streams while leveraging our expertise in the real estate market.

Furthermore, we invest in quoted shares to enhance our portfolio through capital appreciation and dividend yield. This investment strategy enables us to participate in the growth of various sectors while generating additional income through dividends. By balancing our investments in real estate and equities, we seek to optimize returns and mitigate risks, ensuring sustainable growth for the Group and its stakeholders.

OPERATIONAL UPDATES

In 2023, the global landscape shifted from the pandemic phase to the endemic phase of Coronavirus Disease 2019 ("COVID-19"). Despite this transition, the global economy continued to face significant challenges due to lingering pandemic-related issues. Rising geopolitical tensions, coupled with efforts to combat inflation through tighter monetary policies, increased the risk of a global economic slowdown. As an open economy, Malaysia remains vulnerable to these global developments.

The ongoing conflict in Ukraine and a deceleration in China's economic growth further exacerbated the strain on the global economy in 2023. These challenges, along with persistent supply chain disruptions, trade tensions, and weakened trade dynamics, have negatively impacted developing nations. Additionally, the rise in interest rates has led to a decline in global consumer demand. The International Monetary Fund reported a slowdown in global economic growth to 3.2% in 2023, down from 3.5% in 2022. Soaring food and energy prices have eroded real incomes, contributing to a global cost-of-living crisis, particularly affecting the most vulnerable populations.

(Source : <https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024>)

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

OPERATIONAL UPDATES (CONT'D)

In 2023, Malaysia's economic growth decelerated to 3.7%, a significant decrease from the previous year's impressive 8.7% surge. This slowdown was largely influenced by external challenges, including a decline in global trade, a downturn in the technology sector, escalating geopolitical tensions, and the implementation of more stringent monetary policies. Despite these external pressures, the domestic economy showed resilience. The ongoing recovery and improvements in the labour market contributed to sustaining growth. Strong household spending, driven by rising employment and wages, played a crucial role in supporting the economic performance throughout the year.

(Source : https://www.bnm.gov.my/-/qb23q4_en_pr)

Malaysia's construction industry is on an upward trajectory, with tender prices expected to increase by 3% in 2024. This anticipated growth is influenced by several factors, including variability in project types, procurement strategies, and currency fluctuations. According to a recent report by Turner & Townsend, there is a positive shift in construction costs as the rapid escalation seen in previous years begins to stabilise. Despite ongoing challenges such as inflation and supply chain disruptions, the industry is experiencing a moderate increase in costs and a gradual stabilisation in logistics and supply chain dynamics. However, essential construction materials like aggregates, sand, and concrete continue to face upward price pressures. Although the rate of increase has slowed, providing some flexibility in project pricing, the prices of rebar and cement remain volatile, albeit less so than before. This volatility reflects the broader trends in global commodity prices, such as iron ore and steel. Turner & Townsend's analysis indicates that while the peak of cost escalation may have passed, overall expenses remain high, affecting projects across the sector. The Malaysian construction industry faces additional challenges, including a weakening ringgit, rising overhead costs, and a shortage of skilled labour, which could impact the capacity of project delivery partners.

(Source : <https://www.cidb.gov.my/eng/malaysias-construction-tender-prices-to-rise-3-in-2024/>)

YEAR-ON-YEAR FINANCIAL REVIEW

The Group has changed its financial year end from 31 December to 30 June in the prior financial year. Consequently, the previous financial period covered an 18-month span, from 1 January 2022 till 30 June 2023. The current financial year now covers a 12-month period, from 1 July 2023 till 30 June 2024.

Amidst a challenging business environment, the Group reported revenue of RM74.8 million for the Financial Year Ended 30 June 2024 ("FYE 2024"), marking a significant reduction of RM64.4 million compared to RM139.2 million reported for the Financial Period Ended 30 June 2023 ("FPE 2023"). This decrease was partly attributable to the difference in reporting periods, FPE 2023 covered an 18-month span, whereas FYE 2024 encompassed a 12-month period.

In addition to the impact of the shorter reporting period, the reduction in revenue can also be attributed to the completion of several major projects within the civil engineering and construction services business segment. The conclusion of these projects, which were significant contributors to the previous period's revenue, has led to a decrease in ongoing project activity and associated revenue generation. The Group is actively addressing these challenges by focusing on securing new projects and exploring growth opportunities to drive future revenue and overall business performance.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

YEAR-ON-YEAR FINANCIAL REVIEW (CONT'D)

Our financial performance	Audited 01.07.2023 to 30.06.2024	Audited 01.01.2022 to 30.06.2023 (Restated)*	Variance	
	RM'000	RM'000	RM'000	%
Revenue	74,755	139,241	-64,486	-46.3
Gross (loss) / profit ("GL / GP")	(3,367)	7,517	-10,884	-144.8
Loss before tax ("LBT")	(18,054)	(23,942)	5,888	24.6
Loss after tax ("LAT")	(18,120)	(25,555)	7,435	29.1
Profit from discontinued operation	1,018	2,430	-1,412	-58.1
Net loss attributable to the owners of the Company	(16,943)	(22,808)	5,865	25.7
GL / GP margin (%)	-4.5%	5.4%	-9.9%	-183.3
LBT margin (%)	-24.2%	-17.2%	-7.0%	-40.7
LAT margin (%)	-24.2%	-18.4%	-5.8%	-31.5

* The 2023 financial figure have been re-presented in accordance with MFRS 5 for proposed disposal of IESB.

Revenue

Revenue by segment	Audited 01.07.2023 to 30.06.2024	Audited 01.01.2022 to 30.06.2023 (Restated)*	Variance	
	RM'000	RM'000	RM'000	%
Civil Engineering and Construction	72,840	123,209	-50,369	-40.9
M&E	1,915	12,755	-10,840	-85.0
Manufacturing & Trading	–	178	-178	-100.0
Renewable Energy #	–	3,099	-3,099	-100.0
Revenue	74,755	139,241	-64,486	-46.3

* The 2023 financial figure have been re-presented in accordance with MFRS 5 for proposed disposal of IESB.

Revenue from Pasukhas Energy Sdn. Bhd.

For the FYE 2024, our Group reported a revenue of RM74.8 million, reflecting a significant year-on-year ("YoY") decrease of 46.3%, or RM64.5 million, compared to the RM139.2 million reported during the previous period. This substantial decline was partly attributed to the fact that the FPE 2023 covered an 18-month span due to the recent change in the Group's financial year end, whereas FYE 2024 is a standard 12-month period. As a result, the revenue for FYE 2024 shows a natural reduction when compared to the extended period of FPE 2023.

In addition to the effect of the differing reporting periods, the reduction in revenue during FYE 2024 was further impacted by the completion of several major projects. As these projects concluded, they ceased to contribute to ongoing revenue, contributing to the overall decline in financial performance for the year.

Despite the overall reduction in revenue, the civil engineering and construction business segment continued to be the Group's primary revenue driver, contributing 97.4% of the total revenue in FYE 2024. This represents a notable increase from 88.5% in the previous period. This shift underscores the Group's strategic focus on this segment following the proposed disposal of 100% equity interest in IESB. IESB is involved in developing, maintaining, and operating mini hydro plants and distributing energy.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

YEAR-ON-YEAR FINANCIAL REVIEW (CONT'D)

Revenue (Cont'd)

Similarly, the M&E business segment remained the second-largest contributor, accounting for 2.6% of the total revenue, a decrease from 9.2% in FPE 2023. This reduction in this business segment is linked to decline in revenue from civil engineering and construction business segment.

Gross (loss) / profit

The Group experienced a significant impact on its financial performance in the FYE 2024, primarily due to a reduction in revenue coupled with ongoing upward price pressures on essential construction materials. The prices for key materials such as aggregates, sand, steel and concrete have continued to rise, driven by persistent supply chain disruptions and increased costs. Additionally, the prices of rebar and cement have remained volatile, although the volatility has moderated compared to previous periods. This fluctuation mirrors broader trends in global commodity prices, including iron ore and steel, which have contributed to the overall instability in material costs.

As a result of these challenges, the Group reported a GL of RM3.4 million in FYE 2024, compared to the GP of RM7.5 million reported in FPE 2023. The GP margin

experienced a decline from 5.4% in FPE 2023 to a GL margin of 4.5% in FYE 2024. This shift highlights the significant impact of rising material costs and reduced revenue on the Group's profitability. The Group is actively addressing these issues through strategic adjustments and cost management initiatives to stabilise its financial performance and improve margins moving forward.

Loss before tax

Following the analysis of the aforementioned financial performance, our Group reported a LBT of RM18.1 million for the FYE 2024. This represents a YoY decrease of RM5.9 million, or 24.6%, compared to the LBT of RM23.9 million reported for the FPE 2023. The LBT of the Group reflects the challenges faced during the year, including the significant drop in revenue, increased material costs, and operational difficulties. Despite the decrease in LBT, the Group remains focused on implementing strategic measures to address these challenges, enhance operational efficiency and work towards achieving profitability in future periods.

Profit from discontinued operation

In the FYE 2024, the Group reported a profit of RM1.0 million from discontinued operations. This mainly profit after tax of IESB.

Net loss attributable to the owners of the Company ("Net loss")

In line with the previously discussed LBT, our Group recorded a net loss of RM16.9 million for the FYE 2024. This represents an improvement from the net loss of RM22.8 million reported for the FPE 2023, reflecting a reduction of RM5.9 million, or 25.7%. Consequently, the basic loss per share for FYE 2024 decreased to 8.90 sen, compared to 12.37 sen in FPE 2023.

Our financial position	Audited As at 30 June 2024	Audited As at 30 June 2023	Variance	
	RM'000	RM'000	RM'000	%
Non-current assets	40,430	59,180	-18,750	-31.7
Current assets	134,096	142,067	-7,971	-5.6
Assets held for sale	14,524	-	14,524	100.0
Non-current liabilities	8,737	11,049	-2,312	-20.9
Current liabilities	44,040	37,834	6,206	16.4
Liabilities held for sale	1,012	-	1,012	100.0
Equity attributable to owners of the Company	136,355	153,298	-16,943	-11.1

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

YEAR-ON-YEAR FINANCIAL REVIEW (CONT'D)

Assets

As of 30 June 2024, the Group's non-current assets, which encompassed plant and equipment, right-of-use ("ROU") assets, investment properties, and other investments, decreased to RM40.4 million from RM59.2 million as of 30 June 2023. This reduction of RM18.8 million was primarily attributed to a significant decrease in plant and equipment, which fell by RM19.2 million. The said decline was largely due to the reclassification of assets held for sale in relation to the proposed disposal of IESB. As part of the strategic decision to streamline operations and optimise the asset portfolio, these assets were reclassified to reflect held for sale. This reclassification, while impacting the total value of non-current assets, aligns with the Group's efforts to focus on core business areas and enhance operational efficiency.

The Group's current assets, which include trade and other receivables, amounts owing by an associate, contract assets, fixed deposits and cash and cash equivalents, decreased to RM134.1 million as of 30 June 2024 from RM142.1 million as of 30 June 2023. This reduction of RM8.0 million was primarily driven by decreases in inventories and other receivables. Specifically, inventories fell by RM31.1 million and other receivables decreased by RM20.7 million. These declines were partially offset

by an increase in amount owing by an associate, SL Development Sdn. Bhd.

Assets held for sale amounted to RM14.5 million as of 30 June 2024, relating to the proposed disposal of IESB.

Liabilities

As of 30 June 2024, the Group's non-current liabilities, which include Islamic medium-term notes, lease liabilities and deferred tax liabilities, decreased by RM2.3 million or 20.9% YoY, to RM8.7 million, compared to RM11.0 million as of 30 June 2023. This reduction was primarily driven by a decrease of RM1.6 million in Islamic medium-term notes, which was attributable to scheduled repayments. Additionally, lease liabilities decreased by RM0.7 million, contributing to the overall decline in non-current liabilities.

In contrast, current liabilities increased by RM6.2 million or 16.4% YoY, rising to RM44.0 million as of 30 June 2024, from RM37.8 million as of 30 June 2023. This increase was predominantly due to a rise in trade and other payables, which grew by RM6.4 million.

Liabilities held for sale amounted to RM1.0 million as of 30 June 2024, relating to the proposed disposal of IESB.

Liquidity, capital resources and gearing

Our cash flow from/(used in)	Audited As at 30 June 2024	Audited As at 30 June 2023	Variance	
	RM'000	RM'000	RM'000	%
Operating activities	(2,513)	(38,800)	36,287	93.5
Investing activities	5,914	(29,598)	35,512	120.0
Financing activities	(2,804)	4,509	-7,313	-162.2
Net changes in cash and cash equivalents	597	(63,889)	64,486	100.9

Our cash and cash equivalents increased slightly by RM0.6 million as of 30 June 2024, primarily due to cash inflows from investing activities.

The LBT reported for the FYE 2024 contributed to a negative cash flow of RM8.1 million before accounting for changes in working capital. Despite this initial negative cash flow, improvements in working capital management resulted in a cash outflow of RM2.5 million. This positive adjustment was primarily due to an increase in trade and other payables, which increased by RM10.1 million. However, this was partially offset by a reduction in trade and other receivables, which decreased by RM6.0 million.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

YEAR-ON-YEAR FINANCIAL REVIEW (CONT'D)

Liquidity, capital resources and gearing (Cont'd)

After accounting for tax payments and tax refund, the net cash used in operating activities for FYE 2024 amounted to RM2.5 million. This reflects the Group's ability to generate positive cash flow from its core operations despite the challenges faced, demonstrating effective working capital management and operational adjustments to mitigate the impact of the financial loss.

During the FYE 2024, the Group reported a net cash inflow of RM5.9 million from investing activities. This inflow was primarily attributed to the proceeds from disposal of other investments, which amounted to RM5.1 million.

Additionally, the Group reported a net cash outflow of RM2.8 million from financing activities in FYE 2024. This outflow was largely due to the repayment of Islamic medium-term notes amounting to RM1.6 million and the repayment of lease liabilities and interest expenses totalling RM1.2 million. These repayments were part of the Group's ongoing efforts to manage and reduce its financial obligations, impacting the net cash available from financing activities.

We finance our operations through a mix of internal and external sources. Internally, funds are generated from shareholders' equity and operational cash flow, while externally, we rely on supplier credit terms typically ranging from 30 to 120 days, and bank borrowings, which provide additional financial flexibility. This diversified approach to financing supports our operational and strategic needs while balancing short-term and long-term financial obligations.

The Group is confident that, considering our current cash reserves, bank balances, and anticipated operational funds, we will have sufficient working capital to meet our immediate and foreseeable business needs. Beyond what has been noted, we are not aware of any other significant trends or events that could materially affect our operations, performance, financial condition, or liquidity.

As of the FYE 2024, the Group has no capital commitments.

REVIEW OF OPERATING ACTIVITIES

Corporate Exercise

The Company announced that its indirect wholly-owned subsidiary, PGASB had on 15 May 2024 entered into a Share Sale Agreement with FSGSB to dispose its entire 100% equity interest in IESB for a total consideration of RM4.0 million. Upon completion, IESB shall cease to be a subsidiary of the Company.

The rationale for the proposed disposal is to restructure and streamline operations for operational efficiency with minimum administrative costs. The proposed disposal also provides an opportunity for the Group to unlock the value and monetise its investment in IESB, to fund the Group working capitals requirements.

Corporate Development

The Company announced that Pasukhas Sdn. Bhd. ("PSB"), a wholly-owned subsidiary of the Company, on 30 April 2024 received a signed copy of the Letter of Acceptance ("LOA") from one of the leading multinational technology corporations headquartered in the United States, for the construction and completion of a Consumer Landing Substation ("CLS") for data centre located in Selangor Darul Ehsan.

The salient terms of the LOA, are inter-alia as follows:-

- (a) The total lump sum contact for the project is RM 57.0 million.
- (b) The project are scheduled to commence after the acceptance of the LOA and expected to complete by 30 June 2025.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

REVIEW OF OPERATING ACTIVITIES (CONT'D)

Corporate Development (Cont'd)

The LOA marks a significant milestone towards the Group's strategic business expansion, and is expected to strengthen the Group's revenue and financial conditions upon completion of the project.

The Company announced that PSB, had on 13 July 2023 enter into a Variation Order ("VO") to LOA dated 26 May 2022 with Exyte Malaysia Sdn. Bhd. ("EMSB") for C04F-Sub Structure & Superstructure for K7 and 6 nos Guard Houses (Work) with a contract sum of RM11.1 million. The VO are in line with the Group's expansion of business and strategy to increase the Group's revenue.

The Company also announced that PSB had on 15 August 2023 accepted the VO to LOA dated 26 May 2022 with EMSB with a contract sum of RM8.19 million.

Material Litigation

In the matter of an adjudication between PSB (or "Plaintiff") and Empire Multiple Sdn. Bhd. ("EMSB") and 8 others ("Defendants") - Ipoh High Court Suit No. AA-22NCC-7-02/2020.

On 14 February 2020, PSB filed a Writ of Summons ("Writ") against EMSB, EMSB's directors and EMSB's auditor at Ipoh High Court. The list of Defendants as follows:-

Defendants:

1. EMSB ("D1")
2. Lee Kong Choong ("D2")
3. Yee Loon Ming ("D3")
4. Tan Chuan Swee ("D4")
5. Ho Seng Loong ("D5")
6. Yee Kok Ching ("D6")
7. Chai Pin Fah ("D7")
8. Phuan Eng Sing ("D8")
9. Messrs Peter Ooi & Co ("D9")

The Plaintiff claiming for, amongst others, that the 2nd to 6th defendants to the suit had carried on the business of EMSB with the intention to defraud payment to PSB.

On 30 March 2020, the 9th defendant filed a counterclaim against PSB claiming, amongst others, for general damages for tort of abuse of process, aggravated damages and exemplary damages.

Further to the hearing held on 4 April 2022, the Board of Directors of Pasukhas wishes to announce that the Court has allowed PSB's additional affidavit and gave the Defendants 3 weeks to file an affidavit in Reply.

PSB informed that the Court has requested updates from D1 on the status of Appeal to appeal against the decision of setting aside the Public Examination Order filed by D2, D3, D5 and D6 ("the Appeal"). D1 informed that the Appeal is fixed for case management on 23 October 2024 and D1 had withdrawn the stay proceeding previously filed by D1 at Encl. 95. Encl. 95 was therefore struck out with no order as to costs. The Court indicated that the Court is inclined to proceed with the hearing of the striking out applications filed respectively by the Defendants. On this note, the Court instructed the Defendants to file their further written submissions respectively to update the Court in relation to the position of the Defendants since D1 had already been wound up. The deadline for the Defendants to file their further submissions is on 3 September 2024. The Plaintiff to reply to their further submissions by 17 September 2024, if any.

The Board of Directors of the Company wishes to inform that D1 had withdrawn its striking out application against PSB, with no order as to costs. Therefore, the Court had fixed the hearing date for the remaining striking out applications by D2 to D9 on 29 November 2024. The Court had also fixed the next date on 30 October 2024 (by way of Zoom) for PSB to update status of its leave to continue proceeding against D1, whereby PSB had obtained the said leave from the KL High Court on 5 October 2022.

The Board of Directors of the Company wishes to inform that following to the updates on 24 September 2024, the Mention initially fixed on 30 October 2024 has been vacated and changed to 17 October 2024. The lawyers have attended the Mention and the Court has been informed that the leave to continue proceeding against D1, EMSB was obtained on 5 October 2022. Hence, the hearing date for striking out applications by D2 – D9 on 29 November 2024 is maintained.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

RISK PROFILES

We highlight below the key anticipated or known risks that our Group is exposed to that may have a material effect on our operations, performance, financial condition and liquidity. Our plans and strategies to mitigate these risks have also been disclosed below:-

(i) Business risks

Our Group is principally involved in the civil engineering and construction, M&E engineering services. Hence, we are susceptible to the risks inherent to our industries. These include, amongst others, any outbreaks of diseases affecting local and global markets, climate change and nature disasters, rising costs of labour and raw materials, availability of skilled personnel, changes in laws and regulations applicable to our business, business and credit conditions, corruption of software and protection of data as well as fluctuations in foreign exchange rates. There can be no assurance that any material changes to these factors will not have a material adverse effect on the business operations of our Group.

Despite these challenges, our Group is committed to mitigating these risks through a range of strategic measures. We implement prudent financial management practices and maintain efficient operating procedures to safeguard our business. These measures are designed to enhance our resilience and adaptability, ensuring that we can effectively manage potential risks and sustain our operational and financial stability.

(ii) Competition risks

The Group's revenue and profitability are exposed to the risk of uncertainty arising from global and local economic conditions. Furthermore, we continue to face competition from existing and new competitors who may be capable of offering similar services and products. Whilst we strive to remain competitive, there can be no assurance that any changes in the competitive environment would not have any material and adverse impact on our business and financial performance.

Despite these challenges, our Group remains focused on proactively addressing these risks. We continually strive to enhance our competitive advantage through strategic initiatives, innovation, and operational excellence. By staying agile and responsive to market changes, we aim to sustain our position in the industry and mitigate potential adverse effects on our business.

(iii) Economic risks

The performance of the civil engineering and construction industry is significantly influenced by prevailing economic conditions. Economic factors such as economic growth rates, interest rates, inflation, and overall market sentiment can have substantial impacts on demand for civil engineering and construction services. Fluctuations in these economic indicators can affect investment decisions, project financing, and the overall viability of civil engineering and construction projects. Consequently, the industry's performance is closely tied to the broader economic environment, making it vulnerable to changes in economic conditions both locally and globally.

(iv) Operational risks

Due to the nature of our Group's operations, interruptions in our construction activities, such as disruptions in electricity supply, equipment failure, or damage of construction materials, can adversely affect our business and financial performance. Additionally, unforeseen events such as accidents or delays in project execution can impact our ability to meet project deadlines and quality standards.

To mitigate these risks and minimize disruptions, we have implemented robust monitoring and maintenance protocols. Our electricity supply and critical equipment are continuously monitored to ensure reliability, and our construction machinery undergoes regular scheduled maintenance to prevent breakdowns. We also adhere to stringent quality control measures and safety procedures to address potential issues related to construction materials and ensure that all aspects of our operations meet industry standards. These proactive measures are designed to safeguard our operations and maintain the continuity and efficiency of our construction projects.

(v) Credit risks

We exposed to credit risk due to slowdown in the collection of payments. The Group evaluated the likelihood of the severity and concluded that the Group would not be significantly affected by the expected credit loss of financial assets.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

RISK PROFILES (CONT'D)

(vi) Foreign exchange risks

A relatively minor part of the Group's operations involves foreign currency transactions, making us susceptible to foreign exchange risks. There is no guarantee that fluctuations in foreign exchange rates will not adversely affect our earnings.

Although we do not actively hedge our Group's foreign currency exposure, we will continue to assess the need to utilise financial instruments to hedge our currency exposure, taking into consideration factors such as foreign currency, exposure period and transaction costs. For FYE 2024, our Group has not encountered any significant foreign currency exchange fluctuation that has resulted in material adverse impact on our Group's financials.

FORWARD-LOOKING STATEMENT

As the world emerges from a three-year global pandemic, businesses continue to navigate a landscape marked by significant challenges. Persistent geopolitical conflicts, such as those between Russia and Ukraine and in Israel-Palestine, along with ongoing trade tensions between the United States and China, contribute to sustained global uncertainties. The enduring effects of the pandemic further compound these geopolitical, economic, and social risks.

In Malaysia, however, 2024 is expected to be a year of notable progress. The implementation of initiatives from the New Industrial Master Plan (NIMP) 2030 is set to drive forward economic development. According to the Ministry of Finance, Malaysian Gross Domestic Product growth is projected to range between 4% and 5% for the year. This growth is anticipated to be supported by strong domestic demand, which is expected to cushion the effects of slower global economic expansion.

(Source : <https://budget.theedgemarkets.com/budget/2024/index.html>)

Malaysia's construction market is projected to achieve significant growth, reaching an estimated US\$38.55 billion in 2024. This growth is supported by a robust forecasted compound annual growth rate (CAGR) of 8.55%, with expectations to expand further to US\$58.10 billion by 2029. This optimistic outlook reflects a dynamic construction sector poised for substantial development.

Key infrastructure projects are poised to be major drivers of this growth. Notable initiatives include the extensive rollout of 5G technology, which is expected to enhance connectivity and support digital transformation across the country. The East Coast Highway 3 project aims to improve regional connectivity and boost economic activity along the eastern corridor. Additionally, the Mass Rapid Transit 3 is set to significantly enhance urban transportation infrastructure, reducing congestion and improving public transit efficiency.

The construction sector has seen a marked increase in private sector investment, with private projects now accounting for a considerable share of the market output. This growth highlights a strong appetite for investment and development within the private sector. In contrast, government-led projects have experienced limited growth on a year-on-year basis, suggesting a shift in focus towards private sector contributions.

Government support plays a crucial role in this positive trajectory. The largest-ever budget allocated for 2024, coupled with a concerted push for public-private partnerships, reflects a strategic commitment to fostering sector growth. These measures are expected to bolster the construction industry's development, ensuring sustained expansion and further investment in the coming years.

(Source : <https://www.cidb.gov.my/eng/malaysias-construction-tender-prices-to-rise-3-in-2024/>)

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

FORWARD-LOOKING STATEMENT (CONT'D)

As we advance into 2024, we acknowledge the critical role that private sector investment plays in shaping the future of the construction market. Our strategic focus is to align with this evolving landscape by actively pursuing and securing significant private sector projects. We are committed to leveraging our expertise and resources to address the growing demand for innovative and high-quality construction solutions. In parallel, we are dedicated to remaining agile and responsive to governmental initiatives and public-private partnership opportunities. The introduction of the largest-ever budget for 2024 underscores the Government's commitment to infrastructure development, presenting us with substantial prospects to collaborate on major public projects. We are poised to take full advantage of these opportunities, enhancing our ability to contribute meaningfully to national development goals.

Our forward-looking strategy emphasises several key areas to ensure our continued success:

- First, we are focused on maintaining operational excellence by streamlining our processes, optimising resource allocation, and ensuring the highest standards of quality across all projects.
- Second, we are investing in innovative solutions and cutting-edge technologies to stay ahead of industry trends and deliver superior results.
- Third, we are committed to building and nurturing strong partnerships with stakeholders, clients, and industry players to foster collaborative growth and enhance our market position.

By focusing on these strategic areas, we are confident in our ability to navigate the challenges that lie ahead. Our proactive approach will enable us to seize growth opportunities, drive efficiencies, and make a positive impact on the Malaysian construction industry. We are enthusiastic about the prospects for the coming year and are dedicated to delivering exceptional value to our stakeholders, clients, and the communities we serve.

DIRECTORS' PROFILE

MEJAR DATO' ISMAIL BIN AHMAD

Independent Non-Executive Chairman

Malaysian Age 75 Male

Mejar Dato' Ismail Bin Ahmad, was appointed to the Board of the Company on 2 September 2020 as an Independent Non-Executive Chairman. He has ceased to be the Chairman of Remuneration Committee and also a member of Audit and Risk Management Committee and Investment Committee respectively on 28 June 2024.

Mejar Dato' Ismail holds several qualifications such as Degree in Master in Management, LLB Hons from University of Wolverhampton, United Kingdom, Master of Laws from University of London and Certificate in Legal Practice.

Mejar Dato' Ismail served in the Malaysian Army for 17 years and attended courses both local and overseas. In 1983, he joined Perwira Niaga Malaysia (Pemama), a wholly-owned subsidiary of Lembaga Tabung Angkatan Tentera, a wholesale and international trading company. His last position in Pemama was Deputy General Manager before he left in 1999. He was the Chief Executive Officer of Odasaja Sdn. Bhd. in its formative year and later became the Group Executive Director of the same. He left Odasaja Sdn. Bhd. in December 2002. Since then, he has been actively contributing his knowledge and experience to various companies involved in general trading, building and construction, including defense and security projects.

Mejar Dato' Ismail currently sits on the Board of Mlabs Systems Berhad as a Non-Independent Non-Executive Director. At the same time, he is also the Independent Non-Executive Director of Advance Information Marketing Berhad.

Mejar Dato' Ismail does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

Mejar Dato' Ismail does not have any conviction for offences within the past five (5) years, and public sanction or penalty imposed by the relevant regulatory bodies during the financial year 2024.

Mejar Dato' Ismail does not have any family relationship with any other Director and/or any major shareholder of the Company.

MAK SIEW WEI

Executive Director

Malaysian Age 49 Male

Mr. Mak Siew Wei was appointed to the Board on 2 September 2020 as an Executive Director and he is the chairman of Employees' Share Option Scheme Committee and Investment Committee respectively.

Mr. Mak pursued his education in the United States of America and graduated with a Bachelor Degree in Management Information System.

Mr. Mak started his career as Business Development Manager for Marvic International (NY) Ltd in New York for 3 years.

Mr. Mak is currently the Executive Director for Erdasan Group Berhad (formerly known as AT Systematization Berhad), Advance Information Marketing Berhad, Trive Property Group Berhad and AE Multi Holdings Berhad.

Mr. Mak does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

Mr. Mak does not have any conviction for offences within the past five (5) years, and public sanction or penalty imposed by the relevant regulatory bodies during the financial year 2024.

Mr. Mak does not have any family relationship with any other Director and/or any major shareholder of the Company.

DIRECTORS' PROFILE (Cont'd)

TANG BOON KOON *Executive Director* Malaysian Age 53 Male

Mr. Tang Boon Koon was appointed to the Board on 11 September 2020 as an Executive Director. He is a member of Employees' Share Option Scheme Committee and Investment Committee respectively.

Mr. Tang graduated from Wawasan Open University with a Commonwealth Executive Master of Business Administration (CeMBA) degree and has also obtained Diploma in Electronics and Electrical Engineering from Federal College of Technology.

Mr. Tang has more than 30 years of working experience in the Information, Communication & Technology industry, and was an all-rounder from technical, marketing, business development, operation to corporate management and finance. He has held a number of senior management positions in various public listed companies in Malaysia, Hong Kong and New Zealand with business activities covering a wide range of industries.

Mr. Tang currently sit on the Board of Mtouche Technology Berhad, Per maju Industries Berhad, Meridian Berhad as the Executive Director. He is also the Senior Independent Non-Executive Director of JOE Holding Berhad. Before he joined the above mentioned listed companies, Mr. Tang was the Chief Operation Officer of MyKris Limited, a company listed in New Zealand Alternative Exchange (NZAX) and Asia Operation Director based in Hong Kong SAR for Nucleus Electronics Ltd, a company listed in Singapore.

Mr. Tang does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

Mr. Tang does not have any conviction for offences within the past five (5) years, and public sanction or penalty imposed by the relevant regulatory bodies during the financial year 2024.

Mr. Tang does not have any family relationship with any other Director and / or any major shareholder of the Company.

DATO' NIK ISMAIL BIN DATO' NIK YUSOFF *Independent Non-Executive Director* Malaysian Age 78 Male

Dato' Nik Ismail Bin Dato' Nik Yusoff was appointed to the Board on 15 September 2020 as an Independent Non-Executive Director. He is the Chairman of the Nominating Committee and is also a member of Audit and Risk Management Committee. He has been re-designated to Chairman of Remuneration Committee on 28 June 2024.

Dato' Nik Ismail graduated from Universiti Kebangsaan Malaysia with a Diploma of Sains Kepolisian (DPS).

Dato' Nik Ismail Bin Dato' Nik Yusoff joined the Police Force in 1965 and served the Force until his retirement on 2 September 2001 as Deputy Commissioner of Police. During his 36 years in service, he had served the force well, with full commitments and professionalism. He had served in various positions in the Police Force, including Chief Police Officer (CPO) in the states of Terengganu (1997), Kedah (1997 - 1999), and Selangor (1999 - 2001). He was also the Deputy Director Special Branch in Bukit Aman from 1995 to 1997.

After his retirement, Dato' Nik Ismail was appointed Director of several public listed companies and private limited companies. He currently sits on the Board of Erdasan Group Berhad (formerly known as AT Systematization Berhad), Green Ocean Corporation Berhad and PNE PCB Berhad as an Independent Non-Executive Chairman.

Dato' Nik Ismail does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

Dato' Nik Ismail does not have any conviction for offences within the past five (5) years, and public sanction or penalty imposed by the relevant regulatory bodies during the financial year 2024.

Dato' Nik Ismail does not have any family relationship with any other Director and/or any major shareholder of the Company.

DIRECTORS' PROFILE (Cont'd)

TAN YEE PING

Independent Non-Executive Director
Malaysian Age 45 Female

Ms. Tan Yee Ping was appointed to the Board on 31 May 2023 as an Independent Non-Executive Director. She has been appointed as the Chairperson of the Audit and Risk Management Committee, member of the Nominating Committee, Remuneration Committee and Employees' Share Option Scheme Committee on 28 June 2024.

Ms. Tan graduated from University of Malaya, Malaysia with a Degree of Applied Chemistry.

Ms. Tan began her career as a Product Specialist at Chemie Alliance Sdn. Bhd. from 2002 to 2005. During the period, she was in-charged of several brands of raw materials used in skincare and personal care products and also, prepared lab samples. Subsequently, she worked as a Marketing Executive at Ample Effect OEM Manufacturing Sdn. Bhd. In 2007, she joined TR Network Sdn. Bhd. as a Product Development Senior Executive. From 2008 to 2018, she served as an Assistant Manager of Product Development in Elken Sdn. Bhd. Her responsibilities included product development of various skincare, skin devices and personal care products for the high-end market, product launching, product presentation and training, and product research and market surveys. She is now a restaurant entrepreneur in Perth, Australia, managing the daily operations and human resources and also, in-charged of supplies and purchasing.

Ms. Tan currently sits on the Board of PNE PCB Berhad as an Independent Non-Executive Director.

Ms. Tan does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

Ms. Tan does not have any conviction for offences within the past five (5) years, and public sanction or penalty imposed by the relevant regulatory bodies during the financial year 2024.

Ms. Tan does not have any family relationship with any other Director and/or any major shareholder of the Company.

TEOH KIM HOOI

Non-Independent Non-Executive Director
Malaysian Age 69 Male

Mr. Teoh Kim Hooi was appointed to the Board on 8 February 2012 as an Independent Non-Executive Director. He has been re-designated to Non-Independent Non-Executive Director and also member of the Audit and Risk Management Committee on 28 June 2024. He is also a member of the Nominating Committee and Remuneration Committee respectively.

Mr. Teoh graduated with a professional certification from the Association of Chartered Certified Accountants ("ACCA"), UK in 1980 and was admitted as an Associate Member of ACCA in 1982. He obtained his Fellowship of ACCA in 1987 and his audit license from the Ministry of Finance in 1986.

Mr. Teoh started his career in auditing as an audit assistant with a medium-sized audit firm from January 1979 to 1980. Thereafter, he joined a medium-sized audit firm, as a Senior Associate and rose up to the ranks of Audit Manager and also Tax Manager before he commenced his own practice in 1986. He currently practices under the name of TKH & Partners. He was also actively involved in the business advisory and company secretarial sectors. He is currently a Fellow Member of ACCA, a Licensed Auditor and Tax Agent, a member of the Malaysian Institute of Accountants and a Fellow Member of the Chartered Tax Institute of Malaysia.

Mr. Teoh does not hold any directorship in any other public companies and listed companies.

Mr. Teoh does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

Mr. Teoh does not have any conviction for offences within the past five (5) years, and public sanction or penalty imposed by the relevant regulatory bodies during the financial year 2024.

Mr. Teoh does not have any family relationship with any other Director and/or any major shareholder of the Company.

PROFILE OF KEY SENIOR MANAGEMENT

CHIN HOONG LIM
Chief Financial Officer
Malaysian Age 45 Male

Mr. Chin Hoong Lim was appointed as Chief Financial Officer of the Company on 23 September 2024.

Mr. Chin is a member of the Malaysian Institute of Accountants and a fellow member of the Association of Chartered Certified Accountants.

Mr. Chin has more than 19 years of working experience in the field of auditing, group financial reporting, financial management and corporate exercises in various organisations before joining the Company. He started his career as an external auditor, having served in several capacities in audit firms before leaving in 2009 to join the commercial sector. Subsequently, he held senior positions, which include Finance Manager, Senior Group Finance Manager, Head of Finance and Chief Financial Officer in various private and public listed companies. His industry experiences cover investment banking, property development & investment, construction, manufacturing, hospitality, capital financing, information and communication technology and real estate agency.

Mr. Chin does not hold any directorship in any of the public companies and listed companies.

Mr. Chin does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

Mr. Chin does not have any conviction for offences within the past five (5) years, and public sanction or penalty imposed by the relevant regulatory bodies during the financial year 2024.

Mr. Chin does not have any family relationship with any other Director and/or any major shareholder of the Company.

CHIN CHEE KONG
General Manager
Malaysian Age 59 Male

Mr. Chin Chee Kong is a seasoned General Manager in the industry with over 35 years of comprehensive experience in the construction and engineering sectors. He holds a Diploma in Technology (Building) from Tunku Abdul Rahman College and an MBA in Technology Management from Deakin University.

Mr. Chin joined Pasukhas Construction Sdn. Bhd. on 2 January 2019 as General Manager, where he oversees all project operations, leads the tendering team, and drives business development. Under his leadership, the Group has successfully managed high-profile projects, including industrial facility upgrades and major construction works.

Previously, he was the Commercial Manager at JDC (M) Corporation Sdn. Bhd. from 2012 to 2018, where he managed key projects such as industrial and commercial buildings, as well as foundation works. From 2008 to 2012, he served as Contract Administration/Proposal Manager at Sapura Kencana Petroleum Berhad, focusing on civil projects and tenders related to the oil and gas industry. His career began at Jasatera Berhad as a Site Supervisor and Site Contract Executive, where he gained valuable hands-on experience in the field.

With a strong foundation in project management, contract negotiation, and commercial operations, Mr. Chin is committed to delivering excellence in construction management. His extensive expertise and leadership make him an invaluable asset to the Group.

Mr. Chin does not hold any directorship in any of the public companies and listed companies.

Mr. Chin does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

Mr. Chin does not have any conviction for offences within the past five (5) years, and public sanction or penalty imposed by the relevant regulatory bodies during the financial year 2024.

Mr. Chin does not have any family relationship with any other Director and/or any major shareholder of the Company.

