

ANNUAL REPORT

2025



CENTRAL GLOBAL BERHAD
201801036114 (1298143-T)



Future Forward



TEAMWORK

In order to follow the path that leads to greater expansion, Central Global Berhad established its presence in the manufacturing and construction industries with its comprehensive solution and capability. The Group strives to deliver the best, aims to grow bigger and greater than ever, setting a new vision to move forward.

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| Proxy Form | <i>Enclosed</i> |

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Sixth Annual General Meeting of Central Global Berhad ("CGB" or "the Company") will be held at Timpohon & Laban Rata Room, Level 3, Le Meridien Kota Kinabalu, Jalan Tun Fuad Stephens, Sinsuran, 88000 Kota Kinabalu, Sabah on Thursday, 18 December 2025 at 10:00 a.m. for the following purposes:-

AGENDA AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial period ended 30 June 2025 (from 1 January 2024 to 30 June 2025) together with the Reports of the Directors and Auditors thereon. **(Please refer to Note 1 of the Explanatory Notes)**
2. To approve the payment of Non-Executive Directors' fees and benefits up to RM450,000 from 1 October 2025 until the next Annual General Meeting of the Company. **Ordinary Resolution 1**
3. To re-elect the following Directors retiring in accordance with the Company's Constitution:-
 - (i) Mr. Lee Chee Vui (Clause 78) **Ordinary Resolution 2**
 - (ii) Ms Wong Pooi Seen (Clause 79) **Ordinary Resolution 3**
 - (iii) Ms Teoh Saw Sin @ Judy Teoh (Clause 79) **Ordinary Resolution 4**
 - (iv) Datuk Wira Shahrul Nazri bin Abdul Rahim (Clause 79) **Ordinary Resolution 5**
4. To re-appoint Messrs Baker Tilly Monteiro Heng PLT as Auditors of the Company and to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix the Auditors' remuneration. **Ordinary Resolution 6**

AS SPECIAL BUSINESS

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

5. **AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 AND WAIVER OF PRE-EMPTIVE RIGHTS**

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016, and subject to the approval from other relevant governmental/regulatory authorities, the Directors be and are hereby empowered to allot shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares allotted pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company at the time of submission to the authority and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company AND THAT the Directors be and are hereby also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation of the additional shares so allotted.

AND THAT pursuant to Section 85 of the Companies Act 2016 to be read together with Clause 8 of the Company's Constitution, approval be and is hereby to waive the statutory pre-emptive rights of the shareholders of the Company to be offered with new Company shares ranking equally to the existing issued Company shares arising from any issuance of the new Company shares pursuant to Sections 75 and 76 of the Companies Act 2016."

Ordinary Resolution 7
6. To transact any other business which may properly be transacted at an Annual General Meeting for which due notice shall have been given.

NOTICE OF ANNUAL GENERAL MEETING

(cont'd)

By order of the Board

LIM SECK WAH (MAICSA 0799845)
(SSM PRACTICING CERTIFICATE NO. 202008000054)
KONG MEI KEE (MAICSA 7039391)
(SSM PRACTICING CERTIFICATE NO. 202008002882)
Company Secretaries

Kuala Lumpur

Dated this 31st day of October 2025

NOTES:-

- (a) For the purpose of determining a member who shall be entitled to attend, speak and vote at the Annual General Meeting (“Meeting”), the Company shall be requesting the Record of Depositors as at 11 December 2025. Only a depositor whose name appears on the Record of Depositors as at 11 December 2025 shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote on his/her stead.
- (b) A member shall be entitled to appoint up to two (2) proxies to attend and vote in his place. Where a member appoints two (2) proxies, he shall specify the proportion of his holdings to be represented by each proxy. All voting will be conducted by way of poll.
- (c)
 - (i) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
 - (ii) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (d) If the appointer is a corporation, the proxy form must be executed under its Common Seal or under the hand of its attorney.
- (e) The instrument appointing a proxy and the power of attorney, if any, under which it is signed or a certified copy thereof must be deposited at the Company’s registered office at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur or email to mega-sharereg@megacorp.com.my not less than forty-eight (48) hours before the time set for holding the Meeting or any adjournment thereof. For those who have emailed the proxy form, please submit the original at any time before the time appointed for the meeting or to the registration staff on the meeting day for the Company's record.

By submitting the duly executed Proxy Form, a member and his/her proxy consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein accordance with the Personal Data Protection Act 2010 for the purpose of this meeting and at any adjournment thereof.

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

EXPLANATORY NOTES TO THE AGENDA:-

1. The Audited Financial Statements are meant for discussion only as the Company's Constitution provides that the audited financial statements are to be laid in the general meeting but does not require a formal approval of shareholders.
2. Ordinary Resolutions 2, 3, 4 and 5: Re-election of Directors

The profiles of Directors seeking for re-election are set out in the Board of Directors' Profiles section of the Company's Annual Report 2025.

The Board, on the recommendation of the Nomination Committee, supported the re-election of the retiring Directors. The Board and the Nomination Committee had reviewed the assessment results of the board evaluation exercise conducted for the financial period ended 30 June 2025 (from 1 January 2024 to 30 June 2025) with reference to the Directors' Fit and Proper Policy and were satisfied with the performance and contributions of the retiring Directors that they had effectively discharged their duties and responsibilities well.

3. Ordinary Resolution 7: Authority to Allot Shares

The proposed Ordinary Resolution 7 is primarily to give flexibility to the Board of Directors to allot shares not more than 10% of the total number of issued shares at any time in their absolute discretion and for such purposes as they consider would be in the interest of the Company without convening a general meeting. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

The Company continues to consider opportunities to broaden its earnings potential. If any of the expansion/diversification proposals involves the allotment of new shares, the Directors, under certain circumstances when the opportunity arises, would have to convene a general meeting to approve the allotment of new shares even though the number involved may be less than 10% of the total number of issued shares of the Company.