PROFILE OF KEY SENIOR MANAGEMENT (Cont'd)

KHOO KOK PENG
Senior Project Manager
Malaysian Age 51 Male

Mr. Khoo Kok Peng is a highly experienced Project Manager with over 27 years in the construction and engineering industries. He holds a Bachelor's degree in Civil Engineering from Universiti Teknologi Malaysia and has successfully managed a wide array of projects, including data centre, manufacturing facilities, and infrastructure development.

Mr. Khoo joined Pasukhas Construction Sdn. Bhd. on 16 October 2020 as Senior Project Manager, where he leads industrial/manufacturing, and data centre projects. His key responsibilities include establishing project teams, preparing technical submissions for projects and tenders, and coordinating with architects and consultants to ensure seamless project execution.

Previously, Mr. Khoo held key roles in several construction companies, he managed earthwork and drainage for a major electrified double track project and oversaw the fast-track construction of a paper mill. He also served as Project Director/General Manager at KTN Construction Sdn. Bhd., where he managed waste-to-energy facilities and yard upgrades. Additionally, his role at JDC (M) Corporation Sdn. Bhd. involved managing bored piling and sub-structure works for large-scale developments in Malaysia and Cambodia. His experience extends to the oil and gas sector, with notable roles at Misi Setia Oil & Gas Sdn. Bhd. and Sapura Kencana Petroleum Berhad.

Mr. Khoo expertise in project management, risk management, and team coordination, combined with his dedication to delivering high-quality results, make him a valuable asset to the Group.

Mr. Khoo does not hold any directorship in any of the public companies and listed companies.

Mr. Khoo does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

Mr. Khoo does not have any conviction for offences within the past five (5) years, and public sanction or penalty imposed by the relevant regulatory bodies during the financial year 2024.

Mr. Khoo does not have any family relationship with any other Director and/or any major shareholder of the Company.

TAN TZE LANG
Senior Project Manager
Malaysian Age 58 Male

Mr. Tan Tze Lang is an accomplished Project Manager with over 34 years of experience in the construction industry. He holds a Diploma in Building Engineering and has a strong record of managing complex projects across various sectors.

Mr. Tan joined Pasukhas Sdn. Bhd. on 14 March 2022 as Senior Project Manager, where he has been leading significant projects, including the design and construction of manufacturing facilities, shopping centre, and data centre. Prior to this, he served as a Senior Project Manager at GD Capital Sdn. Bhd. from 2021 to early 2022, overseeing major high-rise residential and commercial developments in Kuala Lumpur. From 2019 to 2021, he held a similar position at Pembinaan Tuju Setia Sdn. Bhd., managing large-scale residential projects with multiple high-rise apartment blocks.

His earlier roles include Construction Manager at GD Capital Sdn. Bhd. from 2017 to 2019, focusing on superstructure works for mixed-use developments, and five years as Senior Project Manager at Setiakon Construction Sdn. Bhd., where he led phases of mixed-use developments for Tropicana Indah Sdn. Bhd.. Mr. Tan began his career as a Project Director cum Project Manager at SPC Construction Sdn. Bhd. from 1989 to 2010, where he successfully completed numerous educational and commercial projects in Sarawak.

Mr. Tan expertise spans project management, resource allocation, and progress reporting. His dedication to delivering high-quality results within schedule makes him a valuable asset to the group.

Mr. Tan does not hold any directorship in any of the public companies and listed companies.

Mr. Tan does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

Mr. Tan does not have any conviction for offences within the past five (5) years, and public sanction or penalty imposed by the relevant regulatory bodies during the financial year 2024.

Mr. Tan does not have any family relationship with any other Director and/or any major shareholder of the Company.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors of Pasukhas Group Berhad (“the Board”) is pleased to present the Audit and Risk Management Committee (“ARMC”) Report which provides insights into the manner in which the ARMC discharged its functions for the Group in respect of the Financial Year Ended 30 June 2024 (“FYE 2024”).

COMPOSITION

The ARMC currently comprises of the following members: -

- Chairperson** : Ms. Tan Yee Ping, *Independent Non-Executive Director*
(Appointed as Chairperson on 28 June 2024)
- Members** : Dato’ Nik Ismail Bin Dato’ Nik Yusoff, *Independent Non-Executive Director*
Mr Teoh Kim Hooi, *Non-Independent Non-Executive Director*
(Re-designated from Chairman to member on 28 June 2024)
Mejar Dato’ Ismail Bin Ahmad, *Independent Non-Executive Chairman*
(Ceased as member on 28 June 2024)

The present ARMC comprised of Non-Executive Directors with a majority of them being Independent Directors, in compliance with Rule 15.09 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

The members of ARMC have the relevant experience and expertise in finance and accounting and have carried out their duties in accordance with the terms of reference of the ARMC.

MEETINGS AND ATTENDANCE

During the FYE 2024, five (5) ARMC meetings were held and the attendance of the ARMC members are set out as below:-

	Name of Directors	Attendance
(a)	Mr Teoh Kim Hooi	5/5
(b)	Dato’ Nik Ismail Bin Dato’ Nik Yusoff	5/5
(c)	Ms. Tan Yee Ping (Appointed as Chairperson on 28 June 2024)	–
(d)	Mejar Dato’ Ismail Bin Ahmad (Ceased as member on 28 June 2024)	5/5

During the FYE 2024, the ARMC met five (5) times to discuss on the matters, among others, in relation to the accounting and reporting practices, related party transactions as well as internal and external audits of the Company and its subsidiaries.

The meetings were appropriately structured through the use of agendas, which were distributed to members with sufficient notification. The Company Secretary or the representatives were present at all the meetings. The executive Board members, members of management as well as representatives of the external auditors and internal auditors were also invited to attend the meetings to provide input and advice, clarification to relevant items on the agenda as and when the need arose.

The minutes of each ARMC meeting were recorded and tabled for confirmation at the next following ARMC meeting. The ARMC Chairman reported to the Board on the activities undertaken and the key recommendations for the Board’s consideration and decision.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (Cont'd)

TERMS OF REFERENCE

The Terms of Reference ("TOR") of ARMC is available on the Company's corporate website at www.pasukhasgroup.com for shareholders' reference. An evaluation on the Board Committees have been carried out to assess the performance and time commitment of each of the ARMC members and the also ARMC as a whole. Based on the outcome of the evaluation, the Board is satisfied that the ARMC and its members have discharged their functions, duties and responsibilities in accordance with the ARMC's TOR.

Following the issuance of Malaysian Code of Corporate Governance 2021, the TOR of ARMC has also been enhanced, specifically on the requirement of a former partner of the Company's external auditors to observe a cooling-off period of at least three (3) years before being appointed as a member of the ARMC and the Chairman of Board should not be a member of the ARMC.

The ARMC's TOR was last reviewed on 27 August 2024.

INDEPENDENCE OF THE ARMC

The Company recognises the need to uphold independence of its external auditors and that no possible conflict of interest whatsoever should arise. Currently, none of the members of the Board nor the ARMC of the Company were former key audit partners of the external auditors appointed by the Group. The Company will observe a cooling-off period of at least three (3) years in the event any potential candidate to be appointed as a member of ARMC was a key audit partner of the external auditors of the Group.

SUMMARY OF WORK

During the FYE 2024, the ARMC has carried out the following work in accordance with its TOR to meets its responsibilities:

- (a) reviewed the unaudited quarterly financial statements of the Group to ensure adherence to the regulatory reporting requirements and appropriate resolution prior to the Board's approval;
- (b) reviewed the annual audited financial statements of the Company and of the Group prior to the Board's consideration and approval;
- (c) reviewed the audit plan of the External Auditors in terms of their scope of audit prior to their commencement of their annual audit;
- (d) reviewed the recurrent related party transactions to be entered into by the Group and any conflict of interest and/or potential conflict of interest situation that arose, persist or may arise within the Group and to ensure that the transactions entered into were on arm's length basis and on normal commercial terms and not detrimental to the interests of minority shareholders every quarter;
- (e) reviewed the internal audit report which outlined the recommendations towards correcting areas of weaknesses and ensured that there were management action plans established for the implementation of the Internal Auditors' recommendations;
- (f) follow-up reviewed on the Enterprise Risk Management Framework to ensure that organisational capabilities and resources are employed in an efficient and effective manner to manage both opportunities and threats;
- (g) reviewed the audit reports from the External Auditors in relation to audit and accounting matters arising from the statutory audit, matters arising from the audit of the Group in meetings and reported the same to the Board;
- (h) met with the External Auditors thrice during the year without the presence of the Executive Directors and Management in the ARMC meetings to enquire on significant findings, fraud consideration, if any, and/or management cooperation level and to discuss any matters they may wish to present;

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (Cont'd)

SUMMARY OF WORK (CONT'D)

During the FYE 2024, the ARMC has carried out the following work in accordance with its TOR to meets its responsibilities: (Cont'd)

- (i) Assess the performance of External Auditors in term of the quality of previous audit, the timeliness of service deliverables and independence and objectivity of the External Auditors;
- (j) reviewed the re-appointment of External Auditors and their audit fees, after taking into consideration the independence and objectivity of the External Auditors and the cost effectiveness of their audit, before the recommendation to the Board for approval;
- (k) reviewed with the External Auditors and Internal Auditors, the Statement on Risk Management and Internal Control of the Group for inclusion in the annual report;
- (l) reviewed the ARMC report, Corporate Governance Overview Statement together with Corporate Governance Report and Sustainability Statement for inclusion in the Annual Report;
- (m) reviewed the internal audit function of the Group, the effectiveness and efficiency of the internal controls system in place and the risk factors affecting the Group; and
- (n) reviewed and confirmed the minutes of the ARMC meetings, and also distributed the minutes to the other members of the Board.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to a professional firm named CAS Consulting Services Sdn. Bhd. ("CAS" or "Internal Auditor"), which has 4 personnel with relevant qualifications and/or experience in internal auditing.

CAS's engagement director in charge of the Group's internal audit is Mr Jeremy Kong. He is a fellow member of the Association of Chartered Certified Accountants ("ACCA"), the ASEAN Chartered Professional Accountants ("ASEAN CPA"), the Malaysian Institute of Accountants ("MIA") and the Institute of Internal Auditors Malaysia ("IIAM"). He holds a practicing certificate issued by the MIA and ACCA and audit license issued by Ministry of Finance in Malaysia.

The primary responsibility of Internal Auditor is to assist the Board and the ARMC in reviewing the systems of internal control and providing recommendations to strengthen these systems. The main function of the Internal Auditor is to submit audit reports that highlight risk and control weaknesses and provide suitable recommendations for improvement to reassure the senior management and the ARMC on the state of its internal control and that of the Group.

The internal audit reports issued during the year incorporated findings and recommendations with regard to its system, control and processes, weaknesses highlighted in the course of audit, management response, addressing and proposing remedial actions on the findings in its review process.

The internal audit reviews are carried out according to the internal audit plan which is reviewed and approved by the ARMC. Prior to the presentation of report to the ARMC, comments from the management are obtained and incorporated into the internal audit findings and reports. Further details of the internal audit function and its activities are provided in the Statement on Risk Management and Internal Control, set out in pages 42 to 45 of this Annual Report.

The ARMC and the Board are satisfied with the performance of the outsourced Internal Auditors and have in the interest of greater independence and continuity in the internal audit function, taken the decision to continue with the outsourcing of the Internal Audit function.

The total costs incurred by the Internal Auditor in discharging its functions and responsibilities in respect of the FYE 2024 was amounted to RM40,850.

This statement was approved by the ARMC on 25 October 2024.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("**Board**") of Pasukhas Group Berhad ("**Pasukhas**" or "**the Company**") remains committed to maintain the adequate standards of Corporate Governance ("**CG**") within the Company and the subsidiaries ("**the Group**"), adhering to the principles and best practices of CG, through observing and practising the core values of the Malaysian Code on Corporate Governance 2021 ("**MCCG**") and the Corporate Governance Guide issued by Bursa Malaysia Securities Berhad ("**Bursa Securities**").

This Statement provides an overview on the application of the principles as set out in the MCCG by the Group and the extent to which the Company has complied with the three (3) key principles of the MCCG, Companies Act 2016 ("**Act**") as well as the ACE Market Listing Requirements ("**AMLR**") of Bursa Securities during the Financial Year Ended 30 June 2024 ("**FYE 2024**").

This Statement is to be read together with the CG Report 2024 of the Company, which is available on the Company's website at www.pasukhasgroup.com.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

BOARD RESPONSIBILITIES

The Board is collectively responsible for the overall strategic plans and long-term success of the Group. In discharging its fiduciary duties and leadership functions, the Board governs and sets the strategic direction of the Company while exercising effective oversight on management's performance, risk assessment and controls over its business operations.

1.1 Strategic Aims, Values and Standards

The Board plays a critical role in charting the strategic direction, development and control of the Group includes reviewing and monitoring of matters on the strategy to promote sustainability, performance, evaluation, resource allocation, the standard of conduct, financial matters, succession planning, corporate disclosure, effectiveness and adequacy of the Group's system of internal controls and risk management practices.

The responsibilities of the Board are inclusive of but not limited to:

- Reviewing the code of conduct of the Company and implementing appropriate internal systems to support, promote and ensure its compliance;
- Reviewing and adopting a sustainable strategic business development plan for the Company;
- Regularly evaluating economic, environmental, social and governance issues and any other relevant external matters that may influence or affect the development of the business or the interests of the shareholders in ensuring that the Company's strategies promote sustainability;
- Overseeing the conduct of the Company's business to evaluate whether the business is being properly managed;
- Reviewing the procedures for appointment of senior management and ensuring that succession planning of the senior management is in place;
- Ensuring the integrity of the Company's financial and non-financial reporting; and
- Promoting effective communication and proactive engagements with shareholders and other stakeholders.

The Board is supported by the following three (3) board committees with delegated responsibilities to assist the Board in carrying out its fiduciary duties:-

- (a) Audit and Risk Management Committee ("**ARMC**")
- (b) Nominating Committee ("**NC**")
- (c) Remuneration Committee ("**RC**")

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

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

BOARD RESPONSIBILITIES (CONT'D)

1.1 Strategic Aims, Values and Standards (Cont'd)

The powers delegated to the board committees are set out in the Terms of Reference (“**TOR**”) of each of the board committees as approved by the Board. A copy of the TOR of the board committees is available on the Company’s website at www.pasukhasgroup.com.

All the board committees are actively engaged and act as oversight committees. They evaluate and recommend matters under their purview for the Board to consider and approve. The Board receives updates from the respective Chairman of the board committees on matters that have been discussed and deliberated at the respective meetings.

1.2 Chairman and Chief Executive Officer

The positions of the Chairman and Chief Executive Officer (“**CEO**”) are held by different individuals. The roles are separated with a clear division of responsibilities between them to ensure the balance of control, power and authority which are formally documented in the Board Charter of the Company.

The Chairman of the Board, Mejar Dato’ Ismail Bin Ahmad who is an Independent Non-Executive Director, plays an instrumental role in leading the Board by setting the tone at the top and managing Board effectiveness by focusing on strategy, governance and compliance. The Chairman also provides leadership at Board level and represents the Board to the shareholders and other stakeholders. In addition, the Chairman also ensures orderly conduct and proceedings of the Board and general meetings, and sufficient allocation of time for thorough discussion of key agenda items at the meetings. At the general meetings, he plays a pivotal role in fostering constructive dialogue between shareholders, the Board and the Management.

With the resignation of Mr. Wan Thean Hoe, CEO of the Company on 22 April 2024, the Company has not appointed CEO. The Executive Directors are responsible for overseeing the day-to-day operations and affairs of the Group and ensuring the success of the Company’s governance and management functions. The Executive Directors are also responsible to assess the potential business opportunities and report the same to the Board for their discussion. The Non-Executive Directors, both independent and non-independent, are responsible in providing insights, objective and independent views and judgement in the decision-making process of the Board.

1.3 Independence of Chairman from Board Committees

The Chairman of the Board, Mejar Dato’ Ismail Bin Ahmad has ceased to be the member of the ARMC and chairman of the RC on 28 June 2024. As such, the Independent Non-Executive Chairman maintains independence from the Board Committees and is not a member of the ARMC, NC and RC.

1.4 Qualified and Competent Company Secretary

The Board is supported by two (2) suitably qualified and competent Company Secretaries. The Company Secretaries play an advisory role to the Board and is responsible to ensure all Board procedures and Board management matters are in line as well as in compliance with AMLR, relevant laws and regulations. The Company Secretaries ensure that discussions at Board and Board Committee meetings are well documented, and subsequently communicated to the relevant party for appropriate action. The Company Secretaries are constantly kept themselves abreast of the evolving capital market environment, regulatory changes and developments in corporate governance by attending relevant trainings from time to time.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

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

BOARD RESPONSIBILITIES (CONT'D)

1.5 Access to Information and Advice

The Board members have timely, full and unrestricted access to information on the Group's business and affairs to enable them to discharge their duties and responsibilities effectively.

To discharge its responsibilities effectively, the Board meets every quarter of the year. Additional or special Board Meetings are convened as and when necessary to consider and deliberate on any urgent proposals or matters arising under their purview and requires the Board's review or consideration.

Prior to every Board meeting, the Directors are furnished with an agenda and a set of meeting papers electronically for their perusal. Adequate notice is provided to allow the Directors to review the Board papers so that matters arising could be deliberated adequately at the Board meetings, and the Board could make appropriate decisions. Senior Management and appointed advisers of the Company may be required to attend the Board meetings as and when necessary.

1.6 Board Charter

The Company has in place a Board Charter which sets out the roles and responsibilities of the Board, individual Directors and Management, functions, compositions, operations and processes of the Board and has adopted the Corporate Disclosure Policy, Directors' Code of Conduct, Whistleblowing Policy, Remuneration Policy and Board Diversity Policy to be in line with the corporate governance standards as set out in the MCCG and AMLR.

The Board Charter is reviewed from time to time and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities. The Board Charter was last reviewed on 27 August 2024 to further strengthen the governance and management of the Company. The Board Charter is available on the corporate website www.pasukhasgroup.com.

GOOD BUSINESS CONDUCT AND CORPORATE CULTURE

2.1 Code of Conduct

The Code of Conduct and Ethics serves as a road map to guide the Board in carrying out their duties and responsibilities to the highest standards of personal and corporate integrity and comprised all aspects of its day-to-day business operations.

Directors and employees of the Group are expected to adhere to high standards of integrity and fair dealings in relation to clients, staff, Management and regulators which the Group operates and ensure compliance with all applicable laws, rules and regulations. The Code of Conduct and Ethics is available on the Company's website at www.pasukhasgroup.com.

2.2 Whistleblowing Policy

The Group recognises whistleblowing as an important mechanism in the prevention and detection of improper conduct, harassment or corruption in the conduct of its businesses and operations. As such, the Board has adopted a whistleblowing policy for the Group as a measure to promote the highest standard of CG. The whistleblowing policy outlines the avenues for Directors, employees and stakeholders to raise concerns or disclose in good faith any improper conduct within the Group and to enable prompt corrective actions and measures to resolve them effectively.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

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

GOOD BUSINESS CONDUCT AND CORPORATE CULTURE (CONT'D)

2.2 Whistleblowing Policy (Cont'd)

All employees and general public are encouraged to report genuine concerns about unethical behavior or malpractice of the Company. Any party who has knowledge on serious malpractice involving the affairs of the Company, may direct such complaint and report to the ARMC Chairman via e-mail at armcchairman@pasukhas.com.my. Management will ensure that any employee of the Company who raises a genuine complaint in good faith shall not be penalised for such disclosure and the identity of such complainant shall be kept confidential.

The Whistleblowing Policy formed part of the Board Charter and is available on the Company's website at www.pasukhasgroup.com.

2.3 Anti-Bribery and Anti-Corruption Policies

The Board has in place an Anti-Bribery and Anti-Corruption Policies to incorporate the policies and procedures on anti-corruption as guided by the "Guidelines on Adequate Procedures" to promote better governance culture and ethical behavior within the Group and to prevent the occurrence of corrupt practices in accordance with the new Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018 on corporate liability for corruption.

On 18 November 2021, the Board had attended an Anti-Corruption and Bribery Training.

The Anti-Bribery and Anti-Corruption Policies formed part of the Board Charter and is available on the Company's website at www.pasukhasgroup.com.

2.4 Strategies Promoting Sustainability

The Board together with management acknowledges the importance in promoting sustainability strategies in the economic, environment, social and governance ("EESG") aspects as part of its broader responsibility to all the stakeholders and the communities in which it operates. The Company will continue to ramp up its effort in promoting sustainability initiatives for the communities in which it operates and the welfare of its employees. The details of the sustainability activities are set out in the Sustainability Statement on pages 49 to 76 of this Annual Report.

2.5 Succession Planning Policy

The Board has in place a succession planning policy to ensure the Group's continuity in leadership for all key positions included the Board and senior management. It guides the Company to identify and develop a talent pool of employees through monitoring, training and job rotation for key business leaders leave their position due to due to retirement, resignation, death or new business opportunities.

The Succession Planning Policy formed part of the Board Charter and is available on the Company's website at www.pasukhasgroup.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

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

BOARD COMPOSITION

3.1 Composition of the Board

Currently, the Board consists of a total of six (6) members, comprising one (1) Independent Non-Executive Chairman, two (2) Executive Directors, two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. The Company has complied with the Rule 15.02(1)(a) of the AMLR of having at least two (2) or one third (1/3) of the Board, whichever is the higher, comprising independent directors. In the event of any vacancy of the Board, resulting in non-compliance with Rule 15.02 of the AMLR, the Company will fill the vacancy within three (3) months.

A female director has been appointed on Board on 31 May 2023 and the Company has complied with Rule 15.02(1)(b) of the AMLR. The Board endeavours to fulfil the gender diversity provided by the latest MCGG and believes that with the current composition and size of the Board is adequate to discharge its duties and responsibilities efficiently and competently. The Board members have a diverse professional and entrepreneurial background, varied skills and experiences. With the presence of Independent Non-Executive Directors, it provides the necessary checks and balances in the Board's exercise of its functions and independent evaluation of the Board's decision-making process.

3.2 Re-election and Re-appointment of Directors

In accordance with the Constitution and in compliance with the AMLR, all the Directors are required to retire from office at least once in every three (3) years and shall be eligible for re-election. The Constitution also requires that at least one-third (1/3) of the Board shall retire at each Annual General Meeting ("AGM") and may offer themselves for re-election.

In addition, the Constitution and AMLR also require the newly appointed Directors to hold office only until the next AGM and shall be eligible for re-election.

3.3 Tenure of Independent Directors

The Board recognises that independence is important for ensuring objectivity and fairness in Board's decision making. The Board is aware that the Board Charter of the Company limits the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon the completion of the nine (9) years' term, an Independent Director may continue to serve on the Board as an Independent Director with justifications provided and subject to shareholder's approval through a two (2) tier voting process as prescribed under the MCGG.

In view of this, the Board has undertaken an annual assessment to assess the independency of the independent directors. The Board is satisfied with the level of independence demonstrated by all the Independent Directors and it will continue to conduct independence assessment annually with the assistance of the Committee to ensure that the Independent Directors are able to exercise independent judgement and act in the best interests of the Group.

3.4 Diverse Board and Senior Management Team

The Board acknowledges the importance of diverse Board and Senior Management and views that the workplace and Board diversity is important to facilitate the decision-making process by harnessing different insights and perspectives.

Appointment of Board and Senior Management of the Company are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender. The Group adheres strictly to the practice of non-discrimination of any form.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

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

BOARD COMPOSITION (CONT'D)

3.4 Diverse Board and Senior Management Team (Cont'd)

The decision on new appointment of Directors' and Senior Management rest with the Board after considering the recommendation of NC. In evaluating the suitability of candidates to the Board, NC will consider certain criteria such as skills, knowledge, expertise, experience, integrity, commitment, background, boardroom diversity and the ability of the candidate to discharge his/her duties as expected. For the appointment of Independent Directors, considerations will also be given on whether the candidates meet the requirements for independence as defined in AMLR of Bursa Securities and time commitment expected from them to attend to matters of the Company in general, including attending meetings of the Board, Board Committees and AGM.

3.5 Audit and Risk Management Committee

The members of the ARMC and the activities undertaking by them during the FYE 2024 are set out in the ARMC Report on pages 26 to 28 in this Annual Report.

3.6 Nominating Committee

The present NC consists of three (3) Non-Executive Directors, a majority of whom are independent. The members of NC as follows:-

Name of Members of NC		Attendance
Chairman:	Dato' Nik Ismail Bin Dato' Nik Yusoff <i>(Independent Non-Executive Director)</i>	1/1
Member:	Tan Yee Ping <i>(Independent Non-Executive Director)</i> <i>(Appointed as member on 28 June 2024)</i>	–
	Teoh Kim Hooi <i>(Non-Independent Non-Executive Director)</i>	1/1

During the FYE 2024, the NC has undertaken the following activities in discharging its duties:

- Conducted an annual assessment of the performance of the Board as a whole and made its recommendation to the Board;
- Conducted an annual assessment of the Independent Directors and made its recommendation to the Board;
- Reviewed and recommended the re-election of the retiring Directors for Board's approval;
- Reviewed composition of Board and its Board Committees; and
- Reviewed the Terms of Reference of the NC.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

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

BOARD COMPOSITION (CONT'D)

3.7 Remuneration Committee

The present RC consists of three (3) Non-Executive Directors, a majority of whom are independent. The members of RC as follows:-

Name of Members of RC		Attendance
Chairman:	Dato' Nik Ismail Bin Dato' Nik Yusoff <i>(Independent Non-Executive Director)</i> <i>(Appointed as chairman on 28 June 2024)</i>	–
	Mejar Dato' Ismail Bin Ahmad <i>(Independent Non-Executive Chairman)</i> <i>(Resigned as chairman on 28 June 2024)</i>	1/1
Member:	Tan Yee Ping <i>(Independent Non-Executive Director)</i> <i>(Appointed as member on 28 June 2024)</i>	–
	Teoh Kim Hooi <i>(Non-Independent Non-Executive Director)</i>	1/1

During the FYE 2024, the RC has undertaken the following activities in discharging its duties:

- Reviewed and recommended Directors' fees payable to the Directors of the Group for Board's approval;
- Reviewed and recommended Directors' benefits payable to the Directors of the Group for the Board's approval; and
- Reviewed the Terms of Reference of the RC.

OVERALL BOARD EFFECTIVENESS

4.1 Annual Evaluation

The NC has established a set of quantitative and qualitative performance criteria to evaluate the performance of each member of the Board, each Board Committee, and to review the performance of the Board as a whole. The effectiveness of the Board is assessed in the areas of the Board's roles and responsibilities and composition, attendance record, the intensity of participation at meetings, quality of interventions and special contributions. Besides, the effectiveness of the Board Committees is assessed in terms of structure and processes, accountability and responsibility as well as the effectiveness of the Chairman of the respective Board Committees.

The NC reviews and evaluates the performance of the Board, Board Committees and individual Directors on an annual basis. The annual assessment of individual Directors, Board as a whole and Board Committees which commences with the completion of a set of self-assessment from detailing all assessment criteria to be completed by all Directors for evaluation by NC. Criteria for the self-assessment includes self-ratings on the Director's knowledge, support of the goals of the Company, time commitment, and active participation on Board.

Based on the annual assessment conducted during the financial year, the NC was satisfied with the existing Board composition and concluded that each Director has the requisite competence to serve on the Board and has sufficiently demonstrated their commitment to the Company in terms of time and participation during the FYE 2024, and recommended to the Board the re-election of retiring Directors at the Company's forthcoming AGM. All assessments and evaluations carried out by the NC in discharge of its functions were properly documented.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

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

OVERALL BOARD EFFECTIVENESS (CONT'D)

4.2 Board Meetings

During the FYE 2024, five (5) meetings were held in which the Board deliberated upon and considered various issues including the Group's financial results, the performance of the Group's business, significant investment, business plan and policies and strategies issues affecting the Group's business. The senior management of the Company was requested to attend board meetings to present and provide additional information on matters being discussed and to respond to any queries that the Board may have.

The following is the record of attendance of the Board Members:

	Name of Directors	Attendance	Percentage of Attendance
(a)	Mejar Dato' Ismail Bin Ahmad	5/5	100%
(b)	Mak Siew Wei	5/5	100%
(c)	Tang Boon Koon	5/5	100%
(d)	Dato' Nik Ismail Bin Dato' Nik Yusoff	5/5	100%
(e)	Teoh Kim Hooi	5/5	100%
(f)	Tan Yee Ping	5/5	100%
(g)	Wan Thean Hoe <i>(Retired on 29 November 2023)</i>	2/2	100%

Based on the above, all Directors have complied with the minimum 50% attendance requirement in respect of Board meetings as stipulated in AMLR. The attendance of all the Directors at the Board meetings showed that the Board is committed to the Company towards fulfilling their roles and responsibilities as Directors of the Company.

4.3 Directors' Training

The Board believes that continuous training for Directors is vital for the Board members to enhance their skills and knowledge to enable them to discharge their duties effectively. As such, the Board empowered the Directors of the Company to determine their own training requirements as they consider necessary to enhance their knowledge as well as understanding of the Group's business and operations.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

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

OVERALL BOARD EFFECTIVENESS (CONT'D)

4.3 Directors' Training (Cont'd)

During the FYE 2024, the current Directors have attended the following training, seminars, and conferences which they considered vital in keeping abreast with changes in laws and regulation, business environment, and corporate governance development:

No.	Name of Director	Seminars/Conferences/ Training Programmes Attended	Date of Training
1.	Mejar Dato' Ismail Bin Ahmad	MACC ACT 2009 & ESC	13 October 2023
2.	Mak Siew Wei	(i) Driving Growth and Value Creation through Effective ESG Strategies (ii) Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	6 February 2024 26 – 27 February 2024
3.	Tang Boon Koon	(i) Mandatory Accreditation Programme Part II: Leading for Impact (LIP) (ii) E-Invoicing Full Day Workshop ~ Latest Requirements & Essentials of Implementation	22 – 23 August 2023 7 June 2024
4.	Dato' Nik Ismail Bin Dato' Nik Yusoff	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	28 – 29 February 2024
5.	Teoh Kim Hooi	(i) SSM National Conference 2023 on Shared Responsibility in Strengthening AML/CFT Compliance: Risks, Challenges and Collaborations (ii) National Tax Conference 2023 (iii) Reporting Financial Instruments MFRS 9 Financial Instruments (together with MFRS 132 and MFRS 7) Sections 11, 12 and 22, MPERS (iv) Seminar Percukaian Kebangsaan 2023 (v) Going Concern Audit Approach and Implications – ISA 570 (vi) ISQM 1 & 2 Implementation – Readiness Assessment (vii) Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	25 – 26 July 2023 1 – 2 August 2023 15 August 2023 18 October 2023 21 February 2024 21 March 2024 9 – 10 October 2024
6.	Tan Yee Ping	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	12 – 13 June 2024

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

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

REMUNERATION

The Board acknowledges that disclosure of remuneration of the Directors and Senior Management on an individual basis provides transparency and enable the stakeholders to assess whether the remuneration commensurate with their individual performance, taking into consideration of the Company's performance.

5.1 Directors' Remuneration

The detailed breakdown of the Directors' fees and other benefits paid (both Company and Group level) for the FYE 2024, as follows:-

Company

Directors	Fees (RM)	Salaries and Bonus (RM)	Allowance (RM)	Benefits-in-kind (RM)	Other Emoluments (RM)
Mejar Dato' Ismail Bin Ahmad	54,000	–	–	–	–
Wan Thean Hoe	21,000	273,238	40,000	–	35,449
Mak Siew Wei	42,000	420,900	–	–	51,667
Tang Boon Koon	42,000	48,000	–	–	7,164
Dato' Nik Ismail Bin Dato' Nik Yusoff	42,000	–	–	–	–
Teoh Kim Hooi	42,000	–	–	–	–
Tan Yee Ping	42,000	–	–	–	–
Total	285,000	742,138	40,000	–	94,280

Group

Directors	Fees (RM)	Salaries and Bonus (RM)	Allowance (RM)	Benefits-in-kind (RM)	Other Emoluments (RM)
Mejar Dato' Ismail Bin Ahmad	54,000	–	–	–	–
Wan Thean Hoe	35,000	380,180	140,000	–	61,473
Mak Siew Wei	42,000	420,900	–	–	51,667
Tang Boon Koon	78,000	48,000	–	–	7,164
Dato' Nik Ismail Bin Dato' Nik Yusoff	42,000	–	–	–	–
Teoh Kim Hooi	42,000	–	–	–	–
Tan Yee Ping	42,000	–	–	–	–
Total	335,000	849,080	140,000	–	120,304

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

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

REMUNERATION (CONT'D)

5.2 Remuneration of Senior Management

The remuneration paid to the Senior Management during the FYE 2024, as follows: -

Range of Remuneration	Number of Senior Management
RM100,001 – RM200,000	1
RM200,001 – RM300,000	2
RM300,001 – RM400,000	2

Due to the confidentiality and sensitivity of the remuneration package of Senior Management as well as security concerns, the Company opts not to disclose the top five Senior Management's remuneration on a named basis.

The Board is of the view that the disclosure on a named basis of the top five (5) Senior Management Officers may lead to an invasion of privacy and may expose named officers to an unwarranted attention.

5.3 Remuneration Procedure

The Board recognises that the level and composition of remuneration of Directors and Senior Management should take into account the Company's desire to attract and retain the right talent in the Board and Senior Management to drive the Company's long-term objectives.

The Board has adopted a Remuneration Policy to determine the remuneration of Directors and Senior Management to be in line with the business strategy and long-term objectives of the Group. The remuneration package of the Executive Directors consists of monthly salary, bonus (if any), fees, benefits-in-kind and Directors and Officers Liability Insurance in respect of any liabilities arising from acts committed in their capacity as Directors and Officers of the Company.

The RC recommends to the Board the remuneration packages for the Executive Directors. None of the Executive Directors participated in any way in determining their own individual remuneration. The Board as a whole determines the remuneration of Non-Executive Directors, with individual Directors abstaining from making decisions in respect of their individual remuneration. The Directors' fees are approved by the shareholders during the AGM of the Company.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT AUDIT AND RISK MANAGEMENT COMMITTEE

6.1 Audit and Risk Management Committee

The ARMC comprises of Independent Non-Executive Directors, a majority of whom are independent. The Chairman of the ARMC is not the Chairman of the Board. The ARMC is fully informed about significant matters related to the Company's audit and its financial statements. The ARMC also reviewed the internal audit programme and invited the internal auditors to the meeting for discussion on the internal audit findings. Besides, such discussion also served as an avenue for the ARMC to appropriately communicate its insights, views and concerns about relevant transactions and events to the internal and external auditors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

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

6.1 Audit and Risk Management Committee (Cont'd)

The ARMC took note on the Practice 9.2 of the MCCG to have a policy that requires a former key audit partner to observe a cooling-off period of at least three years before being appointed as a member of the ARMC.

The terms of engagement for services provided by the External Auditors are reviewed by the ARMC prior to submission to the Board for approval.

Further details on the work performed by ARMC in furtherance of its oversight role are set out in the ARMC Report on pages 26 to 28 of this Annual Report.

6.2 Assessment on Suitability and Independence of External Auditors

For the financial period, the ARMC performs an assessment on the suitability and independence of the External Auditors before making recommendation to the Board for the appointment or reappointment of the External Auditors.

The ARMC takes the following into consideration:

- The adequacy of the experience and resources of the External Auditors;
- The nature of the non-audit services and the fees payable for such services; and
- The level of independence of the External Auditors.

The ARMC was satisfied with the results of the aforesaid assessment and was unanimous in their decision to recommend to the Board the appointment of Messrs. Morison LC PLT as the Auditors of the Company for the FYE 2024.

The Board having received the recommendation from ARMC, were in consensus to recommend the re-election of Messrs. Morison LC PLT as the Company's Auditors for the shareholders' approval at the Company's forthcoming AGM.

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

7.1 Establishment of Risk Management and Internal Control Framework & Internal Audit Function

The Board has overall responsibility for maintaining a sound system of risk management and internal control of the Group that provides reasonable assurance of effective and efficient business operations, compliance with laws and regulations as well as internal procedures and guidelines.

During the FYE 2024, the Board and ARMC were assisted by the Executive Directors to maintain its risk management system, which is reviewed and continuously updated to safeguard shareholders' investments and the Group's assets.

The Group's internal audit function has been outsourced to an external consultant who reports directly to ARMC. The internal audit function currently reviews and appraises the risk management and internal control processes of the Group. The Statement on Risk Management and Internal Control set out on pages 42 to 45 of this Annual Report which provides an overview of the Group's approach to ensure the effectiveness of the risk management and internal processes within the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

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

COMMUNICATION WITH STAKEHOLDERS

There is continuous communication between the Company and stakeholders to facilitate a mutual understanding of each other's objectives and expectations. Stakeholders are able to make informed decisions with respect to the business of the Company, its policies on governance, the environment and social responsibility.

8.1 Effective, Transparent and Regular Communication

The Board recognises the importance of being transparent and accountable to its shareholders and has used various channels of communication to enable the Board and Management to continuously communicate, disclose and disseminate comprehensive and timely information to investors, shareholders, financial community and the public.

The Company maintains various methods of dissemination of information important to shareholders, stakeholders and the public at large through the timely announcement of events, the quarterly announcement of financial results and product information on the Company's website at www.pasukhasgroup.com.

CONDUCT OF GENERAL MEETINGS

9.1 Annual General Meeting ("AGM")

The Board has oversight that the General meetings are an important avenue for Board Members to engage with shareholders, allowing the shareholders to review the Group's performance via the Company's Annual Report and pose questions to the Board for clarification.

The Board is committed to issue the Company's notice of AGM to the shareholders at least twenty-eight (28) days prior to the meeting so that the shareholders are given sufficient time to consider the resolutions that will be discussed at the AGM, wherever possible.

The COVID-19 pandemic has prompted the Company to leverage technology to facilitate hosting virtual AGM via remote participation and electronic voting since year 2020. Shareholders had direct access to the Board during the AGM proceedings and to participate in the question-and-answer session on the resolutions being proposed or on the Group's operation. The Board encourages shareholders to participate in the questions and answers session and to interact and feedback to the Chairman for opinions or concerns during the AGM. The Chairman and the respective Chairmen of the Board Committees as appropriate will respond to questions raised by the shareholders during the AGM. Shareholders who are unable to attend the AGM are advised that they can appoint proxies to attend and vote on their behalf.

COMPLIANCE STATEMENT

The Board has deliberated, reviewed and approved this Statement, and considers that this overview statement provides the information necessary to enable shareholders to evaluate how the MCCG has been applied. The Board considers and is satisfied that the Group has fulfilled its obligation under the MCCG, AMLR and all applicable laws and regulations throughout the FYE 2024.

This Statement was approved by the Board of Directors of the Company on 25 October 2024.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Malaysian Code on Corporate Governance 2021 requires listed companies to maintain a sound system of internal control to safeguard shareholders' investment and the company's assets. This Statement had been prepared in accordance with the Guidelines for Directors of Listed Issuers issued by Bursa Malaysia Securities Berhad ("Bursa Securities") on the issuance of Statement on Risk Management and Internal Control pursuant to Rule 15.26(b) of the ACE Market Listing Requirements ("Listing Requirements") of Bursa Securities. The Board of Directors ("the Board") of Pasukhas Group Berhad ("the Company") is pleased to provide the following Statement on the state of the Company and its subsidiaries' ("the Group") risk management and internal control.

BOARD'S RESPONSIBILITY

The Board acknowledges its responsibility in establishing an efficient and effective sound risk management framework and internal control system, which includes the Board's overall responsibility to maintain and review the adequacy and integrity of the Group's internal control system. In addition, the Board also affirms its overall responsibility to identify principal risks, ensure the implementation of an appropriate control environment and framework to manage risks, and evaluate the operational effectiveness and efficiency of the Group.

In view of the limitations that are inherent in any system of internal control, this system is designed to manage, rather than eliminate the risk of failure to achieve corporate objectives. Accordingly, the system can only provide reasonable but not absolute assurance against material misstatement, operational failures, fraud or loss.

RISK MANAGEMENT FRAMEWORK AND CONTROL SELF-ASSESSMENT

The Group has put in place an Enterprise Risk Management Framework ("Framework") which seeks to identify principal risks affecting or likely to affect the Group and help to enable the implementation of appropriate and adequate systems to manage these risks on prioritised basis.

Management and Board meetings were conducted to discuss amongst others, the success and risk factors.

The Group's Framework serves to inform and provide guidance to Directors, Management, respective Head of Department, and staff in managing risk in the Group. Towards this end, the Framework sets out:

- The fundamentals and principles of risk and risk management that is to be applied in all situations and throughout all level of the organisation;
- The process of identifying, assessing, responding, monitoring, and reporting risks and controls;
- The roles and responsibilities of each level of management in the Group; and
- The mechanisms, tools, and techniques for managing risk in the Group.

The risk management process is an ongoing process and is applied at the beginning of any major new project or change in operational environment. During the financial year under review, the Group performed a cycle review of the Framework for Civil Engineering and Construction Services division. The findings were presented to the Audit and Risk Management Committee ("ARMC").

The effectiveness of the system of Enterprise Risk Management is also reviewed through an on-going management appraisal of the effectiveness of its operations.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

RISK MANAGEMENT FRAMEWORK AND CONTROL SELF-ASSESSMENT (CONT'D)

The Board firmly believes that risk management is essential for continued profitability and to safeguard shareholders' investment. Hence, the Company has a system of risk management and internal control comprising of clear structures, well-understood policies, budgeting, and review process. The Executive Directors of the Group are responsible for identifying, managing, and reporting on significant risks on an on-going basis and have been entrusted to formulate plans and implementation of plans to address risks and control of issues identified. The Management selects appropriate control objectives and procedures from the ISO 9000 : 2015 standard to mitigate the risks to acceptable residual level.

The Board meets on a quarterly basis to discuss matters brought to its attention, thus ensuring effective supervision over the operations of the Group. The Board is updated on the operations and activities of the Group which include the strategies and goals and an assessment of its current position and future prospects. All key risks and issues are quarterly reviewed and resolved by the Management team on regular meetings.

The Board is committed towards operating and maintaining a sound system of internal control and recognises that the system must continuously evolve to support the type of business and size of operations of the Group. As such, the Board will, when necessary, put in place appropriate action plans to rectify any potential weaknesses or further enhance the system of internal control.

INTERNAL AUDIT AND RISK MANAGEMENT FUNCTION

Pursuant to Rule 15.26(b) of the Listing Requirements, the Board has established an internal audit and risk management function which reports directly to the ARMC. The Board recognises that effective monitoring on a continuous basis is a vital component of a sound internal control system. In this respect, the Board through the ARMC is responsible for the review of the reports on internal control from its internal audit and risk management function.

The Group's internal audit and risk management function is outsourced to an independent professional firm, namely CAS Consulting Services Sdn. Bhd., which reports directly to the ARMC on an annual basis. Observations from internal audits will be presented to the ARMC together with the Management's response and proposed action plans for its review. The action plans will then be followed up during subsequent internal audits with implementation status reported to the ARMC. The Internal Auditors, on an annually basis, reviews the effectiveness and adequacy of control procedures adopted by the Group in mitigating the key risks identified in the Business Risk Profile.

During the financial year, an internal audit review was carried out as directed by the ARMC based on their assessment of risks faced by the Group and matters of concern to them.

For the financial year ended 30 June 2024, the Group being audited and the business processes/audit areas covered were as follows:

No.	Audit Area	Audit Objectives and Scope
1.	Internal Audit on Purchase and Payment System	<ol style="list-style-type: none"> 1. To ensure there is a proper internal control system in place for: <ul style="list-style-type: none"> ➤ Procurement process ➤ Examination of purchase orders and contracts ➤ Vendor management ➤ Payment processing 2. Review of policies and procedures

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

INTERNAL AUDIT AND RISK MANAGEMENT FUNCTION (CONT'D)

No.	Audit Area	Audit Objectives and Scope
2.	Internal Audit on Labour Existence Verification and Payment Made	1. To ensure there is a proper internal control system in place for: <ul style="list-style-type: none"> ➤ Completeness of labour records ➤ Labour attendance and work verification ➤ Payment processing
3.	Enterprise Risk Management on Civil Engineering and Construction Services	To evaluate risk comprehensively, employing a multifaceted approach encompassing risk identification, assessment, mitigation, and integration strategy: <ul style="list-style-type: none"> ➤ Identify a wide range of risks that can impact the entity, including financial, operational, strategic, compliance, reputational, and environmental risks. ➤ Evaluates the significance and potential impact of identified risks by assessing their likelihood and potential consequences. ➤ Mitigate risks through the development and implementation of strategies and controls.

The results of the audit and the recommendations were discussed with Management and subsequently, the audit findings including updating the risk assessment, the recommendations for improvement and the follow-up review to ascertain the status implementation of the agreed upon management action plans of the previous internal audit report, were reported to the ARMC during the quarterly meetings.

The cost of internal audit services rendered by the Internal Auditor for the financial year ended 30 June 2024 amounted to RM40,850.

During the financial year, the results of any findings and weaknesses noted by the internal audit function, including the recommended corrective actions, were reported directly to the ARMC. Through these mechanisms, the ARMC can be assured that the key risks of the Group are regularly reviewed and appropriately managed to an acceptable level.

The internal audit reports that was tabled to the ARMC for their deliberation on an annual basis include Management response and corrective actions taken or to be taken in regards to the specific findings and recommendations. The Management as a whole is responsible for ensuring that the necessary corrective actions on reported weaknesses are promptly taken. ARMC presents its findings annually to the Board.

The Board is of the opinion that there were no material losses arising from the review of internal control during the financial year. The ARMC considers report from the internal audit function and comments from the Management before making recommendation to the Board to strengthen the internal control system.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

KEY ELEMENTS OF THE GROUP'S INTERNAL CONTROL ARE AS FOLLOWS:

- A functional organisation that clearly defines the level of authority and responsibilities for managing activities.
- Policies and procedures, updated as necessary, are documented and formalised for compliance purposes.
- Board committees have been established with clear terms of reference to ensure effective management.
- An internal audit service has been outsourced to conduct ongoing audits to assess the effectiveness of internal control and highlighting significant risks impacting the Group.
- Operating results of individual projects are closely monitored by the Management against budget.
- The scheduled and ad hoc meetings are held at all levels to identify, discuss and resolve business and operating issues.
- The Board reviews the operational and financial performance of the Group every quarter.
- Existence of organisational structure with clear responsibilities.
- The ARMC reviews the internal audit plan for the year, and reviews and holds discussions on the actions taken on internal control issues.
- Staff policies: i.e. Employees are briefed on Code of Ethics during induction. They are required to adhere to the Code of Ethics, which upholds the Group's corporate values and ethical code of conduct. Formal guidelines are also available to govern staff's termination and resignation.
- Staff performance: i.e. The Employees' Performance Appraisal System is aligned to respective departmental goals.
- Staff training: i.e. The Human Resource Management has arranged and facilitated regular internal and external training programmes for its employees in relation to their respective areas of works.

The system of internal controls described in this Statement is considered by the Board to be adequate and the risks are considered by the Board to be at an acceptable level within the Group's business. However, such system does not eliminate the possibility of human error, collusion, and others. The Board is satisfied that for the financial year under review, there is no material control failure or weakness that would have resulted in any material losses and contingencies that would require disclosure in the Annual Report.

ADEQUACY AND EFFECTIVENESS OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The Board has received assurance from the Executive Directors that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group.

The Board is of view that the system of risk management and internal control is in place for the financial year under review and, up to the date of approval of this Statement for inclusion in the Annual Report.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

Pursuant to Rule 15.23 of the Listing Requirements, the External Auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in this Annual Report. Their reviews were performed in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagement Other than Audits or Reviews of Historical Financial Information and Audit and Assurance Practice Guide 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants. Based on their review, nothing has come to their attention that causes them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosures required by paragraph 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is factually inaccurate.

This Statement was approved by the Board on 25 October 2024.

ADDITIONAL COMPLIANCE INFORMATION AND LIST OF PROPERTIES

AUDIT FEE AND NON-AUDIT FEES

The amount of audit fees and non-audit fees paid or payable to the Company's External Auditors by the Group and the Company for the Financial Year Ended 30 June 2024 ("FYE 2024") are as follows:

Type of fees	Group (RM'000)	Company (RM'000)
Audit fees	248,800	66,500
Non-audit fees*	18,500	5,000
Total	267,300	71,500

* The non-audit services rendered in respect of the review of Statement on Risk Management and Internal Control and Agreed-Upon Procedures engagement for Pasukhas Green Assets Sdn. Bhd..

MATERIAL CONTRACTS AND/OR CONTRACTS RELATING TO LOAN INVOLVING DIRECTORS, CHIEF EXECUTIVE AND MAJOR SHAREHOLDERS

There were no material contracts and/or contracts relating to loan entered into outside the ordinary course of business entered into by the Company and its subsidiaries involving Director's and major shareholder's interest which were still subsisting at the end of the FYE 2024 or entered into since the end of the previous financial period.

UTILISATION OF PROCEEDS

On 17 March 2021, the Company proposed to undertake the following:

- (a) Proposed Share Consolidation involving the consolidation of every 10 existing ordinary shares in the Company into 1 ("Consolidated Shares"). As at 29 March 2021, being the latest practicable date prior to the date of this report, the issued share capital of the Company comprises 1,653,990,732 shares. Pursuant to the Proposed Share Consolidation, the 1,653,990,732 shares will be consolidated into 165,399,073 Consolidated Shares.
- (b) Proposed renounceable rights issue of up to 992,394,438 new Shares ("Rights Shares") together with up to 578,896,755 free detachable warrants in the Company ("Warrants A") on the basis of 12 Rights Shares together with 7 free Warrants A for every 2 existing Consolidated Shares held by the entitled shareholders on an entitlement date to be determined.

With the completion of the Rights Issue on 21 July 2021, the Company has raised total proceeds of RM99.199 million, which was expected to be utilised in the following manner:

Purposes	Proposed Utilisation (RM'000)	Amount Utilised (RM'000)	Amount Unutilised (RM'000)	Estimated timeframe for the utilisation of proceeds
Development of Yayasan Project	66,683	55,803	10,880	Within 48 months
Financing of the Factory Project	31,816	31,816	-	Within 12 months
Estimated expenses for the Corporate Exercise	700	700	-	Immediate
Total	99,199	88,319	10,880	

ADDITIONAL COMPLIANCE INFORMATION AND LIST OF PROPERTIES (Cont'd)

EMPLOYEES' SHARE OPTION SCHEME

The Company has established and implemented an Employees' Share Option Scheme ("ESOS") of not more than 30% of the issued shares of the Company with effect from 18 December 2020 and the ESOS is governed by its By-Laws approved by the shareholders at an Extraordinary General Meeting held on 12 November 2020. The information in relation to the ESOS is as follows:

- (a) Total number of options granted, exercised and outstanding during the FYE 2024 under review are as follows:

Number of options	Grand Total	Directors and Chief Executive
Outstanding as at 1 July 2023	–	–
Granted	–	–
Exercised	–	–
Lapsed	–	–
Outstanding as at 30 June 2024	–	–

- (b) Percentages of options applicable to Directors and senior management under the ESOS during the financial year and since its commencement up to the FYE 2024 are set out below:

Directors and senior management	Percentage of options (%)	
	During the financial year	Since commencement up to 30 June 2024
(i) Aggregate maximum allocation	–	80%
(ii) Actual options granted	–	22.40%

- (c) No options were granted to the Non-Executive Directors under ESOS since its commencement up to the FYE 2024.

ADDITIONAL COMPLIANCE INFORMATION AND LIST OF PROPERTIES (Cont'd)

LIST OF PROPERTIES

Location	Description / Existing Use	Acquisition Date / Revaluation Date	Tenure / Approximate Age Of Building	Audited Net Book Value As At 30 June 2024 (RM'000)
2-63, Festival Walk @ Ipoh, Jalan Medan Ipoh 1, Medan Ipoh Bistari, 31400 Ipoh, Perak	Completed commercial retail lot measuring in area approximately 10,467 sq. ft.	28 January 2014 / 12 September 2017	99 years leasehold interest expiring on 31 July 2107 / 11 years	2,308
2-63A, Festival Walk @ Ipoh, Jalan Medan Ipoh 1, Medan Ipoh Bistari, 31400 Ipoh, Perak	Completed commercial retail lot measuring in area approximately 11,529 sq. ft.	28 January 2014 / 12 September 2017	99 years leasehold interest expiring on 31 July 2107 / 11 years	2,492
30, Jalan Surian 3, Taman Surian, 71700 Mantin, Negeri Sembilan	Completed double-storey landed house measuring in area approximately 1,302 sq. ft.	26 June 2020	Freehold	376
No.1, Jalan SS24/11, Taman Megah, 47301 Petaling Jaya, Selangor	Completed three-storey shop house measuring in area approximately 4,033 sq. ft.	15 July 2022	Freehold	7,531

RECURRENT RELATED PARTY TRANSACTION(S) ("RRPTs")

The RRPTs of the Group have been entered into the normal course of business. Further details of the RRPTs of a revenue or trading nature conducted during the financial year are disclosed in Note 41 the Audited Financial Statements for the FYE 2024.

SUSTAINABILITY REPORT

ABOUT THIS REPORT

Pasukhas Group Berhad and its subsidiaries (“**Pasukhas**” or “**Group**”) is delighted to present its Sustainability Report for the Financial Year Ended 30 June 2024 (“**FYE 2024**”).

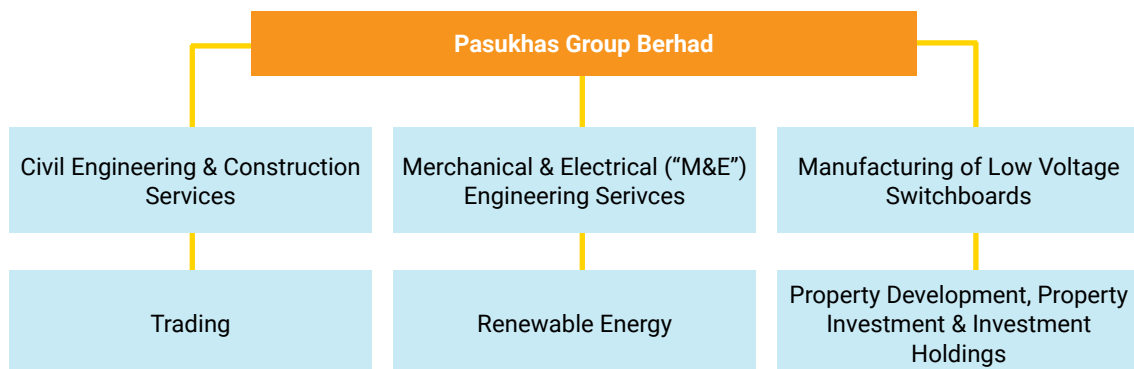
This Report provides a comprehensive overview of our sustainability strategies, principles, initiatives, and performance for FYE 2024. It highlights the key issues identified through our materiality assessment, offering insights into how we are addressing these priorities. Within this Report, you will find detailed updates on Pasukhas’s sustainability efforts across our core business units and operations, as well as our progress towards the commitments we have made. Our aim is to operate in a sustainable manner and to create lasting value for our stakeholders.

As sustainability is a continuous journey, we are committed to evolving our practices and disclosures over time. Our sustainability strategies remain a central focus as we work towards a future that benefits both people and the planet.

OUR CORE BUSINESSES

Pasukhas is a public limited liability company and incorporated under the Companies Act of Malaysia. Listed on the ACE Market of Bursa Malaysia Securities Berhad, Pasukhas is primarily engaged in investment holding and providing management services. Its subsidiaries operate across various sectors, including Civil Engineering and Construction, Mechanical & Electrical Engineering, Manufacturing of Low Voltage Switchboards, Equipment and Sand Trading, Renewable Energy, and Property Development, Property Investment and Investment Holdings.

Starting as a mechanical and electrical contractor, Pasukhas has grown into a comprehensive civil, mechanical, and electrical service provider catering to a broad range of market segments. Over the years, the Group has gained acclaim for its ability to handle complex projects, drive innovation, adopt new technologies, and make impactful contributions to the industry.



SCOPE AND BASIS OF SCOPE

This Report covers the Group’s sustainability performance and progress of our headquarter and all operations in Malaysia.

Pasukhas announced its indirect wholly-owned subsidiary, Pasukhas Green Assets Sdn. Bhd. had on 15 May 2024 entered into a Share Sale Agreement with Full Spectrum G Sdn. Bhd. to dispose its entire 100% equity interest in I.S. Energy Sdn. Bhd. (“**IESB**”). The proposed disposal is expected to be completed in second quarter of financial year ending 2025.

SUSTAINABILITY REPORT (Cont'd)

REPORTING FRAMEWORKS AND STANDARDS

The contents of this Report have been developed in accordance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Malaysia**”) and Bursa Malaysia Sustainability Reporting Guide (3rd Edition).

OUR APPROACH TO SUSTAINABILITY

Sustainability is deeply integrated into the culture and operations of Pasukhas. The Board of Directors (“**the Board**”) is committed to driving the Group’s business growth and profitability while maintaining a safe, caring, and sustainable environment.

Pasukhas recognises that sustainability is a critical factor for the Group’s long-term success and resilience. To this end, we are embarking on a comprehensive journey to identify and align our Material Sustainability Matters with the United Nations Sustainable Development Goals (“**UNSDGs**”). This initiative is a fundamental part of our broader sustainability strategy, which aims to enhance our reporting and transparency to stakeholders.

This initiative is a key component of our broader sustainability journey, focused on enhancing our reporting and transparency to stakeholders. By integrating these sustainability goals into our business practices, we demonstrate our dedication to responsible and sustainable growth. Our commitment is to ensure that sustainability is embedded in every aspect of our operations, reflecting our ongoing efforts to create long-term value and contribute positively to global sustainability objectives. All the UNSDGs are relevant to our operations to varying degrees and we are already contributing to many of these goals.



SUSTAINABILITY REPORT (Cont'd)

SUSTAINABILITY FRAMEWORK

Pasukhas has refined its sustainability framework to align seamlessly with our business strategy, driven by the Group’s vision and mission. This framework is designed to address stakeholder needs, reduce our environmental impact, and positively contribute to the communities where we operate.

Our sustainability framework is centred around four key focus areas:

- Economic Sustainability;
- Social Sustainability;
- Environmental Sustainability; and
- Governance Sustainability.

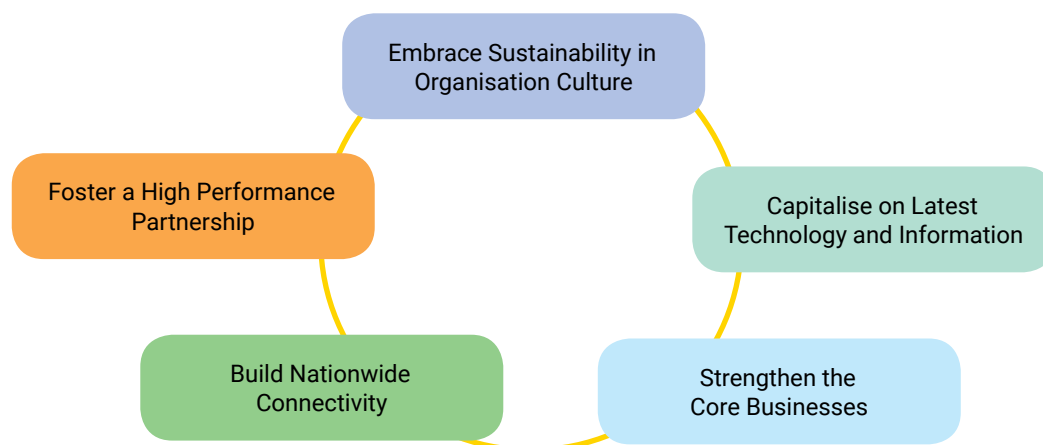
We are committed to achieving specific objectives within each of these areas by tackling the material issues that are most relevant to our operations and stakeholders.

<p>Our Vision: To deliver world class projects by ensuring quality control that translates into the development of specifications and standards that are always on top of the technology revolution</p>			
<p>Our Mission: To expand our portfolio with projects not only in our country but also in other parts of the world. We are poised to take up any challenges as Pasukhas boast a team of taskforce who are highly trained and diversified.</p>			
<p>Our Focus Area</p>			
<p>ECONOMIC SUSTAINABILITY</p>	<p>SOCIAL SUSTAINABILITY</p>	<p>ENVIRONMENTAL SUSTAINABILITY</p>	<p>GOVERNANCE SUSTAINABILITY</p>
<ul style="list-style-type: none"> • Economic Performance • Customer Satisfaction • Anti-Corruption • Cybersecurity & Data Protection • Supply Chain Management 	<ul style="list-style-type: none"> • Human Right • Health & Safety • Employee Management • Diversity, Equity & Inclusion • Community Investment 	<ul style="list-style-type: none"> • Climate Change • Water Management • Waste Management 	<ul style="list-style-type: none"> • Policy & Regulatory Compliance

SUSTAINABILITY REPORT (Cont'd)

SUSTAINABILITY POLICY

As our organisation expands, our unwavering dedication and enthusiasm towards sustainability have become more pronounced. We have formulated a distinct company philosophy centred on sustainability, which serves as a guiding principle for all decisions concerning the economic and operational aspects of Pasukhas.



Sustainability remains a fundamental element of our Group's ethos as we strive for continuous growth and profitability within a safe, nurturing, and environmentally responsible framework. As a committed corporate citizen, our mission is to maintain exemplary governance standards across our operations, promote responsible business practices, minimise environmental impacts, and meet the social needs of the communities we serve.

SUSTAINABILITY GOVERNANCE

Strong governance is crucial to meeting our objectives and promoting sustainability throughout our value chain. Our governance framework is designed to support not only our immediate operations but also to drive responsible practices across our entire organisation. We are committed to conducting our business in compliance with relevant laws and principles, and we uphold the highest standards of integrity. Adhering to the Malaysian Code of Corporate Governance ("MCCG"), we strive to maintain transparent and sound business practices that are in line with industry standards.

The Group recognises that a strong sustainability strategy is essential for our long-term growth. To this end, the Board is ultimately responsible for the Group's strategic direction on sustainability while being supported by the Executive Directors as well as Key Senior Management and the members of respective departments. The structure adopts a top-down approach with strong leadership oversight.

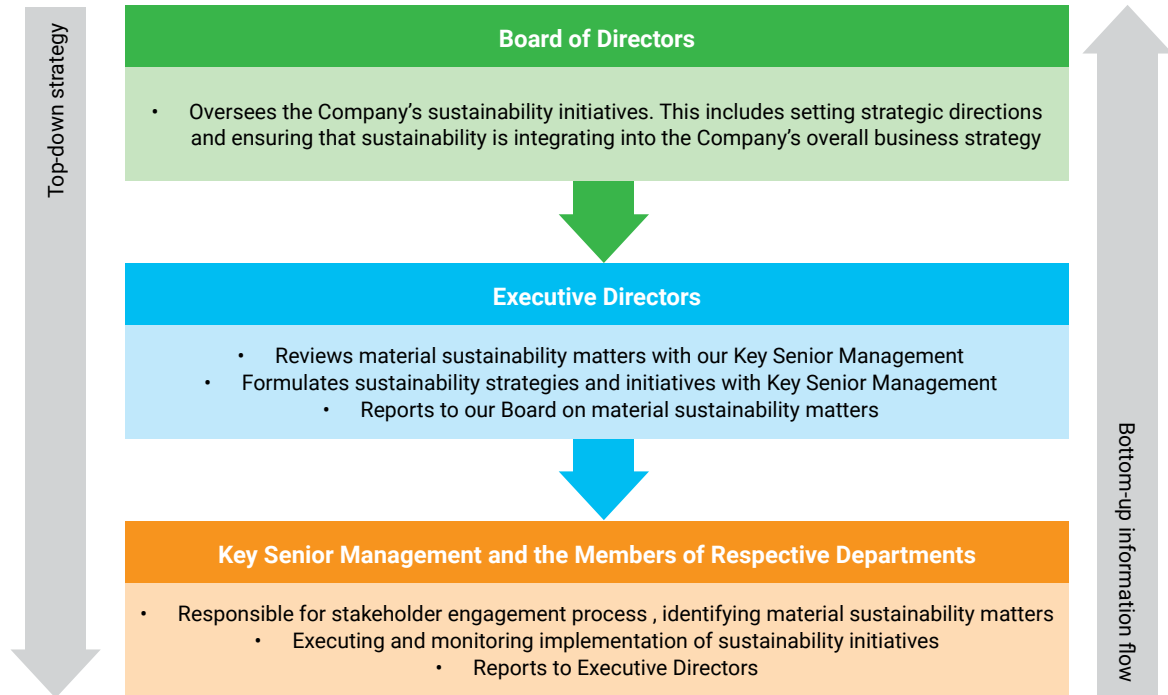
Key Senior Management with the support from the members of respective departments is charged with implementing these policies across the organisation, ensuring that sustainability practices are integrated into every facet of the Group's operations. They report the progress on our sustainability initiatives to the Board half yearly.

The engagement of the members from different departments signifies our collective effort to embed sustainability into our routine business activities. Our sustainability governance framework is designed to establish accountability for sustainability across all levels of the Group.

SUSTAINABILITY REPORT (Cont'd)

SUSTAINABILITY GOVERNANCE (CONT'D)

Our governance structure is outlined as follows:



The Group does not have a sustainability committee or policy in place at the moment, but we plan to launch these initiative in future reporting cycles.

STAKEHOLDER ENGAGEMENT

We have identified key stakeholders whose actions and perspectives significantly influence or are influenced by our Company's operations and business activities. Engaging with these stakeholders is essential for understanding their sustainability expectations and incorporating their insights into our decision-making processes. This engagement enables us to make informed decisions that advance sustainability and uphold our role as a responsible corporate citizen.

To ensure effective communication and collaboration, we have developed a stakeholder engagement matrix. This matrix details the various activities and interactions undertaken throughout the financial year, providing a comprehensive overview of our engagements with different stakeholder groups, the nature of these interactions, and the feedback received. By actively listening to and addressing stakeholder concerns, we aim to refine our sustainability practices and align our operations with their expectations as well as broader environmental and social goals.

SUSTAINABILITY REPORT (Cont'd)

STAKEHOLDER ENGAGEMENT (CONT'D)

We place high value on stakeholder feedback and have integrated this principle into our operational framework. All departments are encouraged to proactively engage with stakeholders and promptly address any issues that arise. By maintaining an active dialogue, we keep stakeholders informed about relevant matters and strengthen our relationships with them. This approach not only enhances our stakeholder engagement but also helps us continually improve our practices and effectively tackle potential challenges.

STAKEHOLDERS	ENGAGEMENT PLATFORMS	AREA OF INTEREST OR CONCERNS	OUR RESPONSE
Shareholders, Financiers & Investors	<ul style="list-style-type: none"> Financial reports and announcements General meetings Annual report Press releases Meetings 	<ul style="list-style-type: none"> Business strategies and future plan Return on investments Financial and operational performance Good management and corporate governance Sustainability initiatives 	<ul style="list-style-type: none"> Timely updates on the Group's strategy and financial performance via announcements Uphold good governance practices across the Group Monitor sustainability performance and targets via Bursa Malaysia Environment, Social and Governance ("ESG") Reporting Platform
Government Agencies & Regulators	<ul style="list-style-type: none"> Compliances to laws and regulations Participation in government and regulatory events 	<ul style="list-style-type: none"> Regulatory compliance Corporate governance practices 	<ul style="list-style-type: none"> Regular review and monitor to ensure full compliance with regulatory requirements i.e. Construction Industry Development Board ("CIDB"), Suruhanjaya Tenaga, Department of Occupational Safety and Health ("DOSH"), Department of Environment ("DOE") and etc. ISO audit Adoption of practices outlined in the Malaysian Code on Corporate Governance
Employees	<ul style="list-style-type: none"> Internal communications (i.e. emails, messenger and etc.) Workshops and trainings Employee engagement survey Employee engagement events Employee appraisals 	<ul style="list-style-type: none"> Business growth and strategic direction Inclusive workplace Remuneration and benefits Career development and upskilling opportunities Occupational safety & health 	<ul style="list-style-type: none"> Promote transparent communication with employees Provide equal employment opportunities without discrimination Offer industry-competitive benefits and remuneration packages Provide relevant upskilling and development opportunities Ensure compliance with Occupational Safety and Health Act

SUSTAINABILITY REPORT (Cont'd)

STAKEHOLDER ENGAGEMENT (CONT'D)

STAKEHOLDERS	ENGAGEMENT PLATFORMS	AREA OF INTEREST OR CONCERNS	OUR RESPONSE
Customers	<ul style="list-style-type: none"> Customer support channels (i.e. website, email) Regular sales visits, meetings Compliance audits 	<ul style="list-style-type: none"> Customer satisfactions (i.e. high-quality products and services with minimal defects) Customer experience (i.e. speed of customer service response) Innovative in enhancing the quality of deliverables Consumer data privacy 	<ul style="list-style-type: none"> Offer affordable products and services Adhere to quality standards Adhere to the Personal Data Protection Act 2010
Suppliers	<ul style="list-style-type: none"> Regular meetings Quality audit on products and services Contract negotiation Supplier assessment/ performance appraisals 	<ul style="list-style-type: none"> Transparency in procurement processes Business growth and timely payment 	<ul style="list-style-type: none"> Emphasis on provision of transparent procurement processes Timely payment based on credit term
Communities	<ul style="list-style-type: none"> Community impacts programmes 	<ul style="list-style-type: none"> Community welfare and continued likelihood 	<ul style="list-style-type: none"> Investment in welfare to improve community well-being
Analyst / Media	<ul style="list-style-type: none"> Media releases or media briefings Financial reports and announcements General meetings 	<ul style="list-style-type: none"> Transparency in communicating information and updates on business performance and initiatives 	<ul style="list-style-type: none"> Provide transparent communication through announcements

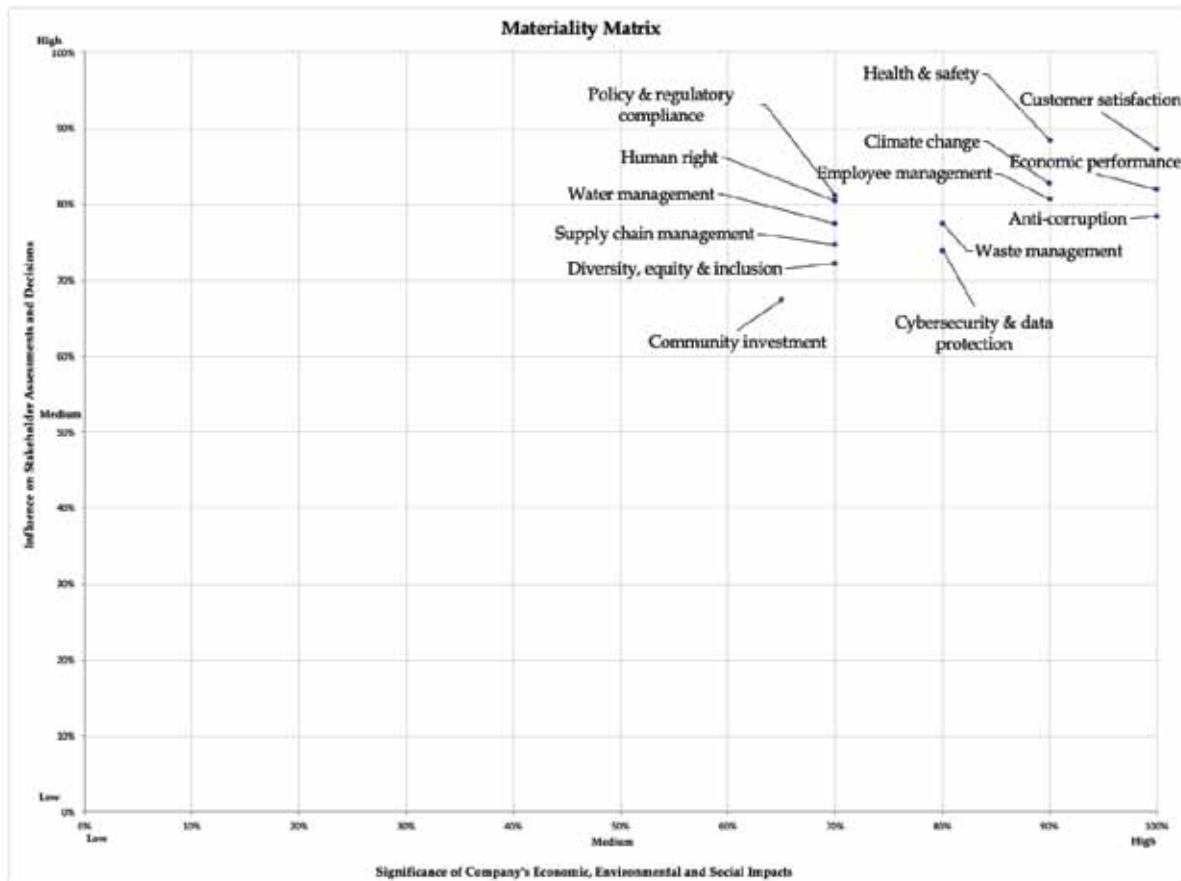
MATERIAL SUSTAINABILITY MATTERS

To reinforce our commitment to responsibility and sustainability, we direct our efforts towards addressing the sustainability issues most relevant to our organisation. Our approach includes performing a Materiality Analysis, which identifies topics with significant economic, environmental, and social impacts, as well as those that heavily influence stakeholder decisions and evaluations. This analysis is informed by a thorough review of the Company's internal documents and processes.

We regularly update this assessment to ensure it remains accurate, current, and reflective of our business environment. This ongoing evaluation allows us to align our strategies and operations with business needs and to generate long-term sustainable value for our stakeholders.

SUSTAINABILITY REPORT (Cont'd)

MATERIAL MATRIX



RISK MANAGEMENT

Pasukhas’s unwavering dedication to risk management is a foundational element in ensuring our long-term viability and building stakeholder confidence, while concurrently fostering a lasting positive impact.

We have implemented a robust system encompassing risk management and internal control, extending beyond financial controls to include operational and compliance controls. This comprehensive approach to risk management and internal control is an ongoing and coordinated process aimed at minimising the likelihood of fraud and error, while also managing, rather than eliminating, the risk of failing to achieve our business objectives.

SUSTAINABILITY REPORT (Cont'd)

RISK MANAGEMENT (CONT'D)

Material Matters	Risks	Opportunities
Economic Performance	Poor financial performance jeopardises business continuity and loss of investment opportunity	Sustainable financial performance attracts investors and generate long-term value for all stakeholders
Customer Satisfaction	Failing to meet customers' expectations undermines customer confidence and loyalty, ultimately resulting in lower revenue	Satisfied customers foster loyalty and promote repeat business
Anti-Corruption	Corruption may tarnish the reputation, result in financial losses and reduced competitiveness	Strong governance to combat corruption enhances credibility and gains competitive edge
Cybersecurity & Data Protection	Cyberattacks can lead to unauthorised access, theft, or exposure of sensitive data, resulting in financial losses, loss of trade secrets and proprietary information, legal liabilities, and reputational damage	Robust cybersecurity measures build trust and confidence among customers, investors, and partners, enhancing the organisation's reputation and brand value
Human Right	Violations of human rights, such as labour exploitation, discrimination, or unsafe working conditions, can tarnish the organisation's reputation, leading to loss of trust among stakeholders, negative public perception and legal liabilities	Demonstrating a commitment to human rights principles and ethical practices enhances the organisation's reputation, builds trust with stakeholders, and attracts socially conscious consumers, investors, and partners
Health & Safety	Failure to address health and safety hazards can lead to workplace accidents, injuries, and fatalities, resulting in human suffering, legal liabilities, and financial losses	Prioritising health and safety fosters a culture of care, trust, and mutual respect, enhancing employee morale, motivation, and engagement
Employee Management	Difficulty in attracting and retaining skilled employees can hinder business growth and innovation, leading to competitive disadvantages	Engaged employees are more productive, committed, and loyal, leading to higher levels of job satisfaction, retention, and organisational success

SUSTAINABILITY REPORT (Cont'd)

RISK MANAGEMENT (CONT'D)

Material Matters	Risks	Opportunities
Diversity, Equity & Inclusion	Exclusionary practices or cultures can lead to feelings of alienation and disengagement among employees from underrepresented groups, hindering collaboration, innovation, and productivity	Embracing diversity and equity fosters a culture of inclusion where employees feel empowered to contribute diverse perspectives and ideas, driving innovation and creativity
Supply Chain Management	Dependence on a limited number of suppliers / subcontractors or single sourcing increases the risk of supply disruptions, quality issues, and price volatility, leaving the organisation vulnerable to changes in supplier / subcontractor behaviour or market conditions	Building collaborative relationships with suppliers / subcontractors based on trust, transparency, and mutual benefit fosters innovation, knowledge sharing, and joint problem-solving, leading to improved product quality, cost savings, and competitive advantage
Community Investment	Failure to address social issues, economic disparities, and community grievances may fuel social unrest, civil unrest, protests, and community opposition, posing operational disruptions, reputational damage, and regulatory scrutiny	Strategic community investment initiatives, philanthropic donations, and social programs enable organisations to address social challenges, support underserved communities, and create positive social impact, contributing to poverty alleviation, education, healthcare, and sustainable development goals
Climate Action	<p>Increasing government regulations aimed at reducing greenhouse gas emissions and mitigating climate change may require corporations to invest in costly emission reduction measures or face fines and penalties for non-compliance</p> <p>Climate change-related disruptions, such as extreme weather events or resource shortages, can disrupt supply chains, increase production costs, and lead to delays in product delivery, affecting business operations and profitability</p>	Corporations that demonstrate environmental stewardship and sustainability leadership can differentiate themselves in the market, enhance brand reputation, and attract environmentally-conscious consumers and investors

SUSTAINABILITY REPORT (Cont'd)

RISK MANAGEMENT (CONT'D)

Material Matters	Risks	Opportunities
Water Management	Water disruption due to droughts, climate change, and etc. poses operational risks	Implementing water conservation measures, water-saving technologies, and sustainable water management practices, enhances water efficiency, reduces water consumption, and minimises water-related costs and risks
Waste Management	Non-compliance with waste management regulations, environmental laws, and health and safety standards may result in fines, penalties, legal liabilities, and reputational damage for the organisation	Implementing waste reduction, recycling, and proper waste disposal initiatives enables the organisation to recover valuable materials, conserve natural resources, reduce raw material costs, and minimise environmental impact, while promoting circular economy principles
Policy & Regulatory Compliance	Non-compliance with policies and regulations can result in legal penalties, fines, or even lawsuits, which can significantly impact the financial health and reputation	Compliance with policies and regulations builds trust and credibility among stakeholders, including customers, investors, employees, and regulatory bodies, which can enhance long-term relationships and support business growth

ECONOMICAL SUSTAINABILITY

ECONOMIC PERFORMANCE

Related UNSDGs:



At Pasukhas, we understand that our business success is intricately linked to creating long-term value for all our stakeholders. Our focus on achieving financial growth is pivotal, as it enables us to drive job creation, foster entrepreneurial opportunities, and enhance our contributions to government revenues through taxes. Additionally, by strengthening local supply chains, we support the broader economic ecosystem and promote regional development.

Our strategy for achieving these objectives involves maintaining a leadership position in our core markets while continually harnessing innovative technologies to stay ahead of industry trends. We leverage the expertise of our dedicated employees to adapt to evolving consumer demands and identify opportunities for market expansion.

In FYE 2024, Pasukhas reported a total revenue of RM74.8 million and consistently generates values for our stakeholders,

SUSTAINABILITY REPORT (Cont'd)

ECONOMICAL SUSTAINABILITY (CONT'D)

CUSTOMER SATISFACTION

Related UNSDGs:



The Group acknowledges that customer satisfaction and loyalty play crucial roles in achieving long-term success. To this end, we are committed to enhancing customer satisfaction by actively considering their feedback and ensuring that high-quality standards are consistently met across all our products and services.

We recognise that customers are our most important partners in innovation. To stay ahead of the competition, we value customer feedback as a valuable resource for ideas and to drive future improvement. We are committed to enhancing our customers' experience by engaging with them through multi-faceted channels, including in-person meeting, email or our website.

Product & service quality & safety

Product and service quality as well as safety are fundamental principles deeply rooted in Pasukhas's culture. Our history of success stems from delivering goods and services that instil confidence in our customers and this has gained us as one of the market leaders in this industry. To achieve this, it demands a holistic approach to quality and safety throughout our entire value chain.

Pasukhas is committed to setting new standards in the M&E engineering industry, a commitment that is validated by the recognition we have received from various esteemed organisations. Our dedication to excellence is evident in the prestigious accreditations we have achieved, which highlight our adherence to top-tier industry practices and quality benchmarks.

Our industry-leading status is reinforced by several notable certifications:

- CIDB Certification:** This certification acknowledges our compliance with the construction industry standards and practices established by the CIDB, ensuring that our operations consistently meet quality benchmarks.



SUSTAINABILITY REPORT (Cont'd)

ECONOMICAL SUSTAINABILITY (CONT'D)

CUSTOMER SATISFACTION (CONT'D)

Product & service quality & safety (Cont'd)

Our industry-leading status is reinforced by several notable certifications: (Cont'd)

- CIDB Certification:** This certification acknowledges our compliance with the construction industry standards and practices established by the CIDB, ensuring that our operations consistently meet quality benchmarks. (Cont'd)



- ISO 9001:2015:** This globally recognised certification reflects our commitment to quality management systems. It demonstrates our ability to deliver high-quality products and services consistently, aligning with both customer and regulatory requirements.



SUSTAINABILITY REPORT (Cont'd)

ECONOMICAL SUSTAINABILITY (CONT'D)

CUSTOMER SATISFACTION (CONT'D)

Product & service quality & safety (Cont'd)

Our industry-leading status is reinforced by several notable certifications: (Cont'd)

- ISO 45001:2018:** This internationally recognized certification underscores our commitment to occupational health and safety management systems. It demonstrates our proactive approach to identifying and mitigating workplace hazards, ensuring the safety and well-being of our employees and stakeholders.



- Suruhanjaya Tenaga (Switchboard):** Accreditation from the Energy Commission of Malaysia for our switchboard products verifies their adherence to national electrical safety and performance standards.



- ISO 14001:2015:** This globally recognized certification highlights our commitment to effective environmental management systems. It demonstrates our proactive approach to minimizing our environmental impact through sustainable practices and responsible resource management.



- Suruhanjaya Tenaga (Contractor):** Certification from the Energy Commission of Malaysia highlights our qualifications and capabilities as a contractor in the energy sector, emphasising our expertise and reliability in managing complex engineering projects.



SUSTAINABILITY REPORT (Cont'd)

ECONOMICAL SUSTAINABILITY (CONT'D)

CYBERSECURITY & DATA PROTECTION

Related UNSDGs:



In the current digital age, cybersecurity is critical for safeguarding organisational integrity. As technology reliance grows and cyber threats become more advanced, companies face significant risks to their systems, data, and operations. At Pasukhas, we are acutely aware of these challenges and have implemented comprehensive measures to mitigate them. We ensure that our systems and procedures adhere to the Personal Data Protection Act 2010 and other relevant national data protection and privacy laws in our operating regions. Our commitment includes continuous investment in advanced data protection technologies, supported by a robust firewall and information technology (“IT”) systems.

We firmly believe that cybersecurity is a collective responsibility. Employee awareness and training are integral components of our cybersecurity risk management strategy, serving as the primary line of defence against significant security risks.

At Pasukhas, we are committed to the highest standards of data security and privacy. We prioritise safeguarding the personal data and privacy of our valued customers, employees, and stakeholders. Our data management practices strictly comply with Malaysia’s Personal Data Protection Act 2010.

We continuously evaluate our data privacy and security controls to ensure their effectiveness. Our approach involves taking reasonable measures to guarantee that data collection is conducted lawfully and transparently, including clear disclosure of how data is collected, used, and protected. We have implemented controlled access to confidential information by establishing access levels for our systems and setting up security codes for pricing adjustments. Additionally, we obtain explicit consent from our customers when handling their data.

The newly joined employees receive briefings on data protection and data privacy as part of our induction programmes. In FYE 2024, there were no reported complaints regarding breaches of customer privacy or losses of customer data.

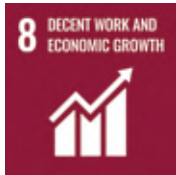
	2024	Target
Number of substantiated complaints concerning breaches in customer privacy or data loss	Nil	Nil

SUSTAINABILITY REPORT (Cont'd)

ECONOMICAL SUSTAINABILITY (CONT'D)

SUPPLY CHAIN MANAGEMENT

Related UNSDGs:



Pasukhas prioritises trust and integrity in all supplier relationships. As a responsible company in Malaysia, we recognise our obligation to support our extensive supply chain, which includes small and medium-sized enterprises, especially in recovering local economy.

Our commitment to ethical business practices extends throughout our supply chain, where suppliers are expected to actively uphold our values and principles in their operations.

We are dedicated to ensuring fairness and transparency in our procurement practices to select the most credible suppliers. To facilitate this, our suppliers are efficiently engage in the following procurement processes:



Recognising our operational requirements, we prioritise sourcing products and services from local suppliers whenever feasible. We believe that this approach not only minimises the transportation of goods and reduces emissions, contributing to environmental preservation, but also provides local suppliers with opportunities for employment and business growth, thereby strengthening the local economy.

In FYE 2024, we have utilised majority of procurement budgets to locate, evaluate and engage local suppliers with a strong service record, free from reputational issues and capable of turning around high-quality work at agreed schedules of delivery.

SUSTAINABILITY REPORT (Cont'd)

ENVIRONMENTAL SUSTAINABILITY

CLIMATE ACTION

Related UNSDGs:



The Group acknowledges the role of our energy consumption and greenhouse gas (“GHG”) emissions in contributing to climate change impacts. As responsible corporate citizens, we understand our duty to minimise our carbon footprint and seize opportunities that arise during the transition to a low-carbon economy.

We are committed to ongoing efforts aimed at enhancing our energy utilisation and efficiency. This commitment is reflected in the following initiatives:

- **LED Lighting:** We are replacing traditional lighting with LED lighting at our construction sites and office facilities. LED lights are highly energy-efficient, have a longer lifespan, and reduce overall energy consumption compared to conventional lighting options.
- **Green Building Practices:** We adhere to green building standards and certifications, such as LEED (Leadership in Energy and Environmental Design), for our construction projects. These practices include designing buildings for energy efficiency, using sustainable materials, and integrating energy-saving features.
- **Optimised Construction Processes:** We are continually seeking ways to optimise our construction processes to reduce energy consumption. This includes improving project planning and logistics to minimise energy use during construction activities.
- **Carbon Offset Programs:** IESB participates in carbon offset programs to compensate for our unavoidable GHG emissions. By investing in projects that reduce or capture carbon elsewhere, we mitigate the impact of our emissions and support global efforts to combat climate change.
- **Employee Training and Awareness:** We provide training and raise awareness among our employees about energy conservation practices. This includes educating staff on the importance of energy efficiency and encouraging them to adopt energy-saving habits in their daily work.

These initiatives are integral to our commitment to reducing our carbon footprint and transitioning to a low-carbon economy, aligning with our responsibility as corporate citizens to contribute positively to environmental sustainability.

SUSTAINABILITY REPORT (Cont'd)

ENVIRONMENTAL SUSTAINABILITY (CONT'D)

WATER MANAGEMENT

Related UNSDGs:



The escalating issue of water scarcity is a growing concern attributed to various factors, including climate change, inadequate water management practices, and contamination. With water cuts and scarcity becoming more prevalent, the Group is dedicated to addressing the risk of water shortages by implementing efficient water management strategies across all our operations.

We are committed to implementing water conservation initiatives and raising employees' awareness on proper water management at all our premises and sites.

These initiatives include:

- **Recycling Construction Water:** We are exploring methods to recycle and reuse water on construction sites, such as capturing and treating water used in construction processes for reuse in other parts of the project. This approach reduces the demand for fresh water and minimises environmental impact.
- **Minimising Water Wastage:** We conduct regular inspections and scheduled maintenance of water fixtures, such as toilets and pantries, to prevent leaks and inefficiencies. By addressing potential issues promptly, we aim to reduce water wastage and ensure optimal water use.
- **Installing Water-Efficient Fixtures:** At our office facilities, we have upgraded to modified water taps with lower flow rates. These fixtures help to minimise water consumption without compromising functionality, contributing to overall water conservation efforts.
- **Educating and Training:** We provide training and raise awareness among employees about water conservation practices and the importance of sustainable water management. This helps foster a culture of responsibility and proactive water use.

These measures collectively enhance our water management practices, ensuring that we use water resources efficiently and sustainably across all our operations.

WASTE MANAGEMENT

Related UNSDGs:



We emphasise the importance of responsible waste management to mitigate our environmental impact and contribute positively to the communities we serve. We prioritise waste management at our construction sites, recognising the potential hazards and adverse environmental impacts associated with waste production. We take a cautious approach to handling waste to safeguard the environment and public health.

Our waste management practices adhere to the regulations set forth by the DOE. We ensure compliance by closely monitoring and managing scheduled waste according to DOE requirements. This includes partnering with licensed contractors for the transportation of waste to approved treatment facilities before disposal.

SUSTAINABILITY REPORT (Cont'd)

ENVIRONMENTAL SUSTAINABILITY (CONT'D)

WASTE MANAGEMENT (CONT'D)

The Group employs innovative formwork systems designed to enhance construction efficiency and sustainability. The aluminium formwork system utilises structural-grade aluminium alloy to create temporary structures for on-site casting of concrete. This system allows for precise dimensions and high-quality finishes, improving project scheduling control. Aluminium formwork is particularly advantageous for large concrete construction projects due to its lightweight nature, making it easier to transport and assemble. However, while aluminium is less strong than steel, requiring more formworks for larger sections, it is engineered for repeated use, making it both cost-effective and environmentally friendly.

In contrast, the Green formwork system offers a different set of benefits, being made from a combination of steel and durable plywood. This system is known for its strength, rigidity, and ability to be customised to meet specific project needs. The Green formwork is designed with an early-stripping mechanism and modular components, including panels, steel heads, braces, and panel tools. It is particularly effective for large-span flat slab structures, requiring fewer workers for assembly and increasing productivity. The Green formwork system's durability and ease of customisation make it a robust choice for various construction applications, complementing the lightweight and sustainable properties of the aluminium formwork system.

We also acknowledge the importance of key building materials, including steel bars, timber, concrete, aluminium, plastic, and glass, which are essential yet finite resources. To enhance resource efficiency and reduce waste, we are committed to reusing and recycling these materials. For example, scrap iron is collected and resold for recycling, supporting the circular economy and lessening the environmental impact of resource extraction and production.

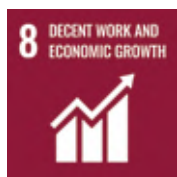
In line with waste management best practices, we emphasise waste classification and segregation at all of our construction sites. Various bins are strategically placed to facilitate the separation of different types of waste, enabling effective waste management and promoting recycling efforts. This approach ensures that materials are properly sorted and diverted from landfills whenever possible, contributing to our commitment to environmental sustainability.

The majority of waste generated in our office buildings consists of general waste. To address this, we have launched initiatives aimed at raising awareness among employees about waste reduction. These initiatives include promoting paperless documentation through digital means, encouraging the reuse of items such as paper, and implementing waste segregation practices to differentiate between recyclable and non-recyclable materials.

SOCIAL SUSTAINABILITY

HUMAN RIGHTS

Related UNSDGs:



At Pasukhas, we are deeply committed to upholding the rights and dignity of every employee, valuing their talents, and ensuring they are treated with the utmost respect and fairness. Our Board and Management team play a crucial role in setting ethical standards across the organisation, underscoring our steadfast commitment to human rights and the well-being of all individuals.

Our dedication extends to prioritising health and safety in the workplace, supporting the right to fair and decent work, endorsing freedom of association, promoting equal opportunities, and safeguarding against discrimination.

In the FYE 2024, Pasukhas has aligned its business practices with the Employment (Amendment) Act 2022. We strictly prohibit child labour and forced labour, fully complying with anti-child labour laws. Furthermore, we adhere rigorously to the regulations regarding working hours as stipulated by the Employment (Amendment) Act 2022.

SUSTAINABILITY REPORT (Cont'd)

SOCIAL SUSTAINABILITY (CONT'D)

HUMAN RIGHTS (CONT'D)

Equal compensation & benefits

We diligently assess employee compensation and benefits to ensure they adequately support the welfare and needs of our workforce. Our employment practices are meticulously aligned with all local labour laws and regulations, reflecting our commitment to fair and equitable treatment for all employees.

Respecting foreign worker rights

We are committed to ensuring that all foreign workers hired for our operations, including those contracted and subcontracted, are treated with the utmost respect and dignity. We adhere to the relevant labour laws and regulations. In Malaysia, these laws encompass the Employment Act, which safeguards the rights of employees and prohibits child labour, the Factories and Machinery Act, which sets a minimum age of 21 years for operating machinery at worksites; and Act 446 of the Minimum Standards of Housing and Amenities (Amendment) Act 2019.

We are dedicated to continually enhancing the quality of accommodation provided to our workers, recognising that this is crucial for ensuring their welfare and well-being. In alignment with Act 446 of the Minimum Standards of Housing and Amenities (Amendment) Act 2019, we have initiated a comprehensive program to upgrade the living quarters of our site workers.

As part of this initiative, we ensure that the living spaces provided to our workers adhere to the required standards, including the provision of adequate amenities and facilities. We meticulously allocate an appropriate number of workers to each living space, ensuring that they have sufficient room and access to essential amenities.

Additionally, we prioritise the comfort of our workers by furnishing each living space with single beds of suitable size and thickness, as well as lockable cupboards to safeguard their belongings. By implementing these measures, we aim to create a conducive and supportive living environment that promotes the health, safety, and dignity of our workers.

Access to grievance mechanisms

We have implemented a robust mechanism to receive, document, and address complaints or grievances, providing a transparent and accessible platform for both internal and external stakeholders to report any concerns or suspected misconduct. This system allows individuals to express their concerns openly and securely.

Employees are well-informed about our grievance handling procedures and our Whistleblowing Policy, ensuring they understand how to report issues and seek assistance. We are committed to resolving policy violations and inappropriate behaviour swiftly and effectively, with a particular focus on providing remediation and redress for victims of human rights violations.

Our goal is to achieve zero incidents of socioeconomic non-compliance by maintaining a vigilant and responsive approach to managing and addressing grievances.

	2024	Target
Number of substantiated complaints concerning human rights violations	Nil	Nil

SUSTAINABILITY REPORT (Cont'd)

SOCIAL SUSTAINABILITY (CONT'D)

HEALTH & SAFETY

Related UNSDGs:



In our commitment to creating sustainable organisations, we place a high priority on employee health and safety. Our goal is to eradicate unsafe practices and cultivate a proactive “safety first” culture across our workforce. At Pasukhas, we integrate workplace health and safety seamlessly into our daily operations, making it a fundamental aspect of all our activities. We enforce stringent protocols to protect the physical well-being of our on-site employees and actively promote practices that support mental health. Our objective is to achieve zero

fatalities and maintain a zero Lost Time Incident Rate (“**LTIR**”).

Safety-first culture

Pasukhas rigorously complies with all relevant laws and regulations pertaining to occupational safety and health, including the Occupational Safety and Health Act 1994 and the Malaysian Employment Act 1955. These legal guidelines and requirements are reflected in our internal Occupational Safety, Health & Environment (“**SHE**”) Policy, which underscores our commitment to fostering a culture of safety for all employees.

Our approach to enhancing occupational safety and health involves setting clear objectives, targets, and continuously monitoring key performance indicators. We are dedicated to ensuring that every employee receives comprehensive training and is equipped with the appropriate safety gear.

- **Proper Use of Personal Protective Equipment (“PPE”):** Including helmets, safety harnesses, high-visibility clothing, and appropriate footwear for various construction tasks.
- **Safe Handling of Hazardous Materials:** Training on the proper handling, storage, and disposal of chemicals and other potentially hazardous substances.
- **Emergency Response Procedures:** Detailed instruction on responding to emergencies, including first aid, fire safety, and evacuation plans.

Additionally, our safety measures include the provision of necessary safety gear to protect against construction-specific hazards such as falling debris, heavy machinery operation, and exposure to harmful substances. We continuously monitor and evaluate safety performance to ensure that we meet or exceed industry standards, aiming for zero fatalities and a minimal LTIR.

By integrating these compliance measures and safety practices into our daily operations, Pasukhas strives to uphold the highest standards of workplace safety and health, ensuring the well-being of our workforce and the successful execution of our construction projects.

SUSTAINABILITY REPORT (Cont'd)

SOCIAL SUSTAINABILITY (CONT'D)

HEALTH & SAFETY (CONT'D)

Safety & health upskilling

To bolster the skills and safety awareness of our workforce on construction sites, we prioritise ongoing employee education and training on health and safety matters. Our approach includes:

- **Seminars and Workshops:** We regularly conduct seminars and workshops focused on health and safety topics. These sessions cover a range of subjects, including risk management, safe work practices, and the latest safety regulations and standards. By providing practical and relevant information, we ensure that our employees are well-informed about the potential hazards and best practices for mitigating them.
- **Safety Communications:** We use various communication channels to highlight risky behaviours and safety hazards. Regular updates, safety bulletins, and visual aids are disseminated to reinforce key safety messages and ensure that they remain top-of-mind for our workforce. This continuous flow of information helps to maintain a high level of safety awareness among employees.
- **Active Reporting Culture:** Employees are actively encouraged to identify and report potential health and safety hazards, in line with our commitment to the standards set by ISO 14001 and ISO 45001 certifications. We have established clear procedures for reporting concerns, which can be communicated directly to their safety representative or supervisor. This proactive approach ensures that potential issues are addressed promptly, and corrective actions are taken to prevent accidents or injuries.
- **Safety Representatives:** Our safety representatives play a crucial role in facilitating communication between employees and management regarding health and safety issues. They are trained to address concerns, provide guidance, and ensure that safety protocols are adhered to on-site.

By investing in these educational initiatives and fostering a culture of open communication and proactive safety management, we aim to enhance the overall safety awareness and competency of our workforce. This commitment to continuous improvement in health and safety practices helps to create a safer work environment and supports the successful execution of our construction projects.

Safety & health reporting

Our highest priority is ensuring the health, safety, and well-being of our employees and all workers on site, a commitment we uphold through diligent oversight and ongoing improvement efforts. The presence of an incident reporting mechanism enables us to record occurrences, leading to the development of mitigation plans and preventive measures aimed at reducing workplace incidents.

SUSTAINABILITY REPORT (Cont'd)

SOCIAL SUSTAINABILITY (CONT'D)

DIVERSITY, EQUITY & INCLUSION

Related UNSDGs:



At Pasukhas, embracing the diverse dimensions of our workforce—such as race, gender, ethnicity, age, religion, cultural beliefs, disabilities, and sexual orientation—is not just a value but a strategic necessity. We believe that recognizing and valuing the unique talents and perspectives of each employee enriches our workplace culture and drives substantial benefits that enhance our overall success.

Our dedication to diversity goes beyond mere acknowledgment; we actively integrate varied viewpoints and experiences into our daily operations and decision-making processes. This inclusive approach fosters innovation, improves problem-solving, and fuels creativity, giving us a competitive edge and driving operational excellence.

We are committed to maintaining a workplace that is free from discrimination, marginalisation, and harassment. We uphold rigorous policies and practices to ensure a fair and equitable environment where every employee has the opportunity to succeed based on their skills and contributions.

At Pasukhas, we ensure that wages are competitive and equitable, free from gender discrimination. Our career advancement, recognition, and rewards systems are based on fairness and merit, with decisions made on objective performance metrics and individual achievements. This ensures impartial treatment and recognition for all employees based on their contributions.

As of 30 June 2024, our workforce comprises 118 employees, with 25% female and 75% male representation. It's important to note that the predominance of male employees is largely attributed to the nature of our industry, where general labour roles are traditionally filled by males. We are committed to enhancing diversity within our organisation and are actively implementing strategies to foster a more balanced and inclusive workplace. We understand the value of a diverse team and are dedicated to creating an environment that not only meets but exceeds industry standards for inclusivity and fairness, promoting both personal and organisational growth.

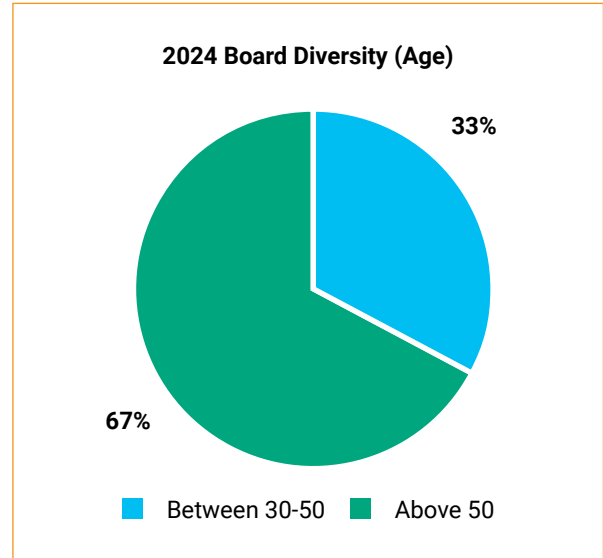
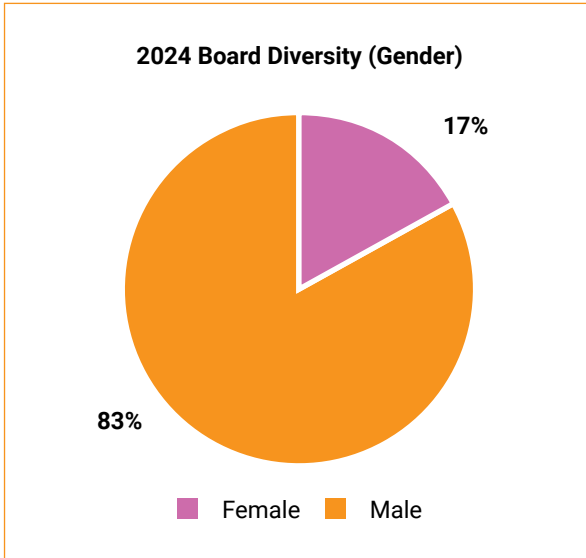
The Nomination Committee is dedicated to fostering a diverse pipeline by integrating a broad range of experiences and backgrounds, including within the Board's composition. During the fiscal period under review, Pasukhas had 17% women directors on its Board. The Board believes that, given the Group's current business status and lifecycle, prioritizing the right mix of skills and expertise is more critical than strictly meeting the 30% gender diversity threshold outlined in Practice 5.9 of the Malaysian Code on Corporate Governance.

Despite this, the Board remains committed to achieving gender balance across all levels, including the boardroom, key management, senior management, and the broader workplace. The Board is actively seeking qualified women directors and plans to appoint additional women as suitable candidates are identified. Additionally, efforts will be made to explore and implement strategies to enhance gender balance within the organisation.

SUSTAINABILITY REPORT (Cont'd)

SOCIAL SUSTAINABILITY (CONT'D)

DIVERSITY, EQUITY & INCLUSION (CONT'D)



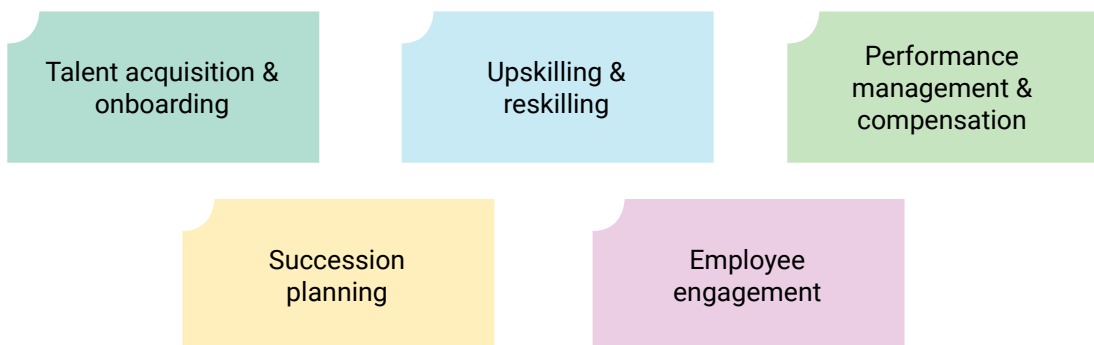
EMPLOYEE MANAGEMENT

Related UNSDGs:



At Pasukhas, we recognise that our greatest assets are our employees, and our dedication to their well-being is steadfast. We understand that a successful organisation is built on a workforce that feels valued, empowered, and respected. By fostering a secure and healthy work environment, we are committed to ensuring that all employees have equal access to resources, benefits, and opportunities for skill development and career advancement. This commitment not only supports individual growth but also drives sustainable business growth. Through these efforts, we aim to create a dynamic and thriving workplace where both our people and our Company can flourish.

Talent Management Framework



SUSTAINABILITY REPORT (Cont'd)

SOCIAL SUSTAINABILITY (CONT'D)

EMPLOYEE MANAGEMENT (CONT'D)

Talent acquisition & onboarding

Our goal at Pasukhas is to nurture and advance the professional growth of our existing workforce, providing ample opportunities for career progression within the Group. We are committed to maximizing the potential of our internal talent pool, ensuring that our team members have the resources and support they need to thrive and advance their careers.

When internal promotion is not feasible, our Human Resources team employs a diverse range of assessment tools and methodologies to conduct a thorough and equitable recruitment process. We are dedicated to identifying and selecting candidates whose skills, experiences, and values align with both the specific requirements of the role and our broader company objectives. This approach ensures that we attract and hire individuals who are not only highly qualified but also poised to make a meaningful and positive impact on our mission.

Furthermore, we recognise the importance of a smooth and effective onboarding process for new hires. To this end, we provide a comprehensive onboarding program designed to integrate new employees seamlessly into our organisation. This program includes personalised one-on-one support, tailored training sessions, and resources that help new team members acclimate to their roles and our Group culture. By investing in this structured onboarding process, we aim to set up every new employee for success and foster a productive and engaging work environment from the very start.

Upskilling & reskilling

Empowering our people to excel enables the growth and success of the Group. To achieve this goal, we offer continuous learning opportunities designed to support our employees' personal and professional development.

In 2024, we remain committed to investing in training and development programmes, utilising both physical and online channels. We spent 376 hours on training, both in internal and external learning and development programmes.

Performance management & compensation

At Pasukhas, we firmly embrace our principles of being result-oriented, accountable, collaborative, and committed to shared success in driving both individual and team performance. These principles underscore our work culture, guiding us to achieve tangible outcomes, take ownership of our actions, foster teamwork, and celebrate collective achievements. At the beginning of each year, we ensure expectations setting conversations are initiated. Key performance indicators ("KPIs"), for both businesses and employees, are also in place to ensure that performance goals are aligned with our business goals. We conduct annual year-end performance review of our employees where we provide valuable feedback on their performance and achievements. This ongoing dialogue enables us to gain insights into our employees' developmental needs and career aspirations.

We recognise and reward exceptional performance through bonuses and promotions when one has delivered high-quality results and the demonstration of outstanding behaviour. Our employees are rewarded and recognised for their contributions with competitive pay and benefits. Pasukhas regularly reviews our remuneration packages to ensure alignment within the Group and with our peers, under prevailing local market rates and practices.

Succession planning

For critical and leadership roles, succession planning is essential to ensure our Group's long-term performance and sustainability. Our Nomination Committee is responsible for reviewing and overseeing the Group's human resources strategy, including the succession management framework and associated activities.

Succession planning within the Group is executed in a phased approach, incorporating targeted training programs specifically designed for managerial staff. This structured process helps to identify and prepare potential leaders, ensuring a smooth transition and continuity in key positions. By focusing on developing internal talent and preparing them for future roles, we aim to strengthen our leadership pipeline and support the Group's ongoing success and stability.

SUSTAINABILITY REPORT (Cont'd)

SOCIAL SUSTAINABILITY (CONT'D)

EMPLOYEE MANAGEMENT (CONT'D)

Employee engagement

Pasukhas fosters a culture of engagement and inclusion through a range of activities such as annual dinner, festive season celebration and etc. We have also encouraged our employees to improve their physical well-being through participation in our company sports events and team building activities.



COMMUNITY INVESTMENT

Related UNSDGs:



At Pasukhas, we are dedicated to being a responsible corporate citizen by actively engaging with and supporting the communities where we operate. Our commitment goes beyond traditional business practices; we strive to make a meaningful impact by fostering strong, positive relationships with the local communities. We recognise that social inclusion and community well-being are crucial to sustainable success. By contributing to local initiatives, supporting community development, and encouraging active participation, we aim to enhance the quality of life for residents and create a positive ripple effect throughout the region. We firmly believe that nurturing these connections not only benefits the communities we serve but also yields favourable outcomes for our business in the long term. Through our efforts, we seek to build a foundation of trust, collaboration, and mutual growth.

SUSTAINABILITY REPORT (Cont'd)

GOVERNANCE SUSTAINABILITY

POLICY & REGULATORY COMPLIANCE

Related UNSDGs:



Ensuring policy and regulatory compliance, particularly concerning environmental, social, and governance elements, is fundamental to a company's long-term sustainability and success.

By proactively adhering to these standards, Pasukhas can enhance its competitive edge, differentiate its products and services, attract socially responsible investors, and expand its market share. Emphasizing sustainability and ethical practices not only helps us outperform competitors but also drives enduring growth and profitability.

On the other hand, non-compliance with legal and regulatory requirements can result in fines, penalties, legal disputes, and damage to reputation, potentially leading to financial losses, higher operational costs, and reduced shareholder value. Therefore, it is essential to prioritise compliance and stay vigilant about regulatory changes to effectively manage risks and support sustainable business practices.

MOVING FORWARD

Robust sustainability practices are crucial for a business to not just endure but to excel in today's evolving landscape. At Pasukhas, we recognise that sustainability is integral to creating ongoing value, benefiting the entire value chain and all our stakeholders. We are committed to advancing our sustainability efforts and continually improving our Environmental, Economic, Social, and Governance practices across all areas of our operations.

Our goal is to set a high standard for sustainable business practices, embedding these principles deeply into our daily operations. By doing so, we aim to foster significant business growth while remaining steadfast in our dedication to environmental stewardship and social responsibility.

DIRECTORS' RESPONSIBILITY STATEMENT

IN RESPECT OF AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

The Directors are required by the Companies Act 2016 ("the Act") and the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad to prepare the financial statements for each financial year in accordance with applicable Malaysian Financial Reporting Standards, the International Financial Reporting Standards and requirements of the Act in Malaysia.

The Directors are responsible to ensure that the audited financial statements give a true and fair view of the financial position, financial performance and cash flows of the Group and the Company for the financial year ended 30 June 2024. Where there are new accounting standards or policies that become effective during the period, the impact of these new treatments would be stated in the notes to the financial statements, accordingly.

In preparing the financial statements, the Directors have:

- adopted appropriate and relevant accounting policies and applied them consistently;
- made judgments and estimates that are reasonable and prudent;
- ensure that all applicable accounting standards have been followed; and
- prepared financial statements on a "going concern" basis as the Directors have a reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue operations for the foreseeable future.

The Directors are responsible to ensure that the Group and the Company keep accounting records which disclose the financial position of the Group and of the Company with reasonable accuracy, enabling them to ensure that the financial statements comply with the Act.

The Directors have overall responsibility for taking such steps as are reasonably available to them to safeguard the assets of the Group and of the Company to prevent and detect fraud and other irregularities.

This Statement was approved by the Board of Directors of the Company on 25 October 2024.



FINANCIAL STATEMENT

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DIRECTORS' REPORT

The directors of **PASUKHAS GROUP BERHAD** hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2024.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and the provision of management services.

The information on the name of subsidiary company, place of incorporation, principal activities and effective equity interest held by the Company in each subsidiary company is as disclosed in Note 15 to the financial statements.

RESULTS OF OPERATIONS

The results of operations of the Group and of the Company for the financial year are as follows:

	Group RM	Company RM
(Loss)/Profit for the financial year		
Continuing operations	(18,120,396)	(57,001,495)
Discontinued operation	1,017,655	-
	<hr style="border-top: 1px solid black;"/> (17,102,741)	<hr style="border-top: 1px solid black;"/> (57,001,495)
Attributable to:		
Owners of the Company	(16,943,409)	(57,001,495)
Non-controlling interests	(159,332)	-
	<hr style="border-top: 1px solid black;"/> (17,102,741)	<hr style="border-top: 1px solid black;"/> (57,001,495)

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature, other than the events as disclosed in Note 27 to the financial statements.

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial period. The directors do not recommend any dividend payment in respect of the current financial year.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

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

DIRECTORS' REPORT (Cont'd)

SHARE OPTIONS

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Company. As at the end of the financial year, there were no unissued shares of the Company under options.

EMPLOYEE SHARE OPTION SCHEME ("ESOS")

The ESOS of the Company is governed by the ESOS By-Laws and was approved by shareholders at the Extraordinary General Meeting held on 12 November 2020. The ESOS is to be in force for a period of 5 years effective from 18 December 2020 to 17 December 2025.

The details of the ESOS are disclosed in Note 32 to the financial statements.

WARRANTS

On 21 July 2021, the Company issued 578,660,588 free detachable warrants on a renounceable basis of twelve (12) Rights Shares together with seven (7) warrants for every two (2) existing shares held by the entitled shareholders on 21 June 2021.

On 18 April 2023, the Company was involved in a share consolidation for every 10 existing shares into 1 Consolidated Share. Pursuant to the Share Consolidation, the exercise price and the number of outstanding Warrants A which are not exercised prior to the entitlement date has been adjusted in accordance with the provisions of the Deed Poll A to RM1.00 each and 57,866,058 number of existing warrants.

The salient features of the Warrants and the movements in the Warrants for the financial year ended 30 June 2024 are disclosed on Note 33 to the financial statements.

OTHER STATUTORY INFORMATION

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

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and had satisfied themselves that all known bad debts to be written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the values of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

DIRECTORS' REPORT (Cont'd)

OTHER STATUTORY INFORMATION (CONT'D)

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

- (a) which would render the amount written off as bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (d) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

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

- (a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; and
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

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

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

DIRECTORS

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

Mejar Dato' Ismail bin Ahmad
Dato' Nik Ismail bin Dato' Nik Yusoff
Mak Siew Wei*
Tang Boon Koon*
Teoh Kim Hooi
Tan Yee Ping
Wan Thean Hoe (Retired on 29 November 2023)

* Director of the Company and its subsidiary companies

DIRECTORS' REPORT (Cont'd)

DIRECTORS (CONT'D)

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

Wan Thean Hoe
 Ng Kim Keong
 Lock Pik Wah (Appointed on 22 March 2024, Resigned on 29 May 2024)
 Dato' Sri Teng Ah Kiong (Resigned on 26 October 2023)
 Lim Ee Vone (Resigned on 12 December 2023)

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

DIRECTORS' INTERESTS IN SHARES

The interests and deemed interests in the shares of the Company and of its related corporations of those who were Directors at financial year end according to the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act, 2016 are as follows:

	At 1.7.2023	Number of ordinary shares		At 30.6.2024
		Bought	Sold	
Interest in the Company				
Direct interests				
Mak Siew Wei	4,607,000	–	–	4,607,000
Tang Boon Koon	–	100,000	–	100,000
Teoh Kim Hooi	390,000	–	–	390,000
	At 1.7.2023	Number of warrants		At 30.6.2024
		Bought	Sold	
Interest in the Company				
Direct interest				
Mak Siew Wei	2,686,833	–	–	2,686,833
Teoh Kim Hooi	210,000	–	–	210,000

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

DIRECTORS' BENEFITS

Since the end of the previous financial period, none of the directors of the Company has received or become entitled to receive a benefit (other than the benefit included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of full-time employees of the Company as disclosed below) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

DIRECTORS' REPORT (Cont'd)

DIRECTORS' BENEFITS (CONT'D)

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

	Group RM	Company RM
Executive Directors:		
Fees	155,000	105,000
Salaries and other emoluments	993,094	784,962
Defined contribution plans	116,290	91,456
	1,264,384	981,418
Non-executive Directors:		
Fees	180,000	180,000
	1,444,384	1,161,418

During and at the end of the financial year, no arrangement subsisted to which the Company was a party whereby directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, except for warrants held by certain directors as disclosed.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

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

AUDITORS' REMUNERATION

The amount paid or payable as remuneration of the auditors of the Group and of the Company for financial year ended 30 June 2024 are as follows:

	Group RM	Company RM
Auditors' remuneration:		
Statutory audit	248,800	66,500
Other services	18,500	5,000
	267,300	71,500

DIRECTORS' REPORT (Cont'd)

AUDITORS

The auditors, Morison LC PLT, have indicated their willingness to continue in office.

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

MAK SIEW WEI

Petaling Jaya,
25 October 2024

TANG BOON KOON

STATEMENT BY DIRECTORS

The directors of **PASUKHAS GROUP BERHAD** state that, in their opinion, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2024 and of their financial performance and their cash flows for the financial year ended.

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

MAK SIEW WEI

Petaling Jaya,
25 October 2024

TANG BOON KOON

DECLARATION BY THE DIRECTOR

PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

I, **MAK SIEW WEI**, the director primarily responsible for the financial management of **PASUKHAS GROUP BERHAD**, do solemnly and sincerely declare that the accompanying financial statements are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

MAK SIEW WEI

Subscribed and solemnly declared
by the abovenamed **MAK SIEW WEI**
at **PETALING JAYA** in the State of
Selangor Darul Ehsan on 25th day of
October, 2024.

Before me,

COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PASUKHAS GROUP BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of **PASUKHAS GROUP BERHAD**, which comprise the statements of financial position as at 30 June 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended and notes to the financial statements, including material accounting policy information, as set out on pages 91 to 181.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financing Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

Key audit matters	How the matter was addressed in the audit
<p>Revenue Recognition for Construction Contracts</p> <p>Refer to Notes 3, 4 and 6 to the financial statements for the Group's accounting policies on revenue recognition from construction contracts, key sources of estimation uncertainty and related disclosures.</p> <p>For the financial year ended 30 June 2024, the Group recognised revenue on construction contracts of RM74,653,836 which contributed to 99.8% of the Group's total revenue for continuing operations.</p>	<p>Our audit procedures, amongst other included the following:</p> <ul style="list-style-type: none"> (i) Obtained an understanding of the revenue recognition process, including the accuracy and timing of revenue recognition towards satisfaction of performance obligation, and performed procedures to evaluate design and implementation of such controls; (ii) Perused through the agreements (including variation orders) for construction contracts to evaluate whether the management had made appropriate judgements in identifying the contract and performance obligations, and determining the transaction price considering the variable consideration;

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PASUKHAS GROUP BERHAD (Cont'd)

Key Audit Matters (Cont'd)

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

Key audit matters	How the matter was addressed in the audit
<p>Revenue Recognition for Construction Contracts (Cont'd)</p> <p>Revenue from construction contracts is recognised over time based on the percentage of completion by using the cost-to-cost method ("input method"), based on the proportion of contract costs incurred for work performed to date relative to the estimated total budgeted costs.</p> <p>The revenue recognition on construction contracts is considered to be a key audit matter as significant judgement is exercised in determining the estimated total contract revenue and budgeted costs, variation of scope of work, progress of the project.</p>	<p>Our audit procedures, amongst other included the following: (Cont'd)</p> <ul style="list-style-type: none"> (iii) Tested sample of construction costs incurred to the relevant supporting documents such as contractor's progress claims or suppliers' invoices, where costs have not been billed or certified, assessed the adequacy of management's accruals of such costs by reviewing to subsequent contractors' claims or supplier invoices; (iv) Evaluated and assessed the reasonableness and appropriateness of the estimated total budgeted costs by: <ul style="list-style-type: none"> a) reviewing the basis of estimation of cost to complete; b) challenging the reasonableness of management's assumptions and estimations on the budgeted total costs of constructions; and c) performing retrospective review to establish the reliability of management-approved total budget costs (v) Performed site visits for individually significant ongoing projects and discussed with the site team to arrive at an overall assessment as to whether the percentage of progress towards complete satisfaction of performance obligation determined on a cost-to-cost basis was reasonable; and (vi) Checked the mathematical accuracy of the revenue and profit based on percentage of completion calculations.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PASUKHAS GROUP BERHAD (Cont'd)

Key Audit Matters (Cont'd)

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

Key audit matters	How the matter was addressed in the audit
<p>Allowance for impairment on trade receivables and contract assets</p> <p>Refer to Notes 3, 4, 20 and 22 to the financial statements for the Group's accounting policies on impairment of financial assets, key sources of estimation uncertainty and related disclosures.</p> <p>As of 30 June 2024, the carrying amounts of trade receivables and contract assets are approximately RM25,215,748 and RM39,328,137 respectively.</p> <p>The related accumulated provisions for expected credit losses for trade receivables and contract assets recognised by the Group amounted to approximately RM10,992,885 and RM10,775,059 respectively, with net impairment loss during the year of RM1,935,153 and RM1,156,376, respectively.</p> <p>In assessing the loss allowance made under the expected credit loss ("ECL") model, the management of the Group used judgements and estimates to determine the historical credit loss experience and forward-looking information specific to the group of receivables and their general economic environments.</p> <p>We have identified the loss allowance on trade receivables and contract assets as a key audit matter because the amount is significant to the consolidated financial statements as a whole and there is involvement of a significant degree of judgements and estimates involved in determining the recoverable amount.</p>	<p>Our audit procedures, amongst other included the following:</p> <ul style="list-style-type: none"> (i) We obtained an understanding of the Group's methodology for ECL model and evaluated its reasonableness through discussion with management, and tested the input data used by the management with reference to the historical cash collection performance and the latest available forward-looking information and general economic data; (ii) We made inquiries of management regarding the action plans to recover and challenged management's view on the recoverability of overdue amounts and specific ECL made on certain receivables; and (iii) We evaluated the reasonableness and adequacy of the allowance for impairment recognised.

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

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PASUKHAS GROUP BERHAD (Cont'd)

Information Other than the Financial Statements and Auditors' Report Thereon (Cont'd)

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

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Standards on Auditing and the requirements of the Companies Act, 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error. In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PASUKHAS GROUP BERHAD (Cont'd)

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we also report that the subsidiary company of which we have not acted as auditors, are disclosed in Note 15 to the financial statements.

Other Matters

- (a) The financial statements of Pasukhas Group Berhad for the financial period ended 30 June 2023 were audited by another auditors who expressed an unqualified opinion on these financial statements on 12 October 2023.
- (b) This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

MORISON LC PLT (AF 002469)
202206000028 (LLP0032572-LCA)
Chartered Accountants

LIM KAI JIE
03726/04/2025 J
Chartered Accountant

Petaling Jaya,
25 October 2024

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	Group		Company	
		1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM (Restated)*	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM
Revenue	6	74,754,816	139,241,344	–	–
Cost of sales		(78,122,073)	(131,724,754)	–	–
Gross (loss)/profit		(3,367,257)	7,516,590	–	–
Other operating income		587,242	2,111,291	31,640	382,683
Gain on derecognition of a subsidiary		3,935,838	–	–	–
Administrative expenses		(8,085,438)	(14,967,516)	(3,406,327)	(6,625,607)
Other expenses		(7,153,637)	(15,053,046)	(6,606,550)	(508,677)
Finance costs		(879,563)	(1,813,012)	(6,121)	(26,667)
Net impairment losses on financial assets and contract assets	7	(3,091,529)	(1,736,420)	(47,014,137)	–
Loss before tax	8	(18,054,344)	(23,942,113)	(57,001,495)	(6,778,268)
Taxation	10	(66,052)	(1,612,662)	–	–
Loss from continuing operations		(18,120,396)	(25,554,775)	(57,001,495)	(6,778,268)
Discontinued operation					
Profit from discontinued operation, net of tax	27	1,017,655	2,429,609	–	–
Loss for the financial year/period		(17,102,741)	(23,125,166)	(57,001,495)	(6,778,268)
Other comprehensive loss					
<i>Item that will not be reclassified subsequently to profit or loss, net of tax</i>					
Exchange differences on translating foreign operations		–	(2,281)	–	–
Total comprehensive loss for the financial year/period		(17,102,741)	(23,127,447)	(57,001,495)	(6,778,268)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024
(Cont'd)

	Note	Group		Company	
		1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM (Restated)*	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM
Loss for the financial year/period attributable to:					
Owners of the Company		(16,943,409)	(22,807,510)	(57,001,495)	(6,778,268)
Non-controlling interests		(159,332)	(317,656)	–	–
		(17,102,741)	(23,125,166)	(57,001,495)	(6,778,268)
Total comprehensive loss for the financial year/period attributable to:					
Owners of the Company		(16,943,409)	(22,809,791)	(57,001,495)	(6,778,268)
Non-controlling interests		(159,332)	(317,656)	–	–
		(17,102,741)	(23,127,447)	(57,001,495)	(6,778,268)
Basic (loss)/earnings per share (sen)					
From continuing operations		(9.43)	(13.69)		
From discontinued operation	11	0.53	1.32		
		(8.90)	(12.37)		
Diluted (loss)/earnings per share (sen)					
From continuing operations		(9.43)	(13.69)		
From discontinued operation	11	0.53	1.32		
		(8.90)	(12.37)		

* The comparative figure in this statement for the Group and the related notes has been represented to show the discontinued operation, as disclosed in Note 27 to the financial statements.

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

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	Note	Group		Company	
		30.6.2024 RM	30.6.2023 RM	30.6.2024 RM	30.6.2023 RM
ASSETS					
Non-current Assets					
Plant and equipment	12	1,591,272	20,765,001	225,208	254,730
Right-of-use assets	13	527,788	1,372,991	71,846	240,734
Investment properties	14	12,707,737	13,008,998	–	–
Investment in subsidiaries	15	–	–	35,757,068	32,114,799
Investment in an associate	16	1	–	1	–
Other investments	17	25,603,026	24,032,588	–	–
Total Non-Current Assets		40,429,824	59,179,578	36,054,123	32,610,263
Current Assets					
Inventories	19	–	31,058,256	–	–
Trade receivables	20	25,215,748	22,258,897	–	–
Other receivables, deposits and prepayments	21	9,834,931	30,507,617	68,166	64,720
Contract assets	22	39,238,137	44,423,304	–	–
Amount due from subsidiaries	23	–	–	107,392,074	189,947,273
Amount due from an associate	24	47,824,130	–	26,410,933	–
Short-term investments	25	–	25,487	–	25,487
Tax recoverable		19,799	70,519	–	–
Deposits with licensed banks	26	3,286,610	6,117,086	3,258,110	5,338,586
Cash and bank balances	26	8,676,516	7,605,640	61,430	358,289
Assets held for sales	27	134,095,871 14,524,193	142,066,806 –	137,190,713 –	195,734,355 –
Total Current Assets		148,620,064	142,066,806	137,190,713	195,734,355
Total Assets		189,049,888	201,246,384	173,244,836	228,344,618

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2024

(Cont'd)

	Note	Group		Company	
		30.6.2024 RM	30.6.2023 RM	30.6.2024 RM	30.6.2023 RM
EQUITY					
Share capital	28	224,232,852	224,232,852	224,232,852	224,232,852
Merger deficit	29	(10,500,000)	(10,500,000)	-	-
Fair value reserves	30	17,000	17,000	-	-
Foreign exchange translation reserve	31	(3,360)	(3,360)	-	-
Warrant reserve	33	35,067,040	35,067,040	35,067,040	35,067,040
Accumulated losses		(112,458,763)	(95,515,354)	(88,419,946)	(31,418,451)
Equity attributable to owners of the Company		136,354,769	153,298,178	170,879,946	227,881,441
Non-controlling interest		(1,093,676)	(934,344)	-	-
Total Equity		135,261,093	152,363,834	170,879,946	227,881,441
LIABILITIES					
Non-Current Liabilities					
Lease liabilities	34	441,678	1,113,278	75,587	102,797
Islamic medium term notes	35	7,926,775	9,524,986	-	-
Deferred tax liability	18	368,553	410,595	-	-
Total Non-Current Liabilities		8,737,006	11,048,859	75,587	102,797
Current Liabilities					
Lease liabilities	34	145,289	320,332	27,210	152,159
Islamic medium term notes	35	1,598,211	1,498,211	-	-
Bank overdrafts	36	2,461,894	2,775,208	-	-
Trade payables	37	24,938,745	20,594,124	-	-
Other payables and accruals	38	14,186,075	12,139,178	446,489	208,221
Amount due to subsidiaries	23	-	-	1,815,604	-
Contract liabilities	22	602,227	485,893	-	-
Tax payable	10	107,733	20,745	-	-
Liabilities of disposal group	27	44,040,174 1,011,615	37,833,691 -	2,289,303 -	360,380 -
Total Current Liabilities		45,051,789	37,833,691	2,289,303	360,380
Total Liabilities		53,788,795	48,882,550	2,364,890	463,177
Total Equity and Liabilities		189,049,888	201,246,384	173,244,836	228,344,618

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Attributable to owners of the parent									
	Non-distributable					Non-distributable				
	Share Capital RM	Merger Deficit RM	Fair Value Reserve RM	Foreign Exchange Translation Reserve RM	Employee Share Option Reserve RM	Warrant Reserve RM	Accumulated Losses RM	Total RM	Controlling Interests RM	Total equity RM
Group										
30.6.2024										
At the beginning of financial year	224,232,852	(10,500,000)	17,000	(3,360)	-	35,067,040	(95,515,354)	153,298,178	(934,344)	152,363,834
Loss for the financial year, representing total comprehensive loss for the financial year	-	-	-	-	-	-	(16,943,409)	(16,943,409)	(159,332)	(107,102,741)
At the end of financial year	224,232,852	(10,500,000)	17,000	(3,360)	-	35,067,040	(112,458,763)	136,354,769	(1,093,676)	135,261,093
30.6.2023										
At the beginning of financial period	212,914,013	(10,500,000)	17,000	(1,079)	-	35,067,040	(72,170,198)	165,326,776	(324,334)	165,002,442
Loss for the financial period	-	-	-	-	-	-	(22,807,510)	(22,807,510)	(317,656)	(23,125,166)
Other comprehensive loss for the financial period:										
Foreign currency translation differences	-	-	-	(2,281)	-	-	-	(2,281)	-	(2,281)
Transactions with owners:										
Employees share options exercised	1,512,604	-	-	-	(1,512,604)	-	-	-	-	-
Issuance of shares upon exercise of ESOS	9,806,235	-	-	-	-	-	-	9,806,235	-	9,806,235
Recognition of share option expenses	-	-	-	-	1,512,604	-	-	1,512,604	-	1,512,604
Acquisition of additional interest in subsidiaries	-	-	-	-	-	-	(537,646)	(537,646)	(292,354)	(830,000)
	11,318,839	-	-	-	-	-	(537,646)	10,781,193	(292,354)	10,488,839
At the end of financial period	224,232,852	(10,500,000)	17,000	(3,360)	-	35,067,040	(95,515,354)	153,298,178	(934,344)	152,363,834

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

	Note	Share Capital RM	Employee Share Option Reserve RM	Warrant Reserve RM	Accumulated Losses RM	Total Equity RM
Company						
30.6.2024						
At the beginning of financial year		224,232,852	-	35,067,040	(31,418,451)	227,881,441
Loss for the financial year, representing total comprehensive loss for the financial year		-	-	-	(57,001,495)	(57,001,495)
At the end of financial year		224,232,852	-	35,067,040	(88,419,946)	170,879,946
30.6.2023						
At the beginning of financial period		212,914,013	-	35,067,040	(24,640,183)	223,340,870
Loss for the financial period, representing total comprehensive loss for the financial period		-	-	-	(6,778,268)	(6,778,268)
Transactions with owner:						
Employees' share options exercised		1,512,604	(1,512,604)	-	-	-
Issuance of shares upon exercise of ESOS	32	9,806,235	-	-	-	9,806,235
Recognition of share option expenses		-	1,512,604	-	-	1,512,604
At the end of financial period		224,232,852	-	35,067,040	(31,418,451)	227,881,441

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Group		Company	
	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM (Restated)*	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM
CASH FLOWS (USED IN)/FROM OPERATING ACTIVITIES				
Loss before tax:				
Continuing operation	(18,054,344)	(23,942,113)	(57,001,495)	(6,778,268)
Discontinued operation	1,030,064	2,439,363	-	-
Adjustment for:				
Amortisation of transaction costs capitalised	101,789	152,684	-	-
Bad debt written off	8,526	-	-	-
Depreciation of:				
Investment properties	301,261	299,576	-	-
Plant and equipment:				
Continuing operation	537,245	1,051,563	49,931	62,462
Discontinued operation	1,816,067	2,778,605	-	-
Right-of-use assets:				
Continuing operation	313,295	564,020	168,888	434,817
Discontinued operation	79,264	96,013	-	-
Fair value loss on other investments	2,103,007	12,786,468	-	-
(Gain)/Loss on disposal of:				
Other investments	(231,637)	180,900	-	-
Plant and equipment	-	(112,278)	-	-
Gain on termination of lease contract	-	(7,866)	-	-
Impairment losses on:				
Amount due from subsidiaries	-	-	47,014,137	-
Asset held for sale	3,861,493	-	-	-
Contract assets	3,114,539	-	-	-
Investment in an associate	29,999	-	29,999	-
Investment in subsidiaries	-	-	6,357,730	4,851
Trade receivables	2,160,348	1,731,569	-	-
Reversal of impairment losses:				
Contract assets	(1,958,163)	-	-	-
Trade receivables	(225,195)	-	-	-
Gain on derecognition of a subsidiary	(3,935,838)	-	-	-
Share options to employee	-	1,512,604	-	1,512,604
Unrealised (gain)/loss on foreign exchange	(11,664)	(10,919)	-	4,064
Written off of plant and equipment	11,235	-	-	-
Interest income	(57,895)	(418,138)	(31,640)	(380,202)
Interest expense	879,563	1,813,012	6,121	26,777
Operating (loss)/profit before working capital changes	(8,127,041)	915,063	(3,406,329)	(5,112,895)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024
(Cont'd)

	Group		Company	
	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM (Restated)*	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM
CASH FLOWS (USED IN)/FROM OPERATING ACTIVITIES (CONT'D)				
Changes in working capital:				
Inventories	(1,326,419)	(740,023)	-	-
Contract assets	2,836,958	(22,103,728)	-	-
Trade and other receivables	(5,982,028)	(8,044,036)	(3,446)	11,926
Trade and other payables	10,068,667	(9,350,600)	238,268	(1,754)
Cash flow used in operating activities	(2,529,863)	(39,323,324)	(3,171,507)	(5,102,723)
Tax refunded	50,720	523,653	-	-
Tax paid	(34,139)	-	-	-
Net cash used in operating activities	(2,513,282)	(38,799,671)	(3,171,507)	(5,102,723)
CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES				
Acquisition of:				
Investment properties	-	(7,750,000)	-	-
Other investments	(8,575,220)	(19,024,086)	-	-
Plant and equipment	(50,507)	(1,033,239)	(20,409)	(42,515)
Right-of-use assets	-	(57,289)	-	-
Acquisition of additional interest in subsidiaries	-	(830,000)	-	(830,000)
Acquisition of additional shares in an associate	(29,999)	-	(29,999)	-
Advances to subsidiaries	-	-	(9,142,405)	(66,138,062)
Repayment from an associate	8,272,534	-	8,272,534	-
Interest income	57,895	418,138	31,640	380,202
Withdrawal/(placement) of fixed deposit pledged and/or with maturity period more than 3 months	2,080,476	(3,454,737)	2,080,476	(3,454,737)
Net cash outflow from				
Derecognition of a subsidiary	(100,361)	-	-	-
Assets held of sales	(873,826)	-	-	-
Proceeds from disposal of:				
Other investments	5,133,412	585,000	-	-
Plant and equipment	-	1,548,230	-	-
Net cash from/(used in) investing activities	5,914,404	(29,597,983)	1,191,837	(70,085,112)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024
(Cont'd)

	Group		Company	
	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM (Restated)*	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM
CASH FLOWS FROM FINANCING ACTIVITIES				
Net proceeds from exercise of employees' share options	–	9,806,235	–	9,806,235
Repayment of lease liabilities	(324,520)	(584,672)	(152,159)	(401,914)
Interest expense	(879,563)	(1,813,012)	(6,121)	(26,777)
Repayment of Islamic Medium Term Notes	(1,600,000)	(2,900,000)	–	–
Advances from subsidiaries	–	–	1,815,604	–
Net cash (used in)/from financing activities	(2,804,083)	4,508,551	1,657,324	9,377,544
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	597,039	(63,889,103)	(322,346)	(65,810,291)
Effects of currency translation difference	11,664	8,638	–	(4,064)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR/PERIOD	5,634,419	69,514,884	383,776	66,198,131
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR/PERIOD	6,243,122	5,634,419	61,430	383,776
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR/PERIOD COMPRISE:				
Deposits with licensed banks	3,286,610	6,117,086	3,258,110	5,338,586
Cash and bank balances	8,676,516	7,605,640	61,430	358,289
Short term investments	–	25,487	–	25,487
Bank overdrafts	(2,461,894)	(2,775,208)	–	–
	9,501,232	10,973,005	3,319,540	5,722,362
Less: Deposits pledged to licensed banks and/or with maturity period more than 3 months	(3,258,110)	(5,338,586)	(3,258,110)	(5,338,586)
	6,243,122	5,634,419	61,430	383,776

* The comparative figure in this statement for the Group and the related notes has been represented to show the discontinued operation, as disclosed in Note 27 to the financial statements.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

1. GENERAL INFORMATION

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

The registered office of the Company at A3-3-8 Solaris Dutamas, No. 1 Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan, Malaysia.

The principal place of business of the Company is located at DF2-11-01, Level 11, Persoft Tower, 6B, Persiaran Tropicana, Tropicana Golf & Resort, 47410 Petaling Jaya, Selangor Darul Ehsan.

The principal activities of the Company are investment holding and provision of management services. The principal activities of its subsidiary companies are disclosed in Note 15 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

The financial statements of the Group and of the Company have been authorised by the Board of Directors for issuance on 25 October 2024.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

Adoption of new standards and amendments to MFRSs

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

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 101 and MFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 – Comparative Information
Amendments to MFRS 112	International Tax Reform – Pillar Two Model Rules

The adoption of these new and amendments to standards did not have any significant impact on the financial statements of the Group and of the Company except for:

Amendments to MFRS 101 and MFRS Practice Statement 2 Disclosure of Accounting Policies

The Group and Company has adopted the amendments to MFRS 101 *Presentation of Financial Statements* and MFRS Practice Statement 2 *Materiality Practice Statement* for the first time in the current financial year. The amendments change the requirements in MFRS 101 *Presentation of Financial Statements* with regard to disclosure of accounting policies. The amendments replace all instances of the term "significant accounting policies" with "material accounting policy information". Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

The adoption of these new and amendments to standards did not have any significant impact on the financial statements of the Group and of the Company except for: (Cont'd)

Amendments to MFRS 101 and MFRS Practice Statement 2 Disclosure of Accounting Policies (Cont'd)

Amendments to MFRS 101 *Presentation of Financial Statements* are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The amendments have no effect on the measurement, recognition or presentation of any items in the Group's and the Company's financial statements but affect the disclosure of accounting policies.

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

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

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback ¹
Amendments to MFRS 101	Classification of Liabilities as Current or Non-Current ¹
Amendments to MFRS 101	Non-current Liabilities with Covenants ¹
Amendments to MFRS 107 and MFRS 7	Supplier Finance Agreements ¹
Amendments to MFRS 121	Lack of Exchangeability ²
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments ³
Amendments to MFRSs MFRS 18	Annual Improvements to MFRS Accounting Standards – Volume 11 ³
MFRS 19	Presentation and Disclosure in Financial Statements ⁴
Amendments to MFRS 10 and MFRS 128	Subsidiaries without Public Accountability: Disclosure ⁴
	Sales or Contribution of between an Investor and its Associate or Joint Venture ⁵

¹ Effective for annual periods beginning on or after 1 January 2024.

² Effective for annual periods beginning on or after 1 January 2025.

³ Effective for annual periods beginning on or after 1 January 2026.

⁴ Effective for annual periods beginning on or after 1 January 2027.

⁵ Deferred to a date to be determined and announced by MASB.

The Directors anticipate that the abovementioned new standards and amendments to MFRSs will be adopted in the annual financial statements of the Group and Company when they become effective, if applicable, and that the adoption of these standards will have no material impact on the financial statements of the Group and Company in the period of initial application.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION

Basis of accounting

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

Functional and presentation currency

Items included in the financial statements of the Group and the Company are measured using the currency of the primary economic environment in which the Group and the Company operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is the Group and the Company's functional and presentation currency. All financial information is presented in RM.

Basis of consolidation

The Group applies the acquisition method to account for business combination from the acquisition date when the acquired set of activities meet the definition of a business and control is transferred to the Group.

A business combination involving entities under common control is a business combination in which all the combining subsidiaries are ultimately controlled by the same party and parties both before and after the business combination, and that control is not transitory. Under the merger method of accounting, the results of subsidiary companies are presented as if the business combination had been affected throughout the current and previous financial years. The assets and liabilities combine are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer. On consolidation, the difference between the carrying value of the investment in subsidiary companies and the share capital of the Company's subsidiary companies is taken to merger reserve.

Non-controlling interests

At the acquisition date, components of non-controlling interests of the Group are measured at the non-controlling interest's proportionate share of the acquiree's identifiable assets.

Investment in subsidiaries

In the Company's separate financial statements, investment in subsidiary companies is stated at cost less accumulated impairment losses.

Goodwill on consolidation

Goodwill arising from business combination represents the excess of cost of acquisition over the Group's interest in the fair value of the acquiree's identifiable assets and liabilities and is initially recognised as an asset at cost and subsequently measured at cost less any accumulated impairment losses.

Investment in an associate

Investment in associates is accounted for in the consolidated financial statements of the Group using the equity method.

In the Company's separate financial statements, investments in associates are stated at cost less accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Plant and equipment are depreciated on straight-line basis to write off the cost and valuation of each asset to its residual value over estimated useful life.

Air conditioners	10%
Cabin container	10%
Computer and software	40%
Mini hydro power plant	Remaining lease period
Motor vehicles	20%
Office equipment, furniture and fittings	10%
Plant and machinery	10%
Renovation	10%
Road infrastructure	20%

When significant parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising on the disposal of plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss.

Lands and buildings are measured at revalued amount, being the fair value less accumulated depreciation and impairment losses recognised after the date of the revaluation. Valuations are performed with sufficient regularity, usually every five years, to ensure that the carrying amount does not differ materially from the fair value of the land and buildings at the end of the reporting year.

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

Leases - as lessee

The ROU asset under cost model is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of the ROU assets are determined on the same basis as those of property, plant and equipment.

The Company's ROU assets consist of motor vehicles (included in plant and equipment) and premise as disclosed in Notes 12 and 13, respectively.

The ROU assets are subject to impairment.

Lease payments associated with short term leases and leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short term leases are leases with a lease term of 12 months or less and do not contain a purchase option. Low value assets are those assets valued at less than RM20,000 each when purchased.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both. Investment properties are measured at cost, including transaction costs, less any accumulated depreciation and impairment losses.

Investment properties are depreciated on a straight-line basis to write down the cost of each asset to their residual values over their estimated useful lives. The estimated annual useful lives as follows:

Freehold buildings	50 years
Freehold residential lots	50 years
Freehold commercial retails lots	50 years
Leasehold commercial building	50 years

Freehold land is not depreciated.

Financial assets

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

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss ("FVTPL"), directly attributable transaction costs.

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

(a) Financial assets at amortised cost

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

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

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Financial assets (Cont'd)

(b) Fair value through other comprehensive income

Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group and the Company may irrevocably elect to present subsequent changes in fair value in other comprehensive income ("OCI") on an investment-by-investment basis.

Financial assets categorised as fair value through other comprehensive income ("FVOCI") are subsequently measured at fair value, with unrealised gains and losses recognised directly in OCI and accumulated under fair value adjustment reserve in equity. For equity instruments, the gains or losses are never reclassified to profit or loss.

(c) Financial assets at fair value through profit or loss

All financial assets not classified as measured at amortised cost or FVOCI, as described above, are measured at FVTPL. This includes derivative financial assets (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument). On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets categorised as FVTPL are subsequently measured at their fair value with gains or losses recognised in the profit or loss.

All financial assets, except for those measured at FVTPL and equity investments measured at FVOCI, are subject to impairment.

The Group and the Company have not designated any financial assets at FVTPL.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received for financial instrument is recognised in profit or loss.

Financial liabilities

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Financial liabilities (Cont'd)

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

Impairment of financial assets

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

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

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on a lifetime ECL at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs when the guaranteed debtor fails to make payment when due. Financial guarantee contracts are recognised initially as financial liabilities at fair value, net of transaction costs. Subsequently, the liability is measured at the higher of:

- the amount of the loss allowance; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15 *Revenue from Contracts with Customers*.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Inventories

Inventories are stated at the lower of cost and net realisable value.

Property development costs

Property development costs are determined based on a specific identification basis. Property development costs comprising cost of land, direct materials, direct labour, other direct costs and related overheads incurred that meet the definition of inventories are recognised as an asset and are stated at the lower of cost and net realisable value. The property development costs are subsequently recognised as an expense in profit or loss when or as the control of the asset is transferred to the customer over time or at a point in time.

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

Property development costs for which work has been undertaken and development activities are expected to be completed within the normal operating cycle, are classified as current asset.

Materials on site

Costs of materials on site are determined using the first-in first-out method and comprise the original cost of purchase plus the cost of bringing the inventories to their present location and condition.

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

Contract assets and contract liabilities

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

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

Contract asset is reclassified to trade receivables at the point at which invoices have been billed to customers.

Contract liability is the obligation to transfer goods or services to customers for which the Group has received the consideration or has billed the customers. The Group's contract liability is the excess of the billings to-date over the revenue recognised. Contract liabilities are recognised as revenue when the Group performs its obligation under the contracts.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Construction contracts

Construction contracts are contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and functions or their ultimate purpose or use.

Cost incurred to fulfil the contracts, comprising cost of direct materials, direct labour, other direct costs, attributable overheads and payments to subcontractors are recognised as an asset and amortised over to profit or loss systematically to reflect the transfer of the contracted service to the customer.

The Group uses the efforts or inputs to the satisfaction of the performance obligations to determine the appropriate amount to recognise in a given period. This is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the financial year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. They are presented as inventories, prepayments or other assets, depending on their nature. When the carrying amount of the asset exceeds the remaining amount of consideration that the Group expects to receive in exchange of the contracted asset, an impairment loss is recognised in profit or loss.

The Group presents as an asset the gross amount due from customers for contract work in progress for which costs incurred plus recognised profits (less recognised losses) exceed contract liabilities. Contract liabilities not yet paid by customers and retention monies are included within receivables and contract assets. The Group presents as a liability the gross amount due to customers for contract work for all contracts in progress for which contract liabilities exceed costs exceed costs incurred plus recognised profits (less recognised losses).

Share capital

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

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

Revenue and other income recognition

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024
(Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Revenue and other income recognition (Cont'd)

The Group recognise revenue from the following major sources:

(a) Sale of electricity

The Group recognises revenue from the sale of electricity at the point in time as and when electricity is delivered to the off-takers based on the invoiced value of sale of electricity computed at a pre-determined rate.

(b) Revenue from construction contracts

The Group recognises revenue from construction contracts over time when control over the asset has been transferred to the customers. The assets have no alternative use to the Group due to contractual restriction and the Group has an enforceable right to payment for performance completed to date. Revenue from construction contracts is measured at the transaction price agreed under the construction contracts.

Revenue from construction contracts is recognised over time based on the percentage of completion by using the cost-to-cost method ("input method"), based on the proportion of contract costs incurred for work performed to date relative to the estimated total budgeted costs

The Group previously have recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. If the progress billing exceeds the revenue recognised to date, the Group recognises a contract liability for the difference. There is not considered to be a significant financing component in contracts with customers as the period between the recognition of revenue and the progress billing is always less than one year.

The Group provides warranties for general repairs of defects existed at the time of sale. These assurance-type warranties are accounted for under MFRS 137 *Provision, Contingent Liabilities and Contingent Assets*.

(c) Rental Income

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

(d) Interest Income

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Non-current assets (or disposal group) held for sale and discontinued operation

Non-current assets (or disposal group) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Such non-current assets (or disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group). Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification, except the delay is caused by events or circumstances beyond the entity's control and there is sufficient evidence that the entity remains committed to its plan to sell the asset (or disposal group).

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of a separate major line of business
- or geographical area of operations, or
- is a subsidiary company acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss is re-represented as if the operation had been discontinued from the start of the comparative period.

Statement of cash flow

The Group and the Company adopt the indirect method in the preparation of the statement of cash flow.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Directors have used estimates and assumptions in measuring the reported amounts of assets and liabilities at the end of the reporting period and the reported amounts of expenses during the reporting period. Judgements and assumptions are applied in the measurement, and hence, the actual results may not coincide with the report amounts.

(a) Critical judgements in applying the Group's and the Company's accounting policies

In the process of applying the Company's accounting policies, the directors are of the opinion that there are no instances of application of judgements which are expected to have a significant effect on the amounts recognised in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024
(Cont'd)

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

(b) Key sources of estimation uncertainty

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

Useful lives/depreciation of plant and equipment, right-of-use ("ROU") assets and investment properties

The Group regularly reviews the estimated useful lives of plant and equipment, ROU assets and investment properties based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of plant and equipment, ROU assets and investment properties would increase the recorded depreciation and decrease the value of plant and equipment, ROU assets and investment properties.

The carrying amounts at the reporting date for plant and equipment, ROU assets and investment properties are disclosed in Notes 12, 13 and 14 respectively.

Impairment of investments in subsidiaries and amount due from subsidiaries

The Company reviews its investments in subsidiaries and amount due from subsidiaries when there are indicators of impairment. Impairment is measured by comparing the carrying amount of an investment with its recoverable amount. Significant judgement is required in determining the recoverable amount. Estimating the recoverable amount requires the Company to make an estimate of the expected future cash flows from the cash-generating units and also to determine a suitable discount rate in order to calculate the present value of those cash flows.

The carrying amount at the reporting date for investments in subsidiaries and amount due from subsidiaries are disclosed in Notes 15 and 23.

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the unused tax losses, unabsorbed capital allowances and other deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

The carrying value of recognised and unrecognised deferred tax assets are disclosed in Note 18.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

(b) Key sources of estimation uncertainty (Cont'd)

Revenue from construction contracts

Revenue from construction contracts is recognised over time based on the percentage of completion by using the cost-to-cost method ("input method"), based on the proportion of contract costs incurred for work performed to date relative to the estimated total budgeted costs.

Significant judgement is required in determining the progress based on the certified work-to-date corroborated by the level of completion of the construction based on actual costs incurred to-date over the estimated total construction costs.

The total estimated construction costs are based on approved budgets, which require assessments and judgments to be made on changes in, for example, work scope, changes in costs and costs to completion. In making the judgement, the Group evaluates based on past experience, the work of specialists and a continuous monitoring mechanism.

The details of construction contracts balances are disclosed in Note 22.

Provision for expected credit loss of trade receivables and contract assets

The Group used judgements and estimates to determine the historical credit loss experience and forward-looking information specific to the group of receivables and their general economic environments.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical cash collection performance and the latest available forward-looking information and general economic data. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit loss is a significant estimate.

The Group's historical credit loss experience and forecast of economic conditions may not be representative of customer's actual default in the future. Information about the expected credit loss on the Group's trade receivables and contract assets are disclosed in Notes 20 and 22.

Income taxes

Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group recognise liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. As at 30 June 2024, the Group has tax recoverable and tax payable of RM19,799 (30.6.2023: RM70,519) and RM107,733 (30.6.2023: RM20,745).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024
(Cont'd)

5. SEGMENT REPORTING

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group Executive Directors as its chief operating decision maker in order to allocate resources to segments and to assess their performance. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into 5 main reportable segments as follows:

- (a) Civil Engineering and Consultation ("CE") - involved in civil engineering and construction.
- (b) M&E Engineering Services ("M&E") - involved in the provision of water treatment and sewerage industry, palm oil, sugar mills, refineries and other factories.
- (c) Renewable Energy ("RE") - involved in hydro power plant and electricity supplied.
- (d) Manufacturing of LV Switchboards ("LV") - involved in sub-distribution for the generation, transmission, distribution and conversion of electric energy and for the control of equipment that consume electric energy.
- (e) Investment Holdings and Others ("OI") – holding of investments is the shares of an associate, other investment, letting of properties and equipment and sand trading.

The Group's contract expenses, operating expenses, financing (including finance costs), income taxes, assets and liabilities are managed on a group and are not allocated to operating segments.

Each reportable segment assets is measured based on all assets (including goodwill) of the segment other than investments in an associate and tax-related assets. Each reportable segment liabilities is measured based on all liabilities of the segment other than borrowings and tax-related liabilities.

The prices between operating segments are at arm's length basis in a manner similar to transactions with third parties. The effects of such inter-segment transactions are eliminated on consolidation.

The segment information reported does not include any amount for discontinued operation, which are described in more detail in Note 27.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

5. SEGMENT REPORTING (CONT'D)

Business Segments

Group 1.7.2023 to 30.6.2024	CE RM	M&E RM	LV RM	RE RM	OI RM	Elimination RM	Group RM
Revenue							
External revenue	72,839,464	1,915,352	-	-	-	-	74,754,816
Results							
Segment loss before taxation	(12,740,875)	(326,550)	-	-	(4,986,919)	-	(18,054,344)
Taxation	-	-	-	-	(66,052)	-	(66,052)
Profit from discontinued operation	-	-	-	1,017,655	-	-	1,017,655
Segment loss include the following:							
Amortisation of transaction costs capitalised	-	-	-	-	101,789	-	101,789
Depreciation:							
Investment properties	8,261	-	-	-	293,000	-	301,261
Plant and equipment	474,013	12,253	-	-	50,979	-	537,245
Right-of-use assets	140,707	3,700	-	-	168,888	-	313,295
Fair value loss on other investments	2,103,007	-	-	-	-	-	2,103,007
Finance costs	157,421	4,139	-	-	718,003	-	879,563
Bad debt written off	8,526	-	-	-	-	-	8,526
Impairment losses on:							
Trade receivables	2,160,348	-	-	-	-	-	2,160,348
Contract assets	3,114,539	-	-	-	-	-	3,114,539
Investment in an associate	-	-	-	-	29,999	-	29,999
Assets held for sales	-	-	-	-	3,861,493	-	3,861,493
Unrealised gain on foreign exchange	-	-	-	-	(11,664)	-	(11,664)
Interest income	(4,873)	(128)	-	-	(52,894)	-	(57,895)
Lease expenses relating to short term lease	-	-	-	-	11	-	11

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024
(Cont'd)

5. SEGMENT REPORTING (CONT'D)

Business Segments (cont'd)

Group 1.7.2023 to 30.6.2024	CE RM	M&E RM	LV RM	RE RM	OI RM	Elimination RM	Group RM
Segment loss include the following (cont'd):							
Gain on disposal of other investment	-	-	-	-	(231,637)	-	(231,637)
Reversal on impairment: Trade receivable	(225,195)	-	-	-	-	-	(225,195)
Contract assets	(1,958,163)	-	-	-	-	-	(1,958,163)
Written off plant and equipment	11,235	-	-	-	-	-	11,235
Gain on derecognition of subsidiary	-	-	-	-	(3,935,838)	-	(3,935,838)
Segment assets	107,083,555	2,815,819	-	-	232,185,531	(153,054,815)	189,030,090
Unallocated assets:							
Current tax asset	19,799	-	-	-	-	-	19,799
Consolidated total assets	107,103,354	2,815,819	-	-	232,185,531	(153,054,815)	189,049,889
Addition to non-current assets other than financial instruments and deferred tax assets are:							
Plant and equipment	21,750	-	-	-	28,757	-	50,507
Right-of-use asset	104,053	-	-	-	-	-	104,053
	125,803	-	-	-	28,757	-	154,560
Segment liabilities	112,151,332	2,949,077	-	-	107,403,851	(169,084,018)	53,420,242
Unallocated liabilities:							
Deferred tax liability	-	-	-	-	368,553	-	368,553
Consolidated total liabilities	112,151,332	2,949,077	-	-	107,772,404	(169,084,018)	53,788,795

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024
(Cont'd)

5. SEGMENT REPORTING (CONT'D)

Business Segments (cont'd)

Group 1.1.2022 to 30.6.2023 (Restated)	CE RM	M&E RM	LV RM	RE RM	OI RM	Elimination RM	Group RM
Revenue							
External revenue	123,208,856	12,754,762	177,726	3,100,000	-	-	139,241,344
Results							
Segment loss before taxation	(486,680)	(50,382)	(702)	-	(23,404,349)	-	(23,942,113)
Taxation	(1,468,298)	(152,000)	(2,118)	-	-	-	(1,622,416)
Profit from discontinued operation	-	-	-	2,429,609	-	-	2,429,609
Segment loss include the following:							
Amortisation of transaction costs capitalised	-	-	-	-	152,684	-	152,684
Depreciation:							
Investment properties	26,168	2,709	38	-	270,661	-	299,576
Plant and equipment	951,017	98,451	1,372	723	-	-	1,051,563
Right-of-use assets	101,464	10,504	146	-	451,906	-	564,020
Fair value loss on other investments	-	-	-	-	12,786,468	-	12,786,468
Finance costs	209,715	21,710	303	-	1,581,284	-	1,813,012
Impairment losses on trade receivables	1,736,420	-	-	-	-	-	1,736,420
(Gain)/Loss on disposal of:							
Other investments	-	-	-	-	180,900	-	180,900
Plant and equipment	-	-	(45,611)	-	(66,666)	-	(112,277)
Interest income	-	-	-	-	(392,388)	-	(392,388)
Unrealised gain on foreign exchange	-	-	-	17	(10,953)	-	(10,936)
Gain on termination of lease contract	-	-	-	-	(7,866)	-	(7,866)
Lease expenses relating to short term lease	-	-	-	100	-	-	100

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024
(Cont'd)

5. SEGMENT REPORTING (CONT'D)

Business Segments (cont'd)

Group 1.1.2022 to 30.6.2023 (Restated)	CE RM	M&E RM	LV RM	RE RM	OI RM	Elimination RM	Group RM
Segment assets	102,509,507	10,611,935	147,868	29,375,608	288,269,524	(229,738,577)	201,175,865
Unallocated asset: Current tax assets	52,145	-	-	18,374	-	-	70,519
Consolidated total assets	102,561,652	10,611,935	147,868	29,393,982	288,269,524	(229,738,577)	201,246,384
Addition to non-current assets other than financial instruments and deferred tax assets are:							
Plant and equipment	897,905	92,819	-	-	42,515	-	1,033,239
Right-of-use asset	55,821	539,997	-	-	116,601	-	712,419
	953,726	632,816	-	-	159,116	-	1,745,658
Segment liabilities	106,619,931	11,037,452	153,797	27,136,941	110,121,315	(206,597,481)	48,471,955
Unallocated liabilities: Deferred tax liability	-	-	-	410,595	-	-	410,595
Consolidated total liabilities	106,619,931	11,037,452	153,797	27,547,536	110,121,315	(206,597,481)	48,882,550

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

5. SEGMENT REPORTING (CONT'D)

Geographical information

The Group operates predominantly in Malaysia. Accordingly, the information by geographical segment is not presented.

Major customers

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

	Revenue		Segment
	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM	
Customer A	29,305,053	39,852,910	Civil Engineering and Construction.
Customer B	17,012,196	32,617,535	Civil Engineering and Construction.

6. REVENUE

	Group	
	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM (Restated)
Recognised over time:		
Contract revenue	74,653,836	134,583,472
Recognised at point in time:		
Sale of goods and rendering services	100,980	4,657,872
Sales of electricity supplied	– *	– *
	<hr/> 74,754,816	<hr/> 139,241,344

* Revenue for sales of electricity supplied has been classified as discontinued operation as disclosed in Note 27.

The information on the disaggregation of revenue is disclosed in Note 3 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024
(Cont'd)

7. NET IMPAIRMENT LOSS/(REVERSAL) ON FINANCIAL ASSETS AND CONTRACT ASSETS

	Group		Company	
	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM
Net impairment loss on:				
Amount due from subsidiaries	–	–	47,014,137	–
Contract assets	3,114,539	1,736,420	–	–
Trade receivables	2,160,348	–	–	–
Reversal of impairment loss on:				
Contract assets	(1,958,163)	–	–	–
Trade receivables	(225,195)	–	–	–
	3,091,529	1,736,420	47,014,137	–

8. LOSS BEFORE TAX

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

	Group		Company	
	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM (Restated)	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM
Auditors' remuneration:				
Statutory audit:				
Current year	248,800	280,000	66,500	70,000
(Over)/under provision in the prior year	–	(11,000)	–	2,000
Non-statutory audit	18,500	21,000	5,000	13,000
Amortisation of transaction costs capitalised	101,789	152,684	–	–
Bad debt written off	8,526	–	–	–
Depreciation of:				
Investment properties	301,261	299,576	–	–
Plant and equipment				
Continued	537,245	1,051,563	49,933	62,462
Discontinued	1,816,067	2,778,605	–	–
Right-of-use assets				
Continued	313,295	564,020	168,888	434,817
Discontinued	79,264	96,013	–	–
Fair value loss on other investments	2,103,007	12,786,468	–	–
Gain on termination of lease contract	–	(7,866)	–	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

8. LOSS BEFORE TAX (CONT'D)

Loss before tax is determined after charging/(crediting) amongst other, the following items: (Cont'd)

	Group		Company	
	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM (Restated)	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM
Impairment losses on:				
Assets held for sale	3,861,493	-	-	-
Contract assets	3,114,539	-	-	-
Investment in an associate	29,999	-	29,999	-
Investment in subsidiaries	-	-	6,357,730	4,851
Trade receivables	2,160,348	1,736,420	-	-
Interest expense on financial liabilities not at fair value through profit or loss:				
Bank overdraft	125,739	187,486	-	-
Islamic Medium-Term Loan	610,093	1,062,660	-	-
Lease liabilities	31,350	41,354	6,121	26,667
Others	112,381	521,512	-	-
Lease expenses relating to short-term leases	11	45,600	-	-
(Gain)/Loss on disposals of:				
Other investments	(231,637)	180,900	-	-
Plant and equipment	-	(112,278)	-	-
Gain on derecognition of subsidiary	(3,935,838)	-	-	-
Interest income on financial assets not at fair value through profit or loss:				
Deposits with licensed bank				
Continued	(30,475)	(50,946)	(30,475)	(38,760)
Discontinued	(20,483)	(25,750)	-	-
Interest income on short-term investments	(536)	(341,442)	(536)	(341,442)
Others	(6,401)	-	(629)	-
Rental income	(216,000)	(86,250)	-	-
Unrealised (gain)/loss on foreign exchange	(11,664)	(10,919)	-	4,064
Written-off of plant and equipment	11,235	-	-	-
Reversal of impairment:				
Contract assets	(1,958,163)	-	-	-
Trade receivables	(225,195)	-	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024
(Cont'd)

9. STAFF COSTS

	Group		Company	
	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM (Restated)	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM
Directors' fees	335,000	675,500	285,000	441,500
Salaries, bonuses and other emoluments	11,710,311	15,165,371	1,406,375	2,786,731
Defined contributions plans	693,637	909,784	172,574	326,991
Other benefits	170,864	930,583	-	156,711
Share option expenses	-	1,512,604	-	1,512,604
	12,909,812	19,193,842	1,863,949	5,224,537

Included in staff costs is aggregate amount of remuneration received and receivables by the Directors of the Company and of the subsidiary companies during the financial year/period as below:

	Group		Company	
	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM
Directors of the Company:				
<u>Executive Directors</u>				
Fees	155,000	423,000	105,000	189,000
Salaries, bonuses and other emoluments	993,094	1,585,525	784,962	1,338,777
Defined contributions plans	116,290	207,528	91,456	157,052
	1,264,384	2,216,053	981,418	1,684,829
<u>Non-executive Directors</u>				
Fees	180,000	252,000	180,000	252,000
	1,444,384	2,468,053	1,161,418	1,936,829
Other key management personnel				
Salaries, bonuses and other emoluments	1,286,270	2,214,031	149,679	484,348
Defined contributions plans	151,500	254,863	17,892	55,203
	1,473,770	2,468,894	167,571	539,551

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024
(Cont'd)

10. TAXATION

	Group		Company	
	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM (Restated)	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM
Tax expenses recognised in profit or loss				
Current tax:				
Current year	109,132	20,744	–	–
Under provision in prior year	(1,038)	279	–	–
	108,094	21,023	–	–
Deferred tax (Note 18):				
(Over)/Under provision in prior years	(42,042)	1,591,639	–	–
	66,052	1,612,662	–	–

Malaysian income tax is calculated at the statutory tax rate of 24% (30.6.2023: 24%) of the estimated assessable profits for the financial year. Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

10. TAXATION (CONT'D)

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

	Group		Company	
	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM
Loss before tax	(18,054,344)	(21,502,750)	(57,001,495)	(6,778,268)
Taxation at statutory rate of 24% (2023: 24%)	(4,333,043)	(5,160,660)	(13,680,359)	(1,626,784)
Expenses not deductible for tax purposes	2,021,127	6,772,103	13,687,953	1,705,124
Income not subject to tax	(891,773)	(246,924)	(7,594)	(91,844)
Deferred tax assets not recognised	3,313,310	121,413	-	13,504
Utilisation of previous year deferred tax assets not recognised	(489)	(1,468,742)	-	-
(Over)/Under provision of income tax expenses in prior years	(1,038)	3,833	-	-
(Over)/Under provision of deferred tax in prior years	(42,042)	1,591,639	-	-
	66,052	1,612,662	-	-

Pursuant to Section 8 of the Finance Act 2021 (Act 833), the amendments to Section 44(5F) of Income Tax Act 1967, the time limit of the carried forward unutilised tax losses has been extended to maximum of 10 consecutive years of assessment.

The Group has unabsorbed capital allowances, unutilised investment tax allowances and unutilised tax losses carried forward, available to off-set against future taxable profits as follows:

	Group	
	30.6.2024 RM	30.6.2023 RM
Unabsorbed capital allowances	1,669,370	1,669,370
Unutilised investment tax allowances	-	11,964,004
Unutilised tax losses, expiring on:		
Year assessment 2029	16,766,108	17,715,337
Year assessment 2030	7,352,153	7,514,127
Year assessment 2031	817,440	1,174,780
Year assessment 2033	163,379	163,379
Year assessment 2034	13,805,460	-
	40,573,910	40,200,997

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

11. LOSS PER SHARE

Basic and diluted loss per ordinary share attributable to owner of the Company are computed by dividing the loss for the financial year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

Basic loss per share

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

	Group	
	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM
Loss attributable to owners of the Company:		
From continuing operations	(17,961,064)	(25,237,119)
From discontinued operation	1,017,655	2,429,609
	<u>(16,943,409)</u>	<u>(22,807,510)</u>
Weighted average number of ordinary shares outstanding	190,529,247	184,397,883
Basic loss per share (sen)		
From continuing operations	(9.43)	(13.69)
From discontinued operation	0.53	1.32
	<u>(8.90)</u>	<u>(12.37)</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024
(Cont'd)

11. LOSS PER SHARE (CONT'D)**Diluted loss per share**

Diluted loss per share are calculated based on the adjusted consolidated profit for the financial year/period attributable to the owners of the parent and the weighted average number of ordinary shares in issue during the financial year/period have been adjusted for the dilutive effects of all potential ordinary shares as follows:

	Group	
	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM
Loss attributable to owners of the Company:		
From continuing operations	(17,961,064)	(25,237,119)
From discontinued operation	1,017,655	2,429,609
	(16,943,409)	(22,807,510)
Weighted average number of ordinary shares outstanding	190,529,247	184,397,883
Shares deemed to be issued for no consideration:		
Warrants in issue	—*	—*
	190,529,247	184,397,883
Diluted loss per share (sen):		
From continuing operations	(9.43)	(13.69)
From discontinued operation	0.53	1.32
	(8.90)	(12.37)

* No dilutive effect from outstanding warrants as it is considered out-of-money.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024
(Cont'd)

12. PLANT AND EQUIPMENT

Group	Air conditioners	Cabin container	Computer and software	Mini hydro power plant	Motor vehicles	Office equipment, furniture and fittings	Plant and machinery	Renovation	Road infrastructure	Total
30.6.2024	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Cost										
At the beginning of financial year	38,155	223,550	56,137	29,900,000	4,464	923,745	3,775,385	108,291	473,958	35,503,685
Additions	-	-	16,907	-	-	33,600	-	-	-	50,507
Written off	-	-	-	-	-	(19,260)	-	-	-	(19,260)
Derecognition on deconsolidation of subsidiary	-	-	-	-	-	(7,269)	(750)	-	-	(8,019)
Transfer to asset held for sale	-	-	(16,008)	(29,900,000)	(4,464)	(46,092)	(111,411)	-	(473,958)	(30,551,933)
At the end of financial year	38,155	223,550	57,036	-	-	884,724	3,663,224	108,291	-	4,974,980
Accumulated depreciation										
At the beginning of financial year	19,275	50,532	32,511	11,517,048	4,464	477,716	2,372,674	27,485	236,979	14,738,684
Charged for the year	3,816	22,355	19,955	1,706,856	-	377,151	117,559	10,829	94,791	2,353,312
Written off	-	-	-	-	-	(8,025)	-	-	-	(8,025)
Derecognition on deconsolidation of subsidiary	-	-	-	-	-	(4,675)	(437)	-	-	(5,112)
Transfer to asset held for sale	-	-	(16,008)	(13,223,904)	(4,464)	(33,599)	(85,406)	-	(331,770)	(13,695,151)
At the end of financial year	23,091	72,887	36,458	-	-	808,568	2,404,390	38,314	-	3,383,708
Carrying amount										
At the end of financial year	15,064	150,663	20,578	-	-	76,156	1,258,834	69,977	-	1,591,272

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12. PLANT AND EQUIPMENT (CONT'D)

Group	Air conditioners	Cabin container	Computer and software	Mini hydro power plant	Motor vehicles	Office equipment, furniture and fittings	Plant and machinery	Renovation infrastructure	Road infrastructure	Total
30.6.2023	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Cost										
At the beginning of financial period	30,435	209,350	29,041	29,900,000	407,097	779,066	4,483,195	108,291	473,958	36,420,433
Additions	7,720	14,200	27,096	-	-	192,033	792,190	-	-	1,033,239
Disposals	-	-	-	-	(402,633)	(2,730)	(1,500,000)	-	-	(1,905,363)
Written off	-	-	-	-	-	(44,624)	-	-	-	(44,624)
At the end of financial period	38,155	223,550	56,137	29,900,000	4,464	923,745	3,775,385	108,291	473,958	35,503,685
Accumulated depreciation										
At the beginning of financial period	14,088	17,946	14,051	8,694,007	406,499	407,665	1,762,262	11,241	94,792	11,422,551
Charged for the financial period	5,187	32,586	18,460	2,823,041	595	114,789	677,079	16,244	142,187	3,830,168
Disposals	-	-	-	-	(402,630)	(114)	(66,667)	-	-	(469,411)
Written Off	-	-	-	-	-	(44,624)	-	-	-	(44,624)
At the end of financial period	19,275	50,532	32,511	11,517,048	4,464	477,716	2,372,674	27,485	236,979	14,738,684
Carrying amount										
At the end of financial period	18,880	173,018	23,626	18,382,952	-	446,029	1,402,711	80,806	236,979	20,765,001

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(Cont'd)

12. PLANT AND EQUIPMENT (CONT'D)

	Air conditioner RM	Computer and software RM	Office equipment, furniture and fittings RM	Renovation RM	Total RM
Company					
30.6.2024					
Cost					
At the beginning of financial year	12,905	47,653	177,187	108,291	346,036
Additions	–	12,809	7,600	–	20,409
At the end of financial year	12,905	60,462	184,787	108,291	366,445
Accumulated depreciation					
At the beginning of financial year	1,814	24,027	37,980	27,485	91,306
Charged for the financial year	1,291	19,619	18,192	10,829	49,931
At the end of financial year	3,104	43,646	56,172	38,314	141,237
Carrying amount					
At the end of financial year	9,800	16,816	128,615	69,977	225,208
30.6.2023					
Cost					
At the beginning of financial period	5,185	20,557	169,488	108,291	303,521
Additions	7,720	27,096	7,699	–	42,515
At the end of financial period	12,905	47,653	177,187	108,291	346,036
Accumulated depreciation					
At the beginning of financial period	415	5,567	11,621	11,241	28,844
Charged for the financial period	1,399	18,460	26,359	16,244	62,462
At the end of financial period	1,814	24,027	37,980	27,485	91,306
Carrying amount					
At the end of financial period	11,091	23,626	139,207	80,806	254,730

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FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

12. PLANT AND EQUIPMENT (CONT'D)

In the previous financial period, certain assets have been charged to a financial institution for Islamic Medium Term Notes granted to the Group as disclosed in Note 35 as follows:

	Group 30.6.2023 RM
Mini hydro power plant	16,672,142
Office equipment, furniture and fittings	11,185
Plant and machinery	33,383
Road infrastructure	236,979
	16,953,689

During the financial year, the Group has planned to dispose I.S. Energy Sdn. Bhd., hence these assets were reclassified to assets held for sale as disclosed in Note 27.

13. RIGHT-OF-USE ASSETS

	Office building RM	Right-to-use the water of Sungai Rek RM	Motor vehicles RM	Store RM	Total RM
Group 30.6.2024					
Cost					
At the beginning of financial year	725,940	783,202	1,096,891	80,930	2,686,963
Additions	-	-	-	104,053	104,053
Termination of lease contract	-	-	-	(80,930)	(80,930)
Transfer to assets held for sale	-	(783,202)	(116,601)	-	(899,803)
	725,940	-	980,290	104,053	1,810,283
Accumulated depreciation					
At the beginning of financial year	604,950	251,744	413,441	43,837	1,313,972
Charged for the financial year	120,990	55,943	174,197	41,429	392,559
Termination of lease contract	-	-	-	(80,930)	(80,930)
Transfer to assets held for sale	-	(307,687)	(35,419)	-	(343,106)
	725,940	-	552,219	4,336	1,282,495
Carrying amount					
At the end of financial year	-	-	428,071	99,717	527,788

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(Cont'd)

13. RIGHT-OF-USE ASSETS (CONT'D)

	Office building RM	Right-to-use the water of Sungai Rek RM	Motor vehicles RM	Store RM	Staff hostel RM	Total RM
Group						
30.6.2023						
Cost						
At the beginning of financial period	725,940	783,202	465,402	–	34,178	2,008,722
Additions	–	–	631,489	80,930	–	712,419
Termination of lease contract	–	–	–	–	(34,178)	(34,178)
At the end of financial period	725,940	783,202	1,096,891	80,930	–	2,686,963
Accumulated depreciation						
At the beginning of financial period	241,980	167,829	261,219	–	17,089	688,117
Charged for the financial period	362,970	83,915	152,222	43,837	17,089	660,033
Termination of lease contract	–	–	–	–	(34,178)	(34,178)
At the end of financial period	604,950	251,744	413,441	43,837	–	1,313,972
Carrying amount						
At the end of financial period	120,990	531,458	683,450	37,093	–	1,372,991

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FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024
(Cont'd)

13. RIGHT-OF-USE ASSETS (CONT'D)

	Office building RM	Motor vehicles RM	Total RM
Company			
30.6.2024			
Cost			
At the beginning/end of financial year	725,940	239,489	965,429
Accumulated depreciation			
At the beginning of financial year	604,950	119,745	724,695
Charged for the financial year	120,990	47,898	168,888
At the end of financial year	725,940	167,643	893,583
Carrying amount			
At the end of financial year	-	71,846	71,846
30.6.2023			
Cost			
At the beginning/end of financial period	725,940	239,489	965,429
Accumulated depreciation			
At the beginning of financial period	241,980	47,898	289,878
Charged for the financial period	362,970	71,847	434,817
At the end of financial period	604,950	119,745	724,695
Carrying amount			
At the end of financial period	120,990	119,744	240,734

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(Cont'd)

13. RIGHT-OF-USE ASSETS (CONT'D)

The Group and the Company leases an office building, machinery, motor vehicles, a right-to-use the water of Sungai Rek and staff hostel of which the leasing activities are summarised below:

- (a) Office building - The Group and the Company entered into a Non-cancellable Operating Lease Agreement for the use of an office building. The lease does not allow the Group to assign, transfer or create any charge, lien or trust in respect of or dispose of the whole or any part of the office lot. A tenancy is, however, allowed with the consent of the lessor.
- (b) Right-of-use the water of Sungai Rek - The Group entered into a Cancellable Agreement with The State Government of Kelantan Darul Naim for the use of the water of Sungai Rek to operate hydro power plant for a period of 21 years with renewal option included in the agreement.
- (c) Motor vehicles - The Group and the Company has leased its motor vehicles under hire purchase arrangements. The Group has an option to purchase the asset at the expiry of the lease period at an insignificant amount.
- (d) Machinery - The Group has leased a machinery under hire purchase arrangements. The leases are secured by the leased assets. The Group has an option to purchase the asset at the expiry of the lease period at an insignificant amount.
- (e) Staff hotel - The Group entered into a Cancellable Agreement for the use of a hostel of provide staff accommodation.

The Group reassesses whether it is reasonably certain to exercise the options if there is a significant change in circumstances within its control and none (2023: none) were noted during the financial year.

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the portfolio of leased asset and align with the Group's business needs. Management exercises judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Additional costs for right-of-use assets

The aggregate additional costs for the right-of-use assets of the Group under lease financing and cash payments are as follows:

	Group	
	30.6.2024	30.6.2023
	RM	RM
Aggregate costs	104,053	712,419
Less: Lease financing	(104,053)	(655,130)
	-	57,289

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14. INVESTMENT PROPERTIES

	30.6.2024	Group 30.6.2023
	RM	RM
Cost		
At the beginning of financial year/period	17,091,070	9,341,070
Additions	–	7,750,000
At the end of financial period/year	17,091,070	17,091,070
Accumulated depreciation		
At the beginning of financial year/period	1,077,293	777,717
Charged for the financial year/period	301,261	299,576
At the end of financial year/period	1,378,554	1,077,293
Accumulated impairment loss		
At the beginning of financial year/period	3,004,779	3,004,779
Charged for the financial year/period	–	–
At the end of financial year/period	3,004,779	3,004,779
Carrying amount		
At the end of financial year/period	12,707,737	13,008,998
Included in the above are:		
Freehold land	75,530	77,190
Leasehold commercial buildings	4,800,504	4,938,504
Freehold residential building	300,364	306,965
Freehold commercial building	7,531,339	7,686,339
	12,707,737	13,008,998
Fair value of investment properties	13,506,007	15,256,501

The leasehold commercial buildings amounting to RM4,800,504 (30.6.2023: RM4,938,504) have been pledged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 35 to the financial statements.

The fair value of the investment properties are within level 3 of the fair value hierarchy and are arrived at by reference to market evidence of transaction prices for similar properties. The most significant input into this valuation approach is the price per square foot of comparable properties. Adjustments are then made for differences in location, size, facilities available, market conditions and other factors in order to arrive at a common basis.

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

	30.6.2024	Group 30.6.2023
	RM	RM
Lease income	216,000	86,250

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(Cont'd)

15. INVESTMENT IN SUBSIDIARIES

	Company	
	30.6.2024	30.6.2023
	RM	RM
In Malaysia		
At cost		
Unquoted shares	46,573,895	36,573,896
Less: Accumulated impairment losses	(10,816,827)	(4,464,615)
	35,757,068	32,109,281
Outside Malaysia		
At cost		
Unquoted shares	25,070	25,070
Less: Accumulated impairment losses	(25,070)	(19,552)
	-	5,518
	35,757,068	32,114,799

Movement in the accumulated impairment losses as follows:

	Company	
	30.6.2024	30.6.2023
	RM	RM
At the beginning of financial year/period	4,484,167	4,479,316
Impairment losses recognised	6,357,730	4,851
At the end of financial year/period	10,841,897	4,484,167

During financial year, certain subsidiary companies of the Group were facing the recoverable amount lower than the carrying amount due to no future business plan. The recoverable amount of the Company's investment in these subsidiary companies are estimated based on fair value less cost to sell method which is determined based on the carrying amount of the net assets. Therefore, an impairment loss amounting to RM6,357,730 (30.6.2023: RM4,851) was recognised during the financial year.

Details of the subsidiary companies are as follows:

Name of company	Place of incorporation	Effective equity interest		Principal activities
		30.6.2024	30.6.2023	
		%	%	
Pasukhas Sdn. Bhd. ("PSB")	Malaysia	100	100	<ul style="list-style-type: none"> i. Designing, system integration, fabrication, installation, testing and commissioning of electrical and mechanical works ii. Civil engineering and construction business

NOTES TO THE FINANCIAL STATEMENTS

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(Cont'd)

15. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the subsidiary companies are as follows: (Cont'd)

Name of company	Place of incorporation	Effective equity interest		Principal activities
		30.6.2024 %	30.6.2023 %	
Pasukhas Products Sdn. Bhd. ("PPSB")	Malaysia	100	100	General trading, investment holding and properties and renting of machineries
Pasukhas Energy Sdn. Bhd. ("PESB")	Malaysia	100	100	General trading, investment holding and properties
SL Development Sdn. Bhd. ("SLDSB")	Malaysia	–	100	Dormant
Pasukhas Construction Sdn. Bhd. ("PCSB")	Malaysia	100	100	General contractor
Pasukhas Properties Sdn. Bhd.	Malaysia	100	100	General contractor
Pasukhas Lanka (Pvt) Ltd*	Sri Lanka	100	100	Dormant
Subsidiary of PESB Pasukhas Green Assets Sdn. Bhd. ("PGASB")	Malaysia	100	100	Investment holding
Subsidiary of PGASB I.S. Energy Sdn. Bhd. ("ISE")	Malaysia	100	100	Design, build and manage mini hydro power plant and other related works
Subsidiary of PSB Essential Value Sdn. Bhd. ("EVSB")	Malaysia	55	55	Property investment and mechanical and electrical engineering business
Subsidiary of Pasukhas Properties Sdn. Bhd. Midtown Pearl Sdn. Bhd. ("MPSB")	Malaysia	100	100	Dormant

* This subsidiary was unaudited.

NOTES TO THE FINANCIAL STATEMENTS

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(Cont'd)

15. INVESTMENT IN SUBSIDIARIES (CONT'D)

Changes in ownership interest

During the financial year, the Group entered into a Subscription and Shareholders' Agreement with Symphony Estates Sdn. Bhd. for SL Development Sdn. Bhd..

On 5 June 2024, the Board of Directors approved the allotment and issuance of 99,999 ordinary shares at RM1 per share, fully paid up, in the capital of the SL Development Sdn. Bhd.. Pasukhas Group Berhad was allotted 29,999 ordinary shares and Symphony Estates Sdn. Bhd. was allotted 70,000 ordinary shares, resulting in the control transferring from Pasukhas Group Berhad to Symphony Estates Sdn Bhd as the holding company of SL Development Sdn. Bhd..

Due to the Company's loss of control over SL Development Sdn. Bhd., the investment in SL Development Sdn. Bhd. has been derecognized as a subsidiary and reclassified as an investment in an associate as disclosed in Note 16.

The effect of the derecognition of subsidiary on the profit or loss statement of the Group as at the date of the derecognition was as follows:

	30.6.2024
	RM
Property, plant and equipment	2,907
Cash and bank balances	100,361
Other receivables and deposits	21,493,661
Inventories	33,692,842
Trade payables	(778,040)
Other payables	(23,439)
Amount due to ultimate holding company	(8,500,000)
Amount due to immediate holding company	(2,100,000)
Amount due to related party	(47,824,130)
Total net liabilities	(3,935,838)
Gain on derecognise	3,935,838
Proceeds from disposal	-
Less: Cash and bank balances disposal	(100,361)
Net cash outflows from disposal	(100,361)

Material partly-owned associate

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

	Proportion of ownership interest and voting rights held by non-controlling interests		Group	
	30.6.2024	30.6.2023	30.6.2024	30.6.2023
	%	%	RM	RM
EVSB	45	45	(159,332)	(934,344)

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(Cont'd)

15. INVESTMENT IN SUBSIDIARIES (CONT'D)

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

(i) Summarised statement of financial position

	EVSB	
	30.6.2024 RM	30.6.2023 RM
Non-current assets	4,800,504	4,938,504
Current assets	38,450	38,450
Current liabilities	(7,269,350)	(7,053,275)
Net liabilities	(2,430,396)	(2,076,321)

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

	EVSB	
	30.6.2024 RM	30.6.2023 RM
Loss for the financial year/period, representing total comprehensive loss for the financial year/period	(354,071)	(632,885)

(iii) Summarised statement of cash flows

	EVSB	
	30.6.2024 RM	30.6.2023 RM
Net cash used in operating activities	(183,598)	(332,583)
Net cash from investing activities	-	76,024
Net cash from financing activities	496,911	685,095
Net increase in cash and cash equivalents	313,313	428,536

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16. INVESTMENT IN AN ASSOCIATE

	Group		Company	
	30.6.2024 RM	30.6.2023 RM	30.6.2024 RM	30.6.2023 RM
At cost:				
Unquoted shares in Malaysia	30,000	–	30,000	–
Less: Accumulated impairment loss	(29,999)	–	(29,999)	–
Unquoted shares, at cost	1	–	1	–

The movement of allowance for impairment during the financial year/period is as follows:

	Group		Company	
	30.6.2024 RM	30.6.2023 RM	30.6.2024 RM	30.6.2023 RM
At the beginning of financial year/period	–	–	–	–
Impairment loss recognised	(29,999)	–	(29,999)	–
At the end of financial year/period	(29,999)	–	(29,999)	–

The impairment was due to the associate's being at net liability position and significant intercompany balances are unlikely to be fully recovered.

Details of the associate are as follows:

Name of company	Place of business/ Country of incorporation	Effective equity interest		Principal activities
		30.6.2024 %	30.6.2023 %	
SL Development Sdn. Bhd. ("SLDSB")*	Malaysia	30	–	Dormant

* During the financial year, SLDSB was reclassified from investment in subsidiaries to associates due to the decrease in equity interest as disclosed in Note 15.

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(Cont'd)

16. INVESTMENT IN AN ASSOCIATE (CONT'D)

The summarised financial information of the Group's associate is set out below:

(i) Summarised statement of financial position

	30.6.2024 RM
Non-current assets	2,907
Current assets	55,386,861
Non-current liabilities	–
Current liabilities	(59,225,608)
Net liabilities	(3,835,840)
Interest in an associate	30%
Group's share of net liabilities	(1,150,752)
Shares on unrecognised loss	1,150,751
Carrying value of Group's interest in associate	1

(ii) Summarised statement profit or loss and other comprehensive income

	30.6.2024 RM
Revenue	–
Total comprehensive loss for the financial year	(356,580)

17. OTHER INVESTMENTS

	30.6.2024 RM	Group 30.6.2023 RM
Other investments:		
At fair value through other comprehensive income	54,250	54,250
At fair value through profit or loss	25,548,776	23,978,338
	25,603,026	24,032,588

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(Cont'd)

17. OTHER INVESTMENT (CONT'D)

- (a) Investment at fair value through other comprehensive income

	30.6.2024	Group 30.6.2023
	RM	RM
Quoted shares, at fair value	4,250	4,250
Transferable club membership, at fair value	50,000	50,000
	<hr/> 54,250	<hr/> 54,250

- (i) The Group designated the below equity investments to be measured at fair value through other comprehensive income because the Group intends to hold for long-term strategic purposes.
- (ii) The fair value of each investment is summarised below:

	30.6.2024	Group 30.6.2023
	RM	RM
Quoted shares of Salcon Berhad	4,250	4,250
Transferable club membership	50,000	50,000
	<hr/> 54,250	<hr/> 54,250

- (b) Investment at fair value through profit or loss ("FVTPL")

	30.6.2024	Group 30.6.2023
	RM	RM
Quoted shares, at fair value	25,548,776	23,978,338
	<hr/> 25,548,776	<hr/> 23,978,338

- (i) The Group designated the below equity investments to be measured at fair value through profit or loss because the Group intends to hold for mid-term trading purposes.

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(Cont'd)

17. OTHER INVESTMENT (CONT'D)

(b) Investment at fair value through profit or loss ("FVTPL") (Cont'd)

(ii) The fair value of each investment is summarised below:

	30.6.2024	Group
	RM	30.6.2023
		RM
Quoted shares of:		
AE Multi Holdings Berhad	501,525	557,250
Meridian Berhad	564,695	790,573
Seacera Group Berhad	5,628,593	4,712,310
Sinaran Advance Group Berhad	2,952,761	2,725,626
Symphony Life Berhad	5,207,139	5,703,057
Permaju Industries Berhad	1,876,470	2,466,285
Vizione Holdings Berhad	2,566,543	3,351,715
Oversea Enterprise Berhad	5,500,000	–
Luk Hing Entertainment Group Holdings Limited	751,050	–
SerSol Berhad	–	3,061,875
Vsolar Group Berhad	–	609,647
	25,548,776	23,978,338

18. DEFERRED TAX LIABILITY

	30.6.2024	Group
	RM	30.6.2023
		RM
At beginning of financial year/period	(410,595)	1,181,044
Recognised in profit or loss (Note 10)	42,042	(1,591,639)
	(368,553)	(410,595)

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

	30.6.2024	Group
	RM	30.6.2023
		RM
Deferred tax liability	(368,553)	(410,595)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

18. DEFERRED TAX ASSETS/(LIABILITY) (CONT'D)

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

	30.6.2024 RM	Group 30.6.2023 RM
Deferred tax liability:		
Revaluation of properties arising from business combinations	(368,553)	(410,595)

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

	30.6.2024 RM	Group 30.6.2023 RM
Unutilised investment tax allowances	–	2,871,361
Unutilised tax losses	9,337,090	6,376,230
Unabsorbed capital allowances	400,649	400,649
Other deductible temporary differences	1,316,108	655,139
	11,053,847	10,303,379

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

In the previous financial period, subject to agreement with the Inland Revenue Board, the Group has unutilised investment tax allowances of RM11,964,004 available to be carried forward to be offset against future taxable income.

19. INVENTORIES

	30.6.2024 RM	Group 30.6.2023 RM
Property development costs	–	31,058,256
Recognised in profit or loss		
Materials on site recognised as cost of sales	15,333,393	37,778,333

In the previous financial period, the title deeds for the land proprietor's entitlement were not registered under the subsidiary's name, as these title deeds are intended to be transferred directly to the purchasers upon completion of the property development. The proposed development is currently pending approval of the amended development order and building plan from the relevant authorities.

During the financial year, the property development cost previously attributed to the subsidiary has been derecognised resulted from the loss of control.

NOTES TO THE FINANCIAL STATEMENTS
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20. TRADE RECEIVABLES

	30.6.2024	Group 30.6.2023
	RM	RM
Trade receivables	36,208,633	31,316,629
Less: Accumulated impairment losses	(10,992,885)	(9,057,732)
	25,215,748	22,258,897

The Group normal credit terms range from 14 to 120 days (30.6.2023: 14 to 120 days) term. There are recognised at their original invoice amounts which represent their value on initial recognition.

The movement of allowance for impairment during the financial year/period is as follows:

	30.6.2024	Group 30.6.2023
	RM	RM
At beginning of financial year/period	9,057,732	7,321,312
Impairment losses recognised	2,160,348	1,736,420
Reversal of impairment losses	(225,195)	-
At end of financial year/period	10,992,885	9,057,732

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

Reversal of impairment losses on trade receivables was mainly due to collection from receivables previously provided for doubtful debts.

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

	Gross amount	Loss allowance	Net amount
	RM	RM	RM
Group			
30.6.2024			
Neither past due nor impaired	3,910,858	-	3,910,858
Past due but not impaired:			
Less than 3 months	3,138,262	(30,405)	3,107,857
3 to 9 months	9,005,609	(412,619)	8,592,990
More than 9 months	10,303,479	(699,436)	9,604,043
	22,447,350	(1,142,460)	21,304,890
	26,358,208	(1,142,460)	25,215,748
Individual impaired	9,850,425	(9,850,425)	-
	36,208,633	(10,992,885)	22,215,748

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

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20. TRADE RECEIVABLES (CONT'D)

	Gross amount RM	Loss allowance RM	Net amount RM
Group			
30.6.2023			
Neither past due nor impaired	3,847,994	–	3,847,994
Past due but not impaired:			
Less than 3 months	4,143,615	(855,082)	3,288,533
3 to 9 months	585,074	(83,373)	501,701
More than 9 months	15,049,869	(429,200)	14,620,669
	19,778,558	(1,367,655)	18,410,903
	23,626,552	(1,367,655)	22,258,897
Individual impaired	7,690,077	(7,690,077)	–
	31,316,629	(9,057,732)	22,258,897

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

As at 30 June 2024, trade receivables of RM21,304,890 (30.6.2023: RM18,410,903) were past due but not impaired. These related to a number of independent customers from whom there is no recent history of default.

The trade receivables of the Group that are individually assessed to be impaired amounting to RM9,850,424 (30.6.2023: RM7,690,077), related to customers that are in financial difficulties, have defaulted on payments and/or have disputed on the billings. These balances are expected to be recovered through the debt's recovery process.

21. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	30.6.2024 RM	30.6.2023 RM	30.6.2024 RM	30.6.2023 RM
Other receivables	571,974	612,678	3,446	–
Advances to suppliers	8,521,022	28,848,892	–	–
Deposits	535,229	740,743	64,720	64,720
Prepayments	206,706	305,304	–	–
	9,834,931	30,507,617	68,166	64,720

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(Cont'd)

21. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONT'D)

Movements in the allowance for impairment losses are as follows:

	Group	
	30.6.2024	30.6.2023
	RM	RM
At beginning of financial year/period	–	20,147,508
Amount written off	–	(20,147,508)
At end of financial year/period	–	–

Included in other receivables of the Group are:

- (a) Advances to suppliers amounting RM2,901,665 (30.6.2023: RM2,901,665) were made in relation to the future supply of river sand for a project awarded to the subsidiary, Pasukhas Products Sdn. Bhd. ("PPSB") by BB Energy Sdn. Bhd. ("BBESB"). The advances were paid by PPSPB to secure approval for the designated sand mining location. However, prior to the commencement of the project, it was discovered that the approved location was insufficient for the required sand extraction activities. As a result, the project has been temporarily put on hold. BBESB has requested a change in the sand mining location from the relevant local authorities and is currently awaiting the necessary approvals to proceed with the project.
- (b) Advances to suppliers amounting to RM5,584,275 (30.6.2023: RM25,947,227) in respect of future supply of project materials which are expected to fulfil within 1 year.

22. CONTRACT ASSETS/(LIABILITIES)

	Group	
	30.6.2024	30.6.2023
	RM	RM
Contract assets		
Construction contracts	50,013,196	54,041,986
Less: Accumulated impairment losses	(10,775,059)	(9,618,682)
	39,238,137	44,423,304
Contract liabilities		
Construction contracts	(602,227)	(485,893)

NOTES TO THE FINANCIAL STATEMENTS

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(Cont'd)

22. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

The movements in contract assets during the financial year are as follows:

	30.6.2024	Group 30.6.2023
	RM	RM
At beginning of financial year/period	9,618,682	9,618,682
Impairment losses recognised	3,114,539	–
Reversal of impairment loss	(1,958,162)	–
At end of financial year/period	10,775,059	9,618,682

The aged analysis of contract assets as at the end of the reporting period:

	Gross amount	Loss allowance	Net amount
	RM	RM	RM
Group			
30.6.2024			
Neither past due nor impaired	39,238,137	–	39,238,137
Individual impaired	10,775,059	(10,775,059)	–
	50,013,196	(10,775,059)	39,238,137
30.6.2023			
Neither past due nor impaired	44,423,304	–	44,423,304
Individual impaired	9,618,682	(9,618,682)	–
	54,041,986	(9,618,682)	44,423,304

The contract assets of the Group that are individually assessed to be impaired amounting to RM10,775,059 (30.6.2023: RM9,618,682), related to customers that are in financial difficulties, have defaulted on payments and/or have disputed on the billings. These balances are expected to be recovered through the debt's recovery process.

- (a) The contract assets primarily relate to the Group's right to consideration for construction work completed on construction contracts but not yet billed as at the reporting date. The amount will be invoiced within 30 to 90 days (30.6.2023: 30 to 90 days) term.

Included in the contract assets are retention sum receivables totaling RM10,969,778 (30.6.2023: RM11,214,301). The retention sums are expected to be collected within the periods ranging from 12 to 24 months (30.6.2023: 12 to 24 months) terms.

- (b) The contract liabilities primarily relates to advance considerations received from few customers for construction services of which the revenue will be recognised over the remaining contract term of the specific contract it relates to, ranging from 1 to 3 months (30.6.2023: 1 to 3 months) terms.

NOTES TO THE FINANCIAL STATEMENTS
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(Cont'd)

22. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

- (c) The changes to contract asset and contract liability balances during the financial year/period are summarised below:

	30.6.2024	Group
	RM	30.6.2023
		RM
At beginning of financial year/period	43,937,411	21,833,683
Revenue recognised in profit or loss during the financial year/period	74,653,836	134,583,472
Impairment losses recognised	(3,114,539)	-
Reversal of impairment loss	1,958,162	-
Amount written off	(8,526)	(1,190,157)
Less: Billing during the financial year/period	(78,790,434)	(111,289,587)
At end of financial year/period	38,635,910	43,937,411
Presented as:		
Contract assets	39,238,137	44,423,304
Contract liabilities	(602,227)	(485,893)
	38,635,910	43,937,411

- (d) Based on the information available to the Group and to the Company, the management of the Group and of the Company expects the transaction price allocated to the above unsatisfied (or partially unsatisfied) contracts will be recognised as revenue in the period of next 1 year (30.6.2023: 1 year).
- (e) Construction contracts revenue recognised during the year ended 30 June 2024 of the Group amounted RM485,893 (30.6.2023: RM605,000), was included in contract liabilities balance at the beginning of the year/period.

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23. AMOUNT DUE FROM/(TO) SUBSIDIARIES

	Company	
	30.6.2024	30.6.2023
	RM	RM
Non-trade		
Amount due from subsidiaries	163,039,839	198,580,901
Less: Accumulated impairment losses	(55,647,765)	(8,633,628)
	<u>107,392,074</u>	<u>189,947,273</u>
Amount due to subsidiaries	1,815,604	–

Movements in the allowance for impairment losses are as follows:

	Company	
	30.6.2024	30.6.2023
	RM	RM
At beginning of financial year/period	8,633,628	8,633,628
Impairment losses recognised	47,014,137	–
	<u>55,647,765</u>	<u>8,633,628</u>

The amount due from subsidiary companies are unsecured, interest free, repayable on demand and is to be settled in cash.

During the financial year, certain subsidiary companies within the Group faced a situation where the recoverable amount was lower than the carrying amount due to the absence of future business plans. As a result, an impairment loss amounting to RM47,140,147 was recognised during the financial year.

24. AMOUNT DUE FROM AN ASSOCIATE

Amount due from an associate is non-trade in nature, unsecured, interest free, repayable on demand and to be settled in cash.

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(Cont'd)

25. SHORT-TERM INVESTMENTS

	Group and Company			
	30.6.2024		30.6.2023	
	Carrying amount RM	Market value RM	Carrying amount RM	Market value RM
Money market funds, at fair value	–	–	25,487	25,487

The money market funds represent investments in highly liquid money market instruments and deposits with financial institutions in Malaysia which are redeemable with one (1) day notice at known amounts of cash, and are subject to an insignificant risk of changes in value. The Group designated the below equity investments to be measured at fair value through profit or loss because the Group intends to hold for trading purposes.

26. DEPOSITS WITH LICENSED BANKS

	Group		Company	
	30.6.2024 RM	30.6.2023 RM	30.6.2024 RM	30.6.2023 RM
Deposits with licensed banks	3,286,610	6,117,086	3,258,110	5,336,586

Included in deposits with licensed banks of the Group is amount of RM3,258,110 (30.6.2023: RM6,088,586), which are pledged to licensed banks as securities for banking facilities granted to certain subsidiaries.

The interest rates and maturities of deposits of the Group and the Company at the reporting date range from 3.05% to 3.44% (30.6.2023: 3.05% to 3.44%) per annum and 1 to 6 months (30.6.2023: 1 to 6 months).

27. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS

On 15 May 2024, Pasukhas Green Assets Sdn. Bhd. ("PGA") a indirect wholly-owned subsidiary entered into a Sale and Purchase Agreement ("SPA") with Full Spectrum G Sdn. Bhd. ("Full Spectrum") for the sale and transfer of the entire equity interest in I.S. Energy Sdn. Bhd. ("ISE") for a total consideration of RM4,000,000.

PGA has established an Islamic medium-term note program, known as the ASEAN Sukuk. At the Completion Date or the Extended Completion Period, as applicable, Full Spectrum is required to settle and/or redeem the outstanding Sukuk debt, including any penalties arising from the Sukuk debt.

In the event that the Full Spectrum fails to settle the Sukuk debt by the Completion Date, the parties may mutually agree to extend the deadline for settlement. If Full Spectrum fails to settle the Sukuk debt by the end of the extended period, PGA will be entitled to pursue any legal remedies available to enforce specific performance of the Agreement or seek other relief as permitted by law.

As at the reporting date, the parties has mutually agree to extend the deadline to 15 November 2024 as Full Spectrum has yet to settle the Sukuk debt and hence the Share Sales Agreement is yet to be completed.

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(Cont'd)

27. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS (CONT'D)

Assets/(Liabilities) of a disposal group classified as held for sale

On 15 May 2024, the Board of Directors approved and announced a plan to sell a subsidiary, IS Energy Sdn. Bhd., which operates in Malaysia. The assets and liabilities related to IS Energy Sdn. Bhd. (renewable energy business segment) have been presented as held for sale.

	30.6.2024
	RM
Assets	
Plant and equipment	16,856,782
Right-of-use assets	556,697
Trade receivables	174,315
Other receivables	86,208
Amount due from ultimate holding company	1,815,604
Tax recoverable	13,033
Deposit with a licensed bank	750,000
Bank balances	123,826
	<hr/>
	20,376,465
Less: Group elimination adjustments	(1,990,779)
Impairment of assets held for sales	(3,861,493)
	<hr/>
Assets held for sale	14,524,193
	<hr/>
Liabilities	
Lease liabilities	626,177
Trade payables	179,180
Other payables	193,850
Income tax payable	12,408
Amount due to immediate holding company	10,441,720
	<hr/>
	11,453,335
Less: Group elimination adjustments	(10,441,720)
	<hr/>
Liabilities of disposal group	1,011,615
	<hr/>
Net assets classified as held for sale	13,512,578
	<hr/>

In accordance in MFRS 5, the assets and liabilities held for sale of the above disposal group has been written down to their fair value less cost to sell. This is non-recurring fair value which has been measured using observable inputs, being the prices for recent sales of similar businesses, and is therefore within Level 2 of the fair value hierarchy. The fair value has been measured by agreeing to the consideration price per the sales and purchase agreement.

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27. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS (CONT'D)

Discontinued operation

The group had discontinued its renewable energy service for the financial year ended 30 June 2024. The segment was not a discontinued operation or classified as held for sales for the period ended 30 June 2023 and the comparative statements of comprehensive income has been re-presented to show the discontinued separately from continuing operations.

Analysis of the result of discontinued operation and the result recognised on the remeasurement of disposal group is as follows:

	Company	
	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM
Revenue	4,416,526	7,253,177
Cost of sales	(1,998,149)	(3,156,197)
Gross profit	2,418,377	4,096,980
Other income	72,265	86,547
Administration expenses	(1,288,129)	(1,453,614)
Other expenses	(132,532)	(230,423)
Finance cost	(39,918)	(60,127)
Income tax expenses	(12,408)	(9,754)
Profit for the financial year/period, representing total comprehensive income for the financial year/period	1,017,655	2,429,609

Cash flows generated (used in)/from discontinued operation:

	30.6.2024 RM	30.6.2023 RM
Net cash from operating activities	3,374,946	5,557,282
Net cash (used in)/from investing activities	(1,803,469)	14,909
Net cash used in financing activities	(1,647,453)	(5,453,675)
Effect on cash flows	(75,976)	118,516

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(Cont'd)

27. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS (CONT'D)

Certain assets included in assets held for sales have been charged to a financial institution for Islamic Medium-Term Notes granted to the Group as disclosed in Note 35 to the financial statements as follows:

	Group 30.6.2024 RM
Mini hydro power plant	14,965,287
Office equipment, furniture and fittings	16,255
Plant and machinery	22,242
Road infrastructure	142,187
	<hr/> 15,145,971 <hr/>

The mini hydro power plant is depreciated over the lease period of 21 years.

28. SHARE CAPITAL

	Group and Company			
	Number of shares		Amount	
	30.6.2024	30.6.2023	30.6.2024	30.6.2023
	Units	Units	RM	RM
Issued and fully paid-up				
<i>Ordinary shares</i>				
At beginning of financial year/ period	190,529,247	1,408,866,524	224,232,852	212,914,013
Employee share options exercised	-	-	-	1,512,604
New shares issued under the employee share option schemes for cash	-	496,426,000	-	9,806,235
Share consolidation	-	(1,714,763,277)	-	-
At end of financial year/period	<hr/> 190,529,247	<hr/> 190,529,247	<hr/> 224,232,852	<hr/> 224,232,852 <hr/>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company, and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

29. MERGER DEFICIT

The merger deficit relates to a subsidiary which was consolidated under the merger method of accounting.

The merger deficit arose from the difference between the nominal value of shares issued for the acquisition of a subsidiary and the nominal value of the shares acquired.

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30. FAIR VALUE RESERVE

The fair value reserve represents the cumulative fair value changes (net of tax, where applicable) of investments designated at fair value through other comprehensive income.

31. FOREIGN EXCHANGE TRANSLATION RESERVE

The foreign exchange translation reserve arose from the translation of the financial statements of foreign subsidiary whose functional currencies are different from the Group's presentation currency.

32. EMPLOYEE SHARE OPTION RESERVE

The employee share option reserve represents the equity-settled share options granted to employees. The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options, and is reduced by the expiry or exercise of the share options.

The Employee Share Option Scheme of the Company ("ESOS") is governed by the ESOS By-Laws and was approved by shareholders on 12 November 2020. The ESOS is to be in force for a period of 5 years effective from 18 December 2020.

The main features of the ESOS are as follows:

- (i) Eligible persons are employees and/or directors of the Group who have been confirmed in the employment of the Group and is at least eighteen (18) years of age. Directors of the Group has been appointed in any company within the Group which is not dormant.
- (ii) The maximum number of new ordinary shares of the Company, which may be available under the scheme, shall not exceed in aggregate 30%, or any such amount or percentage as may be permitted by the relevant authorities of the issued and paid-up share capital of the Company at any one time during the duration of the ESOS.
- (iii) The option price shall be determined by the ESOS Committee based on the 5-day weighted average market price of ordinary shares as quoted on Bursa Securities, immediately preceding the date of offer of the option, with a discount of not more than 10%.
- (iv) The option may be exercised by the grantee by notice in writing to the Company in the prescribed form during the option period in respect of all or any part of the new ordinary shares of the Company comprised in the ESOS.
- (v) All new ordinary shares issued upon exercise of the options granted under the ESOS will rank pari passu in all respects with the existing ordinary shares of the Company, provided always that new ordinary shares so allotted and issued, will not be entitled to any dividends, rights, allotments and/or other distributions declared, where the entitlement date of which is prior to date of allotment and issuance of the new ordinary shares.

No ESOS has been granted during the financial year.

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(Cont'd)

32. EMPLOYEE SHARE OPTION RESERVE (CONT'D)

The option prices and the details in the movement of the options granted are as follows:

	Date of offer	Exercise price RM	Remaining contractual life of options	Number of options over ordinary shares				
				At 1.1.2022	Granted	Exercised (Note 29)	Lapsed	At 30.6.2023
ESOS 9	3 January 2022	0.0250	Expired	-	40,000,000	(40,000,000)	-	-
ESOS 10	11 January 2022	0.0250	Expired	-	50,000,000	(36,000,000)	(14,000,000)	-
ESOS 11	8 February 2022	0.0195	Expired	-	286,522,300	(100,000,000)	(186,522,300)	-
ESOS 12	25 February 2022	0.0182	Expired	-	230,522,300	(230,522,300)	-	-
ESOS 13	8 April 2022	0.0200	Expired	-	69,156,700	(69,156,700)	-	-
ESOS 14	25 April 2022	0.0182	Expired	-	20,747,000	(20,747,000)	-	-
				-	696,948,300	(496,426,000)	(200,522,300)	-

The fair values of the share options granted were estimated using a trinomial model, taking into account the terms and conditions up to the options were granted. The fair value of the share options measured at granted date and the assumptions used are as follows:

	ESOS 9	ESOS 10	ESOS 11	ESOS 12	ESOS 13	ESOS 14
Fair value of the share options at the grant date	0.0016	0.0027	0.0022	0.0030	0.0054	0.0032
Weighted average ordinary share price (RM)	0.0226	0.0253	0.0203	0.0200	0.0200	0.0200
Exercise price of share option (RM)	0.0250	0.0250	0.0195	0.0182	0.0200	0.0182
Expected volatility (%)	96.32	89.60	86.62	84.39	240.37	95.64
Expected life (month)	1	1	1	1	1	1
Risk free rate (%)	1.890	1.987	1.967	1.967	1.967	1.977
Expected dividend yield (%)	-	-	-	-	-	-

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33. WARRANT RESERVE

	Group and Company	
	30.6.2024	30.6.2023
	RM	RM
At end of financial year/period	35,067,040	35,067,040

The warrant reserve relates to the portion of proceeds from the rights shares issue subscribed to the attached warrants. As and when the warrants are exercised, the related balance in the warrant reserve will be transferred to the share capital account.

(a) Warrant A

On 21 July 2021, the Company issued 578,660,588 free detachable warrants on a renounceable basis of twelve (12) Rights Shares together with seven (7) warrants for every two (2) existing shares held by the entitled shareholders on 21 June 2021.

The Warrants A are constituted by the Deed Poll dated 3 June 2021.

The salient features of the Warrants are as follows:

- (i) the exercise price is RM0.10 per ordinary share and each Warrant A entitles the registered holder ("Warranholders") to subscribe for one (1) new ordinary share of the Company during the 3 years period expiring on 19 July 2024 ("Exercise Period");
- (ii) at the expiry of the Exercise Period, any warrants, which have not been exercised shall automatically lapse and cease to be valid for any purposes;
- (iii) Warranholders must exercise Warrants in accordance with the procedures set out in the Deed Poll and shares allotted and issued upon such exercise shall rank pari passu in all respects with the then existing ordinary shares of the Company, and shall be entitled to any dividends, rights, allotments and/or other distributions after the issue and allotment thereof; and
- (iv) the Warranholders are not entitled to any voting rights or to participate in any distribution and/or offer of further securities in the Company until and unless such Warranholders exercise their Warrants for new ordinary shares of the Company.

On 18 April 2023, the Company involves share consolidation for every 10 existing shares held on 18 April 2023.

Pursuant to the Share Consolidation, the exercise price and the number of outstanding Warrants A which are not exercised prior to the entitlement date will be adjusted in accordance with the provisions of the Deed Poll A ("Adjustments").

The outstanding Warrants A will be consolidated on the basis of every 10 Warrants A held by the entitled Warrant A holders ("Entitled Warrant A Holders") into 1 Warrant A ("Consolidated Warrant A").

Pursuant to the Adjustments, the existing number of 578,660,588 Warrants A will be adjusted into a maximum number of 57,866,058 Consolidated Warrants A to be issued and allotted to the Entitled Warrant A Holders. The actual number of Consolidated Warrants A to be issued and allotted would depend on the number of outstanding Warrants A which have yet to be exercised into new Shares as at the entitlement date.

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33. WARRANT RESERVE (CONT'D)

(a) Warrant A (Cont'd)

Further, the existing exercise price of Warrants A of RM0.10 each will be revised to RM1.00 each pursuant to the Adjustments.

Subsequent to the financial year end, the Warrants expired on 14 July 2024. Those Warrants not exercised by 14 July 2024 had expired and were subsequently delisted.

34. LEASE LIABILITIES

	Group		Company	
	30.6.2024 RM	30.6.2023 RM	30.6.2024 RM	30.6.2023 RM
At beginning of financial year/period	1,433,610	1,371,018	254,956	656,870
Additions	104,053	655,130	–	–
Termination of lease contract	–	(7,866)	–	–
Payments	(324,520)	(584,672)	(152,159)	(401,914)
Transfer to liabilities held for sale	(626,176)	–	–	–
At end of financial year/period	586,967	1,433,610	102,797	254,956
Presented as:				
Non-current	441,678	1,113,278	75,587	102,797
Current	145,289	320,332	27,210	152,159
	586,967	1,433,610	102,797	254,956

The maturity analysis of lease liabilities as of the end of financial year/period:

	Group		Company	
	30.6.2024 RM	30.6.2023 RM	30.6.2024 RM	30.6.2023 RM
Within one year	171,444	391,288	30,840	158,280
1 to 5 years	438,697	814,183	79,588	110,428
Later than 5 years	48,748	523,444	–	–
	658,889	1,728,915	110,428	268,708
Less: Future finance charges	(71,922)	(295,305)	(7,631)	(13,752)
Present value of lease liabilities	586,967	1,433,610	102,797	254,956

The Group leases various buildings and motor vehicles. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

The average incremental borrowing rate applied to lease liabilities of the Group at the reporting date range from 1.94% to 6.27% (30.6.2023: 1.94% to 6.27%) per annum.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024
(Cont'd)

35. ISLAMIC MEDIUM TERM NOTES

	30.6.2024	Group
	RM	30.6.2023
		RM
Non-current liabilities	7,926,775	9,524,986
Current liabilities	1,598,211	1,498,211
	9,524,986	11,023,197

- (a) The Islamic Medium Term Notes ("IMTN") are secured by:
- (i) Corporate Guarantees of PGB, PESB and ISE;
 - (ii) a legal assignment over the energy payments under the Renewable Energy Power Purchase Agreement ("REPPA") executed between the subsidiary and a third party;
 - (iii) a legal assignment and charge over all present and future rights, titles, benefits and interests in and to the Tranche 1 Designated Accounts established under the Tranche 1 Al-Kafalah facility and all monies from time to time standing to the credit of the Tranche 1 Designated Accounts;
 - (iv) a legal assignment over the rights, title, interest and benefit in and under all insurances/takaful policies required to be taken by ISE and the proceeds thereof with the Security Agent to be endorsed as the co-insured and/or loss payee of the insurances/takaful;
 - (v) an irrevocable and unconditional letter of Undertaking from PGB, PESB and ISE;
 - (vi) a debenture creating a first ranking fixed and floating charge over the Obligor's and ISE's present and future assets;
 - (vii) a first legal charge over the shares of the Obligor and ISE;
 - (viii) letter of support from the major shareholders of PGB in a format acceptable to Security Agent; and
 - (ix) Power of Attorney granted by PESB in favour of Security Agent to facilitate the disposal of ISE shares upon the occurrence of a trigger Event.
- (b) The proceeds raised from Tranche 1 of the IMTN Programme shall be utilised by the Company as follows:
- (i) to refinance the existing financing;
 - (ii) to pre-fund the relevant designated accounts under the Tranche 1 Al-Kafalah Facility;
 - (iii) to fund fees and expenses in relation to the IMTN Programme and the Tranche 1 Al-Kafalah Facility;
 - (iv) to fund capital expenditure/working capital of ISE; and
 - (v) to fund construction or acquisition of new Renewable Energy Assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

35. ISLAMIC MEDIUM TERM NOTES (CONT'D)

The average effective interest rates per annum is as follows:

	30.6.2024	Group 30.6.2023
Islamic medium term notes	5.50%	5.50%

During the financial year, ISE has been classified as assets held for sale and details of the settlement of the Islamic Medium Terms is as disclosed in Note 27.

36. BANK OVERDRAFTS

	30.6.2024	Group 30.6.2023
Repayable withing twelve months	2,461,894	2,775,208

The bank overdrafts are secured by:

- (i) a deed of assignment over the investment properties of the Group as disclosed in Note 14 to the financial statements;
- (ii) a joint and several guarantee of certain directors of a subsidiary and a third party (a former director); and
- (iii) a corporate guarantee of a subsidiary and a shareholder of a subsidiary.

The average effective interest rates per annum is as follows:

	30.6.2024	Group 30.6.2023
Bank overdrafts	3.60%	3.60%

37. TRADE PAYABLES

Included in the trade payables of the Group is retention sum amounting to RM6,254,560 (30.6.2023: RM5,220,959).

Credit terms of trade payables of the Group range from 30 to 120 days (30.6.2023: 30 to 120 days) terms.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024
(Cont'd)

38. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	30.6.2024 RM	30.6.2023 RM	30.6.2024 RM	30.6.2023 RM
Other payables	13,006,144	11,051,404	334,899	73,274
Deposits received	460,500	60,500	–	–
Accruals	719,431	1,027,274	111,590	134,947
	14,186,075	12,139,178	446,489	208,221

Included in other payables of the Group are:

- (a) Advances from customers amounting to RM8,400,000 (30.6.2023: RM7,700,000) in respect of on-going projects which have commenced and expected to be completed within 1 years;
- (b) In the previous financial period, an amount due to a shareholder of EVSB amounting to RM1,135,627. The amount due to was unsecured, interest-free and repayable on demand. The amount due to was to be settled in cash; and
- (c) In the previous financial period, an amount due to director of PCSB amounting to RM542,200. The amount due to was unsecured, interest-free and repayable on demand. The amount due to was to be settled in cash.

NOTES TO THE FINANCIAL STATEMENTS

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(Cont'd)

39. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

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

	At beginning of the financial year/period RM	Non-cash changes			At end of the financial year/period RM
		Financing cash flows (i) RM	New lease (Note 33) RM	Other changes (ii) RM	
30.6.2024					
Group					
Lease liabilities	1,433,610	(324,520)	104,053	–	586,967
Islamic medium term notes	11,023,197	(1,600,000)	–	101,789	9,524,986
	12,456,807	(1,924,520)	104,053	101,789	10,111,953
30.6.2023					
Lease liabilities	1,371,018	(584,672)	655,130	(7,866)	1,433,610
Islamic medium term notes	13,770,513	(2,900,000)	–	152,684	11,023,197
	15,141,531	(3,484,672)	655,130	144,818	12,456,807
30.6.2024					
Company					
Lease liabilities	–	(152,159)	–	–	102,797
Amount due to subsidiaries	–	1,815,604	–	–	1,815,604
	–	(401,914)	–	–	254,956
30.6.2023					
Lease liabilities	656,870	(401,914)	–	–	254,956

- (i) The cash flows from lease liabilities, Islamic medium term notes, bankers' acceptances and amount due to subsidiary companies make up the net amount of proceeds from or repayments or payment of borrowings in the statements of cash flows.
- (ii) Other changes of the Group and of the Company include amortisation of transaction cost capitalised and modification of lease terms.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

40. CAPITAL COMMITMENTS

	30.6.2024	Group 30.6.2023
Capital expenditure		
Authorised and contracted for:		
Payment to landowner for the future entitlement in respect of the Joint Venture Agreement	–	2,000,000

41. RELATED PARTY DISCLOSURE

(a) Identifying related parties

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

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel comprise the Directors and management personnel of the Group, having authority and responsibility for planning, directing and controlling the activities of the Group entities directly or indirectly.

(b) Significant related party transactions

Related party transactions have been entered into in the normal course of business under normal trade. In addition to the related party balances disclosed elsewhere in the financial statements, there were no (30.6.2023: no) other related party transactions during the financial year.

(c) Compensation of key management personnel

The remuneration of Directors and other members of key management personnel are disclosed in Notes 9.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

42. FINANCIAL INSTRUMENTS

Classification of financial instruments

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

	Group		Company	
	30.6.2024 RM	30.6.2023 RM	30.6.2024 RM	30.6.2023 RM
Financial assets				
<i>Fair value through profit or loss</i>				
Other investments	25,548,776	23,978,338	–	–
Short-term investments	–	25,487	–	25,487
<hr/>				
<i>Fair value through other comprehensive income</i>				
Other investments	54,250	54,250	–	–
<hr/>				
<i>At amortised costs</i>				
Amount due from subsidiaries	–	–	107,392,074	189,947,273
Trade receivables	25,215,748	22,258,897	–	–
Other receivables	1,107,203	1,353,421	68,166	64,720
Cash and bank balances	8,676,516	7,605,640	61,430	358,289
Deposits with licensed banks	3,286,610	6,117,086	3,258,110	5,338,586
<hr/>				
Financial liabilities				
<i>At amortised costs</i>				
Amount due to subsidiaries	–	–	1,815,604	–
Bank overdrafts	2,461,894	2,775,208	–	–
Islamic medium term notes	9,524,986	11,023,197	–	–
Lease liabilities	586,967	1,433,610	102,797	254,956
Trade payables	24,938,745	20,594,124	–	–
Other payables	14,186,074	12,139,178	446,489	208,221
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

42. FINANCIAL INSTRUMENTS (CONT'D)

Classification of financial instruments (Cont'd)

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

	Group		Company	
	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM	1.7.2023 to 30.6.2024 (12 months) RM	1.1.2022 to 30.6.2023 (18 months) RM
Net (losses)/gain on:				
Financial assets at amortised costs	3,091,529	1,736,420	(47,014,137)	-
Financial assets at fair value through profit or loss	(29,939)	(12,625,926)	(29,939)	341,442
Financial liabilities at amortised costs	(80,565)	(1,690,155)	(6,121)	(26,667)
	2,981,025	(12,579,661)	(47,050,197)	314,775

Financial risk management objectives and policies

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

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

(i) Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers and deposits with banks and financial institutions. The Company's exposure to credit risk arises principally from loans and advances to subsidiary companies and financial guarantees given to banks for banking facilities granted to certain subsidiary companies. There are no significant changes as compared to previous financial period.

The Group has adopted a policy of only dealing with creditworthy counterparties. Management has a credit policy in place to control credit risk by dealing with creditworthy counterparties and deposit with banks and financial institutions with good credit rating. The exposure to credit risk is monitored on an ongoing basis and action will be taken for long outstanding debts.

The Company provides unsecured loans and advances to subsidiary companies. It also provides unsecured financial guarantees to banks for banking facilities granted to certain subsidiary companies. The Company monitors on an ongoing basis the results of the subsidiary companies and repayments made by the subsidiary companies.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

42. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (Cont'd)

(i) Credit risk (Cont'd)

Exposure to credit risk

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position except for financial guarantees given to banks and financial institutions for banking facilities granted to certain subsidiary companies.

The Company's maximum exposure in their respect is RM3,258,110 (30.6.2023: RM11,567,884), representing the outstanding banking facilities to the subsidiary companies as at the end of the reporting period.

Credit risk concentration

The Group's major concentration of credit risk related to the amount owing by 1 customer (30.6.2023: 2 customers) which constituted approximately 56% (2023: 49%) of its trade receivables as at the end of the reporting year.

Assessment of impairment losses

At each reporting date, the Group assesses whether any of financial assets at amortised cost and contract assets are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficult of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty;
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group considers a receivable to be in default when the receivable is unlikely to repay its debt to the Group in full or is more than a year past due.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

42. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (Cont'd)

(i) Credit risk (Cont'd)

Trade receivables and contract assets

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables and contract assets.

Inputs, assumptions and techniques used for estimating impairment losses

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

The expected loss rates are based on the payment profiles of sales over a period of 12 months from the measurement date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts.

The Group and Company assessed the expected credit loss (ECL) for contract assets on an individual basis. This assessment was performed using each customer's financial information and historical collection trends to provide a more accurate and tailored estimate of potential losses.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Other receivables

The Group applies the 3-stage general approach to measuring expected credit losses for its other receivables.

Under this approach, loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group considers the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

Allowance for Impairment Losses

No expected credit loss is recognised on other receivables as it is negligible.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

42. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (Cont'd)

(i) Credit risk (Cont'd)

Deposits with licensed banks, cash and bank balances

The Group considers these banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group is of the view that the loss allowance is immaterial and hence, it is not provided for.

Amount due from subsidiary companies

The Company applies the 3-stage general approach to measuring expected credit losses for all inter-company balances.

Inputs, assumptions and techniques used for estimating impairment losses

The Company measures the expected credit losses on individual basis, which is aligned with its credit risk management practices on the intercompany balances.

The Company considers loans and advances to subsidiaries have low credit risks. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly.

For loans and advances that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the subsidiary does not have sufficient highly liquid resources when the loans and advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the subsidiary.

For loans and advances that are not repayable on demand, impairment loss is measured using techniques that are similar for estimating the impairment losses of other receivables as disclosed above.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Financial guarantee contracts

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. No loss allowances were identified based on 12 month expected credit losses.

(ii) Liquidity risk

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

The Group's and the Company's funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Group and the Company finance its liquidity through internally generated cash flows and minimise liquidity risk by keeping committed credit lines available.

NOTES TO THE FINANCIAL STATEMENTS

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(Cont'd)

42. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay.

Group	Average effective interest rate %	On demand or within 1 year RM	1 to 5 years RM	More than 5 years RM	Total contractual cash flows RM	Total carrying amount RM
30.6.2024						
Financial liabilities						
Lease liabilities	1.94-6.27	171,444	438,697	48,748	658,889	586,967
Islamic medium term notes	5.50	2,218,748	9,322,578	-	11,541,326	9,524,986
Bank overdraft	3.60	2,461,894	-	-	2,461,894	2,461,894
Trade payables		24,938,745	-	-	24,938,745	24,938,745
Other payables		14,186,075	-	-	14,186,075	14,186,075
		43,976,906	9,761,275	48,748	53,786,929	51,698,667
30.6.2023						
Financial liabilities						
Lease liabilities	1.94-6.27	391,288	814,183	523,444	1,728,915	1,433,610
Islamic medium term notes	5.50	2,210,093	15,581,133	2,838,871	20,630,097	11,023,197
Bank overdraft	3.60	2,775,208	-	-	2,775,208	2,775,208
Trade payables		20,594,124	-	-	20,594,124	20,594,124
Other payables		12,139,178	-	-	12,139,178	12,139,178
		38,109,891	16,395,316	3,362,315	57,867,522	47,965,317

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

42. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. (Cont'd)

	On demand or within 1 year RM	1 to 5 years RM	Total contractual cash flows RM	Total carrying amount RM
Company				
30.6.2024				
Financial liabilities				
Lease liabilities	30,840	79,588	110,428	102,797
Other payables	446,489	–	446,489	446,489
Amount due to subsidiaries	1,815,604	–	1,815,604	1,815,604
Financial guarantee contract in to corporate guarantees extended to subsidiaries	3,258,110	–	3,258,110	–
	5,551,043	79,588	5,630,631	2,364,890
30.6.2023				
Financial liabilities				
Lease liabilities	158,280	110,428	268,708	254,956
Other payables	208,221	–	208,221	208,221
Financial guarantee contract in to corporate guarantees extended to subsidiaries	11,567,884	–	11,567,884	–
	11,934,385	110,428	12,044,813	463,177

The Company provides unsecured financial guarantees to banks and financial institutions in respect of credit facilities granted to certain subsidiary companies and monitors on an ongoing basis the performance of the subsidiary companies. At end of the financial period/year, there was no indication that the subsidiary companies would default on repayment.

Financial guarantee has not been recognised since the fair value on initial recognition was deemed not material and the probability of the subsidiary companies defaulting on their credit facilities is remote.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024
(Cont'd)

42. FINANCIAL INSTRUMENTS (CONT'D)**Financial risk management objectives and policies (Cont'd)**

(iii) Market risk

(a) Foreign currency risk

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

The Group has not entered into any derivative instruments for hedging or trading purposes. Where possible, the Group will apply natural hedging by selling and purchasing in the same currency. However, the exposure to foreign currency risk is monitored from time to time by management.

The carrying amounts of the Group's foreign currency denominated financial assets and financial liabilities at the end of the reporting period are as follows:

	USD
	RM
Group	
30.6.2024	
Cash and bank balances	23,787
<hr/>	
Group	
30.6.2023	
Cash and bank balances	118,473
<hr/>	

Foreign currency sensitivity analysis

Foreign currency risk arises from Group entities which have a RM functional currency.

	Change in currency rate RM	Effect on profit before tax RM
Group		
30.6.2024		
USD	Strengthened 10%	2,378
	Weakened 10%	(2,378)
<hr/>		
30.6.2023		
USD	Strengthened 10%	11,847
	Weakened 10%	(11,847)
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FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

42. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(b) Interest rate risk

The Group's and the Company's fixed rate deposits placed with licensed banks and financial institutions and borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's and the Company's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

The Group manages the interest rate risk of its deposits with licensed financial institutions by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank and maintaining a prudent mix of short and long-term deposits.

The Group and the Company manage its interest rate risk exposure from interest bearing borrowings by obtaining financing with the most favourable interest rates in the market. The Group and the Company constantly monitor its interest rate risk by reviewing its debts portfolio to ensure favourable rates are obtained. The Group and the Company do not utilise interest swap contracts or other derivative instruments for trading or speculative purposes.

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

	30.6.2024	30.6.2023
	RM	RM
Group		
Fixed rate instruments		
Financial assets	3,286,610	6,117,086
Financial liabilities	(12,573,847)	(15,232,015)
	<hr/>	<hr/>
	(9,287,237)	(9,114,929)

The Group's exposure to interest rate risk is considered non-significant due to minimal reliance on interest-bearing financial instruments. As such, detailed disclosures on interest rate risk have not been provided, as the potential impact on the Group's financial position and performance is negligible.

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

42. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(c) Equity price risk

The Group's principal exposure to equity price risk arises mainly from changes in quoted investment prices, for which prices in the future are uncertain. To manage the Group's exposure to equity price risk, the Investment Committee ("IC") which acts as a committee of the Board, reviews proposed transactions or proposed investments with a view to strategically allocate the Group's financial resources efficiently and to eliminate or minimise the risk of oversight in investment decisions.

The scope and functions of the IC are as follows:

- To develop and review the investment policies, investment criteria and investment strategies of the Group;
- To review, prior to Management entering into a definite agreement, proposed transactions or proposed investments;
- To review financial investment portfolios of the Group;
- To oversee current and future capital and financial resource requirements;
- To monitor the fund-raising activities of the Group;
- To conduct the annual performance evaluation of the Group's investment activities.

The Group manages price risk through diversification and selection of securities and other financial instruments with different risk profiles within specified limits set by the Board.

The overall market position is monitored on a daily basis by management and is reviewed on a quarterly basis by the Board. Compliance with the Group's investment policies are reported to the IC and Board on a quarterly basis.

Equity Price Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the prices of the quoted investments at the end of the reporting period, with all other variables held constant:

	30.6.2024	30.6.2023
	RM	RM
Group		
Effect on loss after taxation/equity		
Increase of 5%	1,277,439	1,198,917
Decrease of 5%	(1,277,439)	(1,198,917)

NOTES TO THE FINANCIAL STATEMENTS

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(Cont'd)

42. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (Cont'd)

- (iii) Market risk (Cont'd)
- (c) Equity price risk (Cont'd)

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

Group	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total fair value	Total carrying amount
	Level 1 RM	Level 2 RM	Level 3 RM	Level 1 RM	Level 2 RM	Level 3 RM		
30.6.2024								
Financial assets								
Other investments:								
Quoted shares	25,553,026	-	-	-	-	-	25,553,026	25,553,026
Transferable club membership	-	50,000	-	-	-	-	50,000	50,000
	25,553,026	50,000	-	-	-	-	25,603,026	25,603,026
Financial liabilities								
Islamic medium term notes	-	-	-	-	10,757,461	-	10,757,461	9,524,986

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

42. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(c) Equity price risk (Cont'd)

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

Group	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total fair value	Carrying amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
	RM	RM	RM	RM	RM	RM	RM	RM
30.6.2023								
Financial assets								
Other investments:								
Quoted shares	23,982,588	-	-	-	-	-	23,982,588	23,982,588
Transferable club membership	-	50,000	-	-	-	-	50,000	50,000
Short-term investments:								
Money market funds	-	25,487	-	-	-	-	25,487	25,487
	23,982,588	75,487	-	-	-	-	24,058,075	24,058,075
Financial liabilities								
Islamic medium term notes	-	-	-	-	12,663,896	-	12,663,896	11,023,197
30.6.2023								
Financial assets								
Short-term investments:								
Money market funds	-	25,487	-	-	-	-	25,487	25,487
	-	25,487	-	-	-	-	25,487	25,487

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (Cont'd)

42. FINANCIAL INSTRUMENTS (CONT'D)

- (i) Fair value of financial instruments carried at fair value
 - (a) The fair values above have been determined using the following basis:
 - (i) The fair value of the quoted equity investment is estimated at its quoted closing bid price at the end of the reporting period.
 - (ii) The fair value for golf club memberships is estimated based on references to current available counterparty quotations of the same investments.
 - (iii) The fair value of money market funds is based on the fund managers' statements at the reporting date.
 - (b) There were no transfer between level 1 and level 2 during the financial year.
- (ii) Fair value of financial instruments not carried at fair value

The fair values, which are for disclosure purposes, have been determined using the following basis:

The fair value of IMTN that carry fixed interest rates are determined by discounting the relevant future contractual cash flows using current market interest rates for similar instruments at the end of the reporting period.

43. CAPITAL MANAGEMENT

The Group's management manages its capital to maintain a strong capital base and safeguard the Group's ability to continue as a going concern and maintain an optimal capital structure, so as to maximise shareholders value. The management reviews the capital structure by considering the cost of capital and the risks associated with the capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024
(Cont'd)

43. CAPITAL MANAGEMENT (CONT'D)

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

	30.6.2024 RM	Group 30.6.2023 RM
Lease liabilities	586,967	1,433,610
Trade payables	24,938,745	20,594,124
Other payables	14,186,075	12,139,178
Islamic medium term notes	9,524,986	11,023,197
Bank overdraft	2,461,894	2,775,208
Less: Deposits with licensed banks	(3,286,610)	(6,117,086)
Less: Cash and bank balances	(8,676,516)	(7,605,640)
Net debts	39,735,541	34,242,591
Total equity	135,261,093	152,363,834
Gearing ratio (times)	0.29	0.22

44. MATERIAL LITIGATION**In the matter of an adjudication between the Pasukhas Sdn. Bhd. ("PSB") (Claimant) and Empire Multiple Sdn. Bhd. ("EMSB") (Respondent)**

On 27 April 2018, PSB had served 1 Payment Claim under Section 5 of the Construction Industry Payment & Adjudication Act 2012 ("CIPAA") against EMSB on 6 February 2018, claiming total amount of RM6,332,276 ("CIPAA Payment Claim") being outstanding sum due and owing by EMSB.

The CIPAA Payment Claim is related to the project known as "Sub-contract for the Supply of Materials, Labour, Machineries, Equipment & Tools for Structural Works Only for Construction & Completion of Apartment Housing Scheme which includes: (1) Apartment Block A (14 Storey) (i) 13 Storey (130 Units) Apartment (ii) 1 Storey Carpark (iii) 1 unit electrical Sub-station (2) Apartment Block B (14 Storey) (i) 13 Storey (130 units) Apartment (ii) 1 Storey Carpark (3) 1 Storey Club House and Swimming Pool (4) Guard House on lot 208397, 69040, 69041, 69042 and 69043, Taman Bintang, Bandaraya Ipoh, Mukim Hulu Kinta, Daerah Kinta, Perak Darul Ridzuan for Messrs EMSB.

On 28 February 2018, PSB had instituted adjudication proceedings under the CIPAA against EMSB and both parties have been unable to agree on an adjudicator to determine the dispute.

PSB had on 26 April 2018 received a letter of acceptance of appointment as adjudicator dated 26 April 2018 from Mr James P Monteiro, the appointed Adjudicator in relation to the Proposed Terms of Appointment to act as Adjudicator under Section 23(1) of the CIPAA.

On 20 August 2018, PSB received the Adjudicator Decision pursuant to CIPAA dated 17 August 2018.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

44. MATERIAL LITIGATION (CONT'D)

The Adjudicator's Decisions were as follows:

- (i) For the Adjudicated Sum:
 - (a) EMSB shall pay to PSB the sum of RM4,799,322; and
 - (b) interest on the sum of RM4,799,322 commencing from 6 February 2018 until full settlement at a rate of 5% per annum.
- (ii) For the Adjudicated Costs:
 - (a) the sum of RM40,000 as party to party costs within 10 working days from the date of release of the Adjudication Decision;
 - (b) costs of adjudication which includes Asian International Arbitration Centre's ("AIAC") (previously known as KLRC) registration of adjudication fee of RM265, appointment of adjudicator RM424 and administrative costs of RM60,000 (and GST if any) within 10 working days; and
 - (c) interest of 5% per annum on such costs in the event of default until full settlement.

On 20 September 2018, PSB filed an application to enforce the CIPAA decision dated 17 August 2018 at Kuala Lumpur High Court.

On 28 September 2018, EMSB filed an application to stay the enforcement of the CIPAA decision and set aside the CIPAA decision dated 17 August 2018 in Ipoh High Court.

On 8 October 2018, EMSB filed an application to transfer the enforcement proceeding to Ipoh High Court. EMSB's application was dismissed.

PSB filed application to transfer EMSB's setting aside and stay proceeding to Kuala Lumpur High Court. The case management for the application to transfer EMSB's application was on 22 November 2018.

On 12 February 2019, the High Court allowed PSB's application to enforce the CIPAA decision dated 17 August 2018 and dismissed EMSB's application to set aside and stay the CIPAA decision.

On 5 March 2019, EMSB has filed a Notice of Appeal against High Court's decision dated 12 February 2019.

On 7 March 2019, PSB served a winding-up notice against EMSB. EMSB have then applied for and obtained an ex-parte injunction against PSB's winding-up proceeding on 27 March 2019.

EMSB has until 2 April 2019, to pay the adjudicated sum before PSB take a further step to file a winding-up petition on EMSB.

Before winding-up proceedings could be commenced, EMSB applied for and obtained an ex-parte Fortuna Injunction against PSB restraining PSB from presenting the winding-up petition. This ex-parte injunction was subsequently affirmed by the learned High Court judge sitting in Ipoh on 27 March 2019.

On 19 June 2019, the Ipoh High Court allowed EMSB's application for a Fortuna Injunction. PSB appealed against the Ipoh High Court's decision. The latest case management is fixed on 13 October 2020.

On 31 October 2019, PSB filed a Judgement Debtor Summons ("JDS Suit") at the Kuala Lumpur High Court to summon EMSB's directors and officer for examination of EMSB's assets. EMSB filed an application to transfer the JDS Suit to Ipoh High Court and the application to transfer has been approved during the hearing held on 16 January 2020.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

44. MATERIAL LITIGATION (CONT'D)

On 14 February 2020, PSB filed a Writ of Summons against EMSB, EMSB's directors and EMSB's auditors at Ipoh High Court. PSB is seeking for the following reliefs from the Court:

- A declaration that Lee Kong Choong, Yee Loon Ming, Tan Chuan Swee, Ho Seng Loong and Yee Kok Ching had carried on business of EMSB with intent to defraud PSB within the contemplation of Section 540(1) of Companies Act 2016;
- A declaration that Chai Pin Fah, Phuan Eng Sing and Messrs Peter Ooi & Co. are knowing parties to the fraud of the above by reason of their actions set out in the Statement of Claim;
- An order pursuant to Section 540(1) of Companies Act 2016 that the above persons shall be personally responsible, without any limitation of liability, for all or any of the debts or other liabilities of EMSB to PSB for such amount and on such terms as the Court may direct;
- General and punitive damages;
- Cost;
- Interests on damages and costs; and
- Such further and/other reliefs as the Court deems fit.

The Ipoh High Court Suit No. AA-22NCC-7-02/2020 was fixed for case management on 28 August 2020. The next case management is fixed on 8 October 2020.

Civil Appeal No. W-02(C)(A)-405-03/2019 & W-02(C)(A)-406-03/2019 was managed by e-review on 10 September 2020 and the new case management is fixed on 14 October 2020.

On 30 March 2020, Peter Ooi & Co. has filed a defence and counterclaim against PSB, seeking the following reliefs:

- General damages for the tort of abuse of process, to be assessed;
- Aggravated damages;
- Exemplary damages;
- Interest at the rate of 5% per annum on the said damages in above from 14 February 2020 till final satisfaction;
- Any other relief which this Court deems fit; and
- Costs.

Ipoh High Court Suit No. AA-37J-2-06/2020

Next case management has been fixed on 19 October 2020 to update the Court on the status of the mediation. The hearing date would be fixed at the next case management.

Next case management has been fixed on 2 November 2020 and the Court has directed PSB and EMSB to conduct case management by way of email.

Further to case management held on 2 November 2020, the next hearing is fixed on 25 February 2021.

Further to the hearing held on 25 February 2021, the Court has adjourned the hearing to 30 March 2021 due to mediation in process.

Further to case management held on 13 April 2021, the Court has fixed the next case management on 7 May 2021 for preparation and fixing the hearing date.

Further to case management held on 7 May 2021, the Court has fixed 29 June 2021 for the hearing of the Judgment Debtor Summons.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

44. MATERIAL LITIGATION (CONT'D)

Further to the hearing held on 29 June 2021:

- The Court has adjourned the hearing of the Judgment Debtor Summons to 8 September 2021; and
- EMSB to comply with Court direction dated 7 May 2021 on the following:
 - (a) to file list of witness;
 - (b) to forward Companies Commission of Malaysia search, latest accountant report, latest 2 months bank account statement to PSB and to the Court;
 - (c) any further documents which PSB can write to request from EMSB; and
 - (d) EMSB must comply with the direction latest by 30 July 2021.

The Court has fixed the next hearing date on 8 September 2021.

The Court had vacated the hearing held on 8 September 2021 and had fixed 17 November 2021 as new hearing date.

Further to the hearing held on 17 November 2021, the hearing has yet to be concluded and will be continued on 8 December 2021.

Further to the hearing held on 8 December 2021, the hearing has yet to be concluded and will be continued on 17 December 2021.

Further to the hearing held on 17 January 2022, the Court has fixed the next case management on 1 March 2022.

Further to the case management held on 1 March 2022, the Court has fixed the next case management on 27 June 2022.

Further to the case management held on 27 June 2022, the Court has fixed the next case management on 3 August 2022.

The hearing for update on the winding up petition which fixed on 2 August 2022 has been adjourned to 10 August 2022.

Further to the case management held on 22 August 2022, the matter has been withdrawn as it would be redundant after the winding up of the Judgment Debtor.

Civil Appeal No. W-02(C)(A)-405-03/2019 & W-02(C)(A)-406-03/2019

Further to case management held on 14 October 2020, the next case management is fixed on 11 November 2020.

Further to case management held on 11 November 2020, the next case management is fixed on 2 August 2021.

Further to the case management held on 2 August 2021:

- EMSB informed that they are withdrawing both appeals; and
- The next hearing of appeals to be held on 16 August 2021 will be converted to hearing for costs.

Further to the hearing for costs held on 16 August 2021, the appeals were withdrawn with costs of RM3,000 for each appeal awarded to PSB.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (Cont'd)

44. MATERIAL LITIGATION (CONT'D)

Ex-Fortuna Injunction Appeal A-02(NCC)(A)-1154-06/2019 & A-02(NCC)(A)-1157-06/2019

Further to case management held on 13 October 2020:

- Next hearing date fixed on 27 May 2021 by way of e-appellate;
- PSB and EMSB are instructed to file the Common Core Bundle, written subs and executive summary by 26 April 2021; and
- Next case management to ensure compliance fixed on 5 May 2021.

The hearing which supposed to be held on 27 May 2021, has been vacated and the Court has fixed 2 June 2021 for case management.

Further to case management held on 2 June 2021, the Court has fixed 9 December 2021 for the hearing of PSB's fortuna injunction appeal.

Further to the hearing held on 9 December 2021, the Court of Appeal has allowed PSB's appeal in striking off of the fortuna injunction and awarded PSB a RM20,000 subject to allocator.

Ipoh High Court Suit No. AA-22NCC-7-02/2020

Further to case management held on 23 October 2020:

- PSB and EMSB to file hard copy of submission to Court on 11 November 2020;
- PSB and EMSB to also file summary of facts before the next case management date; and
- Next case management is fixed on 11 November 2020.

Further to case management held on 11 November 2020, the next case management is fixed on 7 January 2021.

Further to case management held on 7 January 2021:

- The Court has fixed one hearing date for all 4 applications which is on 18 May 2021 and since there are 4 applications for striking out, the Court has instructed the parties for each application to send to the Court 2 weeks before hearing date the hard copy of complete cause papers; and
- PSB to submit the hard copy of all the submissions 2 weeks before the hearing.

The hearing which supposed to be held on 18 May 2021, has been postponed to 25 October 2021.

Further to the hearing held on 25 October 2021, EMSB's striking out applications, i.e. Enclosures 18, 24, 26 and 28 are fixed for continued hearing on 7 January 2022.

Further to the hearing held on 7 January 2022, the Court has fixed the next hearing on 4 April 2022.

Further to the hearing held on 4 April 2022, the Court has allowed PSB's additional affidavit and gave EMSB 3 weeks to file an affidavit in Reply.

The striking out application hearing which fixed on 4 April 2022 has been postponed to 15 July 2022.

Further to the striking out application hearing held on 15 July 2022, the Court has allowed EMSB has filed an application to stay the suit pending the disposal of PSB's winding up petition and the Court has gave PSB 2 weeks to file an affidavit in Reply. Besides, the Court has fixed the next case management on 22 August 2022.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

(Cont'd)

44. MATERIAL LITIGATION (CONT'D)

Further to the case management held on 22 August 2022, the Court has fixed the next case management on 31 October 2022.

Further to the case management held on 31 October 2022, the Court has fixed the next case management on 16 January 2023.

The Court has fixed the next case management on 19 May 2023.

The Court has fixed the next case management on 31 July 2023. During the case management, the 1st Defendant informed the Court that they have obtained an Order for Public Examination which will be held on 18 September 2023 and 19 September 2023.

The Court has fixed the next case management on 26 September 2023.

The Court has fixed the next case management on 22 February 2024.

On 25 March 2024, the Board of directors of the Company wished to inform that the 1st Defendant, EMSB had informed the court that the ex-directors, namely Lee Kong Choong (D2), Yee Loom Ming (D3), Ho Seng Long (D5) and Yee Kok Ching (D6) of this action had filed setting aside application to set aside the Public Examination Order obtained against EMSB. The decision for the setting aside application is fixed on 20 May 2024.

In view of the recent updates, the Court then fixed the next case management on 21 May 2024 by way of Zoom for parties to update the outcome and status of the setting aside application.

On 21 May 2024, the Board of directors of the Company wished to inform that there is no case management for the above matter today. The next case management has been fixed on 31 May 2024 by way of Zoom.

On 31 May 2024, the Board of directors of the Company wished to inform that the 1st Defendant, EMSB (D1) had informed the Court that the Decision for the setting aside application of the Public Examination Order is rescheduled to 4 July 2024. Therefore, the Court had fixed the next date for Case Management on 11 July 2024 via Zoom for D1 to update the outcome of the setting aside application.

On 12 July 2024, the Board of directors of the Company wished to inform that, EMSB (D1) had informed the Court that the setting aside application filed by Lee Kong Chong (D2), Yee Loon Ming (D3), Ho Seng Long (D5) and Yee Kok Ching (D6) to set aside the Public Examination Order was allowed by the High Court. D1 informed they will be appealing against the said decision ("the Appeal"). Thereafter, the Court had fixed the next mention date on 20 August 2024 for EMSB (D1) to update the Court in relation to the status of the Appeal and instructions whether to withdraw their striking out application filed at Encl. 26.

On 20 August 2024, the Board of directors of the Company wished to inform that the Court has requested updates from EMSB (D1) on the status of Appeal to appeal against the decision of setting aside the Public Examination Order filed by Lee Kong Chong (D2), Yee Loon Ming (D3), Ho Seng Long (D5) and Yee Kok Ching (D6) ("the Appeal"). Empire Multiple Sdn. Bhd (D1) informed that the Appeal is fixed for case management on 23 October 2024 and EMSB (D1) had withdrawn the stay proceeding previously filed by EMSB (D1) at Encl. 95. Encl. 95 was therefore struck out with no order as to costs. The Court indicated that the Court is inclined to proceed with the hearing of the striking out applications filed respectively by the Defendants. On this note, the Court instructed the Defendants to file their further written submissions respectively to update the Court in relation to the position of the Defendants since EMSB (D1) had already been wound up. The deadline for the Defendants to file their further submissions is on 3 September 2024. The Plaintiff to reply to their further submissions by 17 September 2024, if any.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024
(Cont'd)

44. MATERIAL LITIGATION (CONT'D)

On 24 September 2024, the Board of directors of the Company wished to inform that, EMSB (D1) had withdrawn its striking out application against PSB, with no order as to costs. Therefore, the Court had fixed the hearing date for the remaining striking out applications by D2 to D9 on 29 November 2024. The Court has also fixed the next date on 30 October 2024 (by way of Zoom) for PSB to update status of its leave to continue preceding against D1, whereby PSB had obtained the said leave from the KL High Court on 5 October 2022.

On 17 October 2024, the Board of directors of the Company wished to inform that the Mention initially fixed on 30 October 2024 has been vacated and changed to 17 October 2024. The lawyers have attended the Mention and the Court has been informed that the leave to continue proceeding against D1, EMSB was obtained on 5 October 2022. Hence, the hearing date for striking out applications by D2 to D9 on 29 November 2024 is maintained.

45. COMPARATIVE FIGURE

In the previous financial period, the financial year end of the Company had changed from 31 December to 30 June. Accordingly, the financial statements of the Company for the current financial period are drawn up for a period of twelve months from 1 July 2023 to 30 June 2024, whereas comparative amounts are presented for a period of eighteen months from 1 January 2022 to 30 June 2023. Therefore, the amounts presented in statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows are not comparable with the amounts presented for comparative period.

ANALYSIS OF SHAREHOLDINGS AS AT 30 SEPTEMBER 2024

SHARE CAPITAL

Total Number of Issued Shares	:	190,529,247
Class of Shares	:	Ordinary shares
Voting Rights	:	One vote per ordinary share

SHAREHOLDING DISTRIBUTION SCHEDULE (AS PER THE RECORD OF DEPOSITORS)

No. of Shareholders	Size of Shareholdings	No. of Shares Held	% of Shares
1,158	Less than 100	33,638	0.02
2,719	100 to 1,000	1,300,213	0.68
2,686	1,001 to 10,000	12,115,588	6.36
1,446	10,001 to 100,000	48,897,685	25.66
206	100,001 to less than 5% of issued shares	89,655,523	47.06
2	5% and above of the issued shares	38,526,600	20.22
8,217	TOTAL	190,529,247	100.00

DIRECTORS' SHAREHOLDINGS (BASED ON THE REGISTER OF DIRECTORS' SHAREHOLDINGS)

NAME OF DIRECTORS	NO. OF SHARES HELD			
	DIRECT	%	INDIRECT	%
1. MEJAR DATO' ISMAIL BIN AHMAD	–	–	–	–
2. MR. MAK SIEW WEI	4,607,000	2.42	–	–
3. MR. TANG BOON KOON	100,000	0.05	–	–
4. DATO' NIK ISMAIL BIN DATO' NIK YUSOFF	–	–	–	–
5. MS. TAN YEE PING	–	–	–	–
6. MR. TEOH KIM HOOI	390,000	0.20	–	–

SUBSTANTIAL SHAREHOLDERS (BASED ON THE REGISTER OF SUBSTANTIAL SHAREHOLDERS)

NAME OF SUBSTANTIAL SHAREHOLDERS	NO. OF SHARES HELD			
	DIRECT	%	INDIRECT	%
1. JOE HOLDING BERHAD	–	–	26,031,000	13.66
2. GP AUTOBAT SDN. BHD.	26,031,000	13.66	–	–

ANALYSIS OF SHAREHOLDINGS

AS AT 30 SEPTEMBER 2024
(Cont'd)

LIST OF 30 LARGEST SECURITIES ACCOUNT HOLDERS (BASED ON THE RECORD OF DEPOSITORS)
(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME REGISTERED HOLDER)

Name of Shareholders	No. of Shares Held	%
1. M&A NOMINEE (ASING) SDN. BHD. EXEMPT AN FOR SFGHK LIMITED (ACCOUNT CLIENT)	27,554,800	14.46
2. AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. EXEMPT AN FOR SFGHK LIMITED (ACCOUNT CLIENT)	10,971,800	5.76
3. UNIK MAKMUR SDN. BHD.	5,870,200	3.08
4. CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR HEE YUEN SANG (MY2105)	5,335,000	2.80
5. AE MULTI INDUSTRIES SDN. BHD.	5,120,400	2.69
6. AE MULTI INDUSTRIES SDN. BHD.	4,413,600	2.32
7. CHONG TONG SIEW	3,000,000	1.57
8. MUHAMAD SYAFIQ FARIS BIN NASRI	2,422,600	1.27
9. CHIA HOOI LIANG	2,000,000	1.05
10. CHIN KIAM HSUNG	1,720,200	0.90
11. LOO KIEW MAN	1,700,000	0.89
12. PUBLIC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ONG HOCK SOON (E-TAI/PRS)	1,597,080	0.84
13. SZE KOOI HOE	1,550,000	0.81
14. KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHIN KIAM HSUNG	1,245,500	0.65
15. CHUNG KIN CHUAN	1,170,000	0.61
16. KENANGA NOMINEES (TEMPATAN) SDN. BHD. CHIN KIAM HSUNG	1,000,000	0.52
17. FIONA GOH ZHOU JEN	920,000	0.48
18. TAN KONG HAN	918,000	0.48
19. TANG MEE CHENG	900,000	0.47
20. CHAI MEI LING	860,000	0.45
21. EH CHIAN LIANG	820,000	0.43
22. PUBLIC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHING WEE KEONG (E-JBU)	780,000	0.41
23. CHAN KAI LUM	779,500	0.41
24. KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR MICHAEL HENG CHUN HONG	750,000	0.39
25. JOSHUA GOH WEN-HANN	720,000	0.38
26. CHIN MEI YEE	710,000	0.37
27. DAREN YOON THAI ON	690,000	0.36
28. PUBLIC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR GRACE SIA YING SIANG (E-LBG)	650,130	0.34
29. SJ SEC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR GOH CHOON KWANG (SMT)	637,300	0.33
30. RHB NOMINEES (TEMPATAN) SDN. BHD. CHIA AH HOOI	635,900	0.33
TOTAL	87,442,010	45.89



PASUKHAS GROUP BERHAD
Registration No. 200501009342 (686389-A)
(Incorporated in Malaysia)

19TH ANNUAL GENERAL MEETING (“19TH AGM”)

ADMINISTRATIVE GUIDE

Date	Time	Broadcast Venue
Thursday, 28 November 2024	10.00 a.m.	Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana Tropicana Golf & Country Resort 47410 Petaling Jaya, Selangor Darul Ehsan

MODE OF MEETING

The 19th AGM will be held on a virtual basis through live streaming and online remote participation and voting from the Broadcast Venue.

Shareholders of the Company (Members) are **NOT REQUIRED** to be physically present **NOR ADMITTED** at the Broadcast Venue on the day of the 19th AGM. Members will have to register to attend the 19th AGM remotely by using the Remote Participation and Voting (“RPV”) facilities, the details as set out below.

RPV

The 19th AGM will be conducted entirely through live streaming and online remote voting. Members are encouraged to participate the 19th AGM by using the RPV Facilities. With the RPV Facilities, Members may exercise their rights to participate (including to pose any questions to the Board of Directors (the “Board”) and the Management of the Company) and vote at the 19th AGM.

Individual Members are strongly encouraged to take advantage of RPV Facilities to participate and vote remotely at the 19th AGM.

If an Individual Members is unable to participate the 19th AGM, he/she is encouraged to appoint proxy(ies) or the Chairman of the Meeting to participate on his/her behalf and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

Corporate Members (through Corporate Representative(s) or appointed proxy(ies) are also strongly advised to participate and vote remotely at the 19th AGM by using the RPV Facilities. Corporate Members who wish to participate and vote remotely at the 19th AGM will be required to provide the following documents to the Company's Share Registrar's office at A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan no later than **Tuesday, 26 November 2024 at 10.00 a.m.:**

- i. Certificate of Appointment of its Corporate Representative or Form of Proxy under the Seal of the Corporation;
- ii. Copy of the Corporate Representative's or Proxy's MyKad (front and back) / Passport; and
- iii. Corporate Representative's or Proxy's email address and mobile phone number.


If a Corporate Member (through Corporate Representative(s) or appointed proxy(ies)) is unable to participate the 19th AGM, the Corporate Member is encouraged to appoint the Chairman of the Meeting as its proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

In respect of **Members** who is an **Authorised Nominee and Exempt Authorised Nominee** (Nominee Company), the beneficial owners of the shares under a Nominee Company's CDS account are also strongly advised to participate and vote remotely at the 19th AGM using RPV Facilities. Beneficial owner, who wish to participate and vote remotely at the 19th AGM, can request its Nominee Company to appoint him/her as a proxy to participate and vote remotely at the 19th AGM. Nominee Company will be required to provide the following documents to the Company's Share Registrar's office at A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan no later than **Tuesday, 26 November 2024 at 10.00 a.m.:**

- i. Form of Proxy under the Seal of the Nominee Company;
- ii. Copy of the Proxy's MyKad (front and back) / Passport; and
- iii. Proxy's email address and mobile phone number.

If a beneficial owner is unable to participate in the 19th AGM, it is encouraged to request its Nominee Company to appoint the Chairman of the Meeting as its proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

The procedures for the RPV Facilities in respect of the live streaming and remote voting at the 19th AGM are as follows:

Procedures	Action
Before the 19th AGM	
1. Register as participant for the 19 th AGM 	<ul style="list-style-type: none"> Using your computer, access the registration website at https://rebrand.ly/PasukhasAGM If you are using mobile devices, you can also scan the QR provided on the left to access the registration page. Click Register and enter your email followed by Next to fill in your details to register for the 19th AGM session. Upon submission of your registration, you will receive an email notifying you that your registration has been received and is pending verification. The event is powered by Cisco Webex. You are recommended to download and install Cisco Webex Meetings (available for PC, Mac, Android and iOS). Refer to the tutorial guide posted on the same page for assistance.
2. Submit your online registration	<ul style="list-style-type: none"> Members, who wish to participate and vote remotely at the 19th AGM via RPV Facilities, are required to register prior to the Meeting. The registration will open on Wednesday, 30 October 2024 from 5.00 p.m. until the day of the 19th AGM on Thursday, 28 November 2024. Clicking on the link mentioned in item 1 will redirect you to the 19th AGM event page. Click on the Register link for the online registration form. Complete your particulars in the registration page. Your name MUST match your CDS account name (not applicable for proxy). Insert your CDS account number(s) and indicate the number of shares you hold. Read and agree to the Terms & Conditions and confirm the Declaration. Please ensure all information given is accurate before you click Submit to register your remote participation. Failure to do so will result in your registration being rejected. System will send an email to notify that your registration for remote participation is received and will be verified. After verification of your registration with the General Meeting Record of Depositors of the Company as at 19 November 2024, the system will send you an email to notify you if your registration is approved or rejected after 20 November 2024. If your registration is rejected, you can contact the Company's Poll Administrator for clarifications or to appeal.

Procedures		Action
On the day of 19th AGM		
3.	Attending 19 th AGM	<ul style="list-style-type: none"> Two reminder emails will be sent to your inbox. First email will be sent one day before the date of the 19th AGM, while the second email will be sent 1 hour before the commencement of the 19th AGM session. Click Join Webinar in the reminder email to participate the RPV.
4.	Participate with live video	<ul style="list-style-type: none"> You will be given a short brief about the system. Your microphone is muted throughout the whole session. If you have any questions for the Chairman/Board, you may use the Q&A panel to send in your questions. The Chairman/Board will try to respond to the relevant questions if time permits. All relevant questions will be collected throughout the session and replied later through your registered email. The whole session will be recorded. Take note that the quality of the live streaming is dependent on the bandwidth and stability of the internet connection at your location.
5.	Online Remote Voting	<ul style="list-style-type: none"> The Chairman will announce the commencement of the voting session and the duration allowed at the 19th AGM. The list of resolutions for voting will appear at the right-hand side of your computer screen under the "Slido" panel. You are required to indicate your votes for the resolutions within the given stipulated time frame. Click on the Submit button when you have completed. Votes cannot be changed once it is submitted.
6.	End of RPV Facility	Upon the announcement by the Chairman on the closure of the 19 th AGM, the live session will end.

APPOINTMENT OF PROXY

Members, who appoint proxy(ies) to participate via RPV Facilities in the 19th AGM, shall deposit the completed duly executed Form of Proxy at the Company's Share Registrar's office at A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan or fax to 03- 6413 3270 or email to infosr@wscs.com.my, not later than **Tuesday, 26 November 2024 at 10.00 a.m.**

Please note that if an Individual Member has submitted his/her Form of Proxy prior to the 19th AGM and subsequently decides to personally participate in the 19th AGM via RPV Facilities, the Individual Member shall proceed to contact the Company's Poll Administrative at 03-6413 3271 to revoke the appointment of his/her proxy(ies) no later than **Tuesday, 26 November 2024 at 10.00 a.m.**

POLL VOTING

The voting at the 19th AGM will be conducted by poll in accordance with Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed Workshire Share Registration Sdn. Bhd. as Poll Administrator to conduct the poll by way of electronic means and SharePolls Sdn. Bhd. as Scrutineers to verify the poll results.

The Scrutineers will verify the poll results and the Chairman will declare whether the resolutions are duly passed or otherwise.

NO RECORDING OR PHOTOGRAPHY

Strictly **NO recording or photography** of the proceedings of the 19th AGM is allowed.

NO BREAKFAST/LUNCH PACKS, DOOR GIFTS OR FOOD VOUCHERS

There will be **NO** distribution of breakfast / lunch packs, door gifts or food vouchers to the Members or Proxy(ies) who participate in the 19th AGM.

ENQUIRY

If you have any enquiry prior to the meeting, please contact the following officers during the office hours from 9.00 a.m. to 5.30 p.m. on Mondays to Fridays (except public holidays) at:

For registration, logging in and system related:

InsHub Sdn. Bhd.

Name: Ms. Eris/ Mr. Calvin
Telephone: 03-7688 1013
Email: vgm@mlabs.com

For Proxy and other matters:

Workshire Share Registration Sdn. Bhd.

Name: Mr. Vemalan a/I Naraynan/ Mr. Tee Yee Loon
Telephone: 03-6413 3271/012-595 5253
Email: infosr@wscs.com.my

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**PASUKHAS GROUP BERHAD**Registration No. 200501009342 (686389-A)
(Incorporated in Malaysia)**FORM OF PROXY**

CDS Account No.	No. of Shares Held

*I/We _____ NRIC No./Passport No./Co. No. _____
(full name in block letters)of _____
(full address)

Email Address _____ Contact No. _____

being a *member/members of **PASUKHAS GROUP BERHAD**, hereby appoint

Name of Proxy	NRIC No./Passport No.	% of Shareholding to be Represented
Address		
Email Address	Contact No.	

*and/or failing *him/her

Name of Proxy	NRIC No./Passport No.	% of Shareholding to be Represented
Address		
Email Address	Contact No.	

or failing *him/her, the **CHAIRMAN OF THE MEETING** as *my/our proxy to vote for *me/us on *my/our behalf at the Nineteenth ("19th") Annual General Meeting of the Company which will be held on a virtual basis through live streaming and online remote participation and voting from the broadcast venue at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on **Thursday, 28 November 2024 at 10.00 a.m.** or at any adjournment thereof, and to vote as indicated below:-

NO.	ORDINARY RESOLUTIONS	FOR	AGAINST
1.	Approval of Directors' Fees		
2.	Approval of Directors' Benefits		
3.	Re-election of Mr. Mak Siew Wei		
4.	Re-election of Mr. Tang Boon Koon		
5.	Re-election of Dato' Nik Ismail bin Dato' Nik Yusoff		
6.	Re-appointment of Auditors		
7.	Authority to Allot and Issue shares under Sections 75 and 76 of the Companies Act 2016		

* *Strike out whichever not applicable*

Please indicate with an "X" in the space provided below how you wish your votes to be casted. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting his/her discretion.

Dated this _____ day of _____ 2024

Signature(s) of member(s)

Notes:

- Please refer to the Administrative Guide for the procedures to register and participate in the virtual meeting. Shareholders will not be allowed to attend the meeting in person at the broadcast venue on the day of the meeting.
- A member of the Company entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies to attend, participate, speak and vote in his stead. A proxy may, but need not be a member of the Company and there shall be no restriction as to the qualification of the proxy.
- Where a member appoints more than one (1) proxy, he/she shall specify the proportions of his/her holdings to be represented by each proxy, failing which, the appointment shall be invalid.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- If no name is inserted in the space provided for the name of your proxy, the Chairman of the meeting will act as your proxy.
- The instrument appointing a proxy and the power of attorney or other authority (if any) may be made in physical form or electronic form. In the case of an appointment made in physical form, the proxy form must be deposited at the Company's Share Registrar's office at A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan or email to infosr@wscs.com.my. All proxy form submitted must be received by the Company not less than forty-eight (48) hours before the time appointed for holding meeting.
- If the appointer is a corporation, the instrument appointing a proxy must be executed under its Common Seal or under the hand of an officer or attorney duly authorised.
- Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolution set out in the Notice of 19th AGM shall be put to vote by poll.
- For purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors ("ROD") as at 19 November 2024 and only a Depositor whose name appears on such ROD shall be entitled to attend the 19th AGM or appoint proxy to attend and/or vote in his/her behalf.

Personal Data Privacy

By submitting an instrument appointing proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of 19th AGM dated 30 October 2024.



Fold this flap for sealing

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AFFIX
STAMP

The Share Registrar of
PASUKHAS GROUP BERHAD
Registration No. 200501009342 (686389-A)
c/o Workshire Share Registration Sdn. Bhd.
A3-3-8, Solaris Dutamas
No. 1, Jalan Dutamas 1
50480 Kuala Lumpur
Wilayah Persekutuan

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WWW.PASUKHASGROUP.COM

PASUKHAS GROUP BERHAD
[200501009342 (686389-A)]
(INCORPORATED IN MALAYSIA)

DF2-11-01, LEVEL 11, PERSOFT TOWER
6B PERSIARAN TROPICANA
TROPICANA GOLF & COUNTRY RESORT
47410 PETALING JAYA, SELANGOR DARUL EHSAN, MALAYSIA

TEL : (603) 7665 6088 FAX : (603) 7665 6089
EMAIL : ADMIN@PASUKHAS.COM.MY