In order to avoid any delay and costs involved in convening a general meeting to approve such allotment of shares, it is thus considered appropriate that the Directors be empowered to allot shares in the Company, up to any amount not exceeding in total 10% of the total number of issued shares of the Company at the time of submission to the authority, for such purposes. The renewed authority for allotment of shares will provide flexibility to the Company for the allotment of shares for the purpose of funding future investment, working capital and/or acquisitions.

As at the date of this Notice, no new shares in the Company were issued pursuant to this authority granted to the Directors at the Fifth Annual General Meeting held on 25 June 2024.

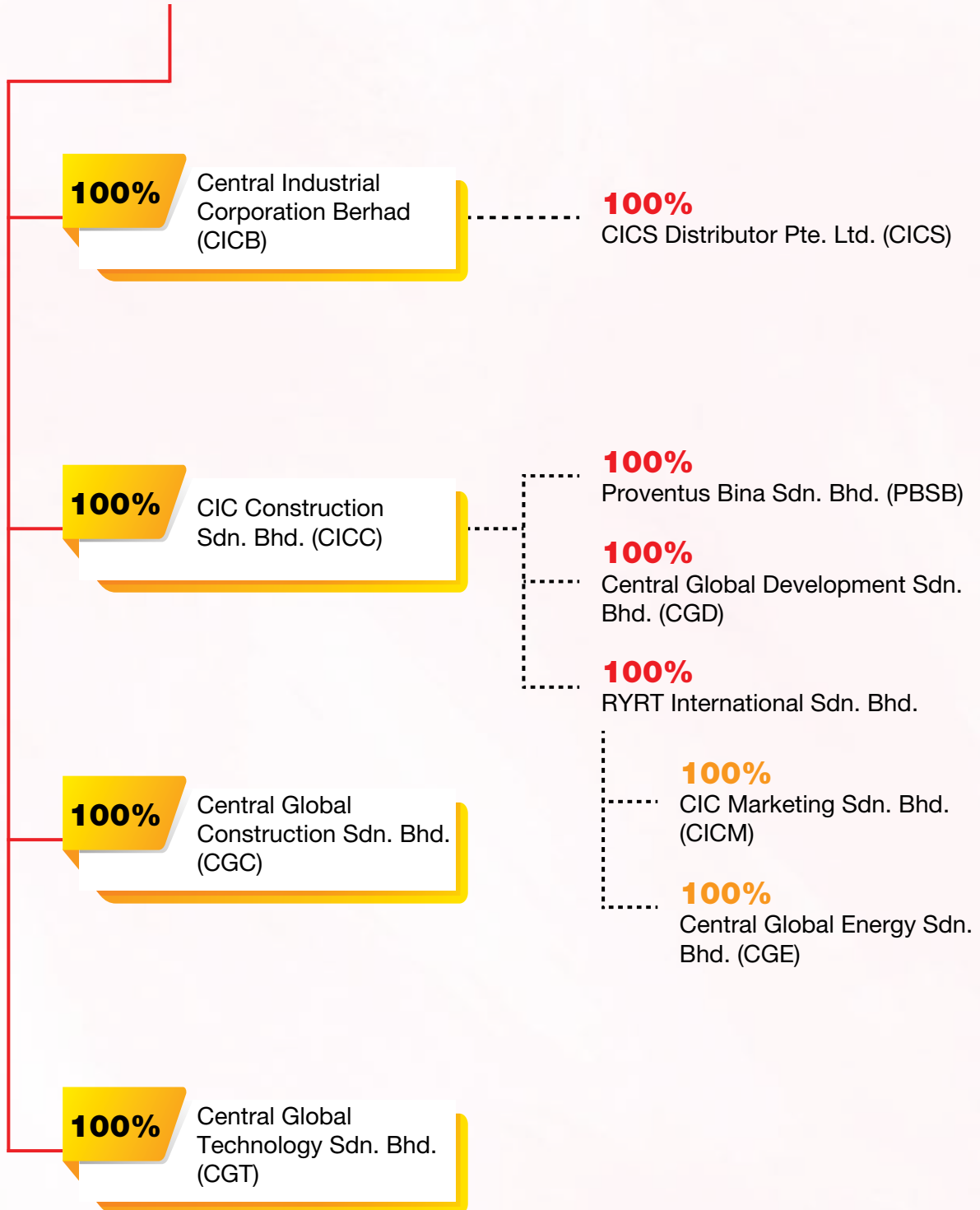
GROUP STRUCTURE

As at 30 September 2025



Central Global Berhad

201801036114 (1298143-T)



GROUP STRUCTURE

As at 30 September 2025
(cont'd)

Central Global Berhad (“CGB”) was incorporated in Malaysia under the Companies Act 2016 on 5th October 2018 as a public limited company. The principal activities of CGB are that of investment holding and provision of management services to its subsidiaries. The particulars of the subsidiaries, are as follows:-

| No. | Subsidiary Companies | Date and Place of Incorporation | Issued and Paid-up Share Capital | Effective Equity Interest | Principal Activities |
|-----|---|---------------------------------|----------------------------------|---------------------------|---|
| 1 | Central Industrial Corporation Berhad 197201000543 (12186-K) ("CICB") | 20 May 1972 / Malaysia | RM51,406,679.00 | 100.00% | Manufacturing and sales of self-adhesive label stocks and tapes of its own brand and trading of other self-adhesive label stocks and tapes. |
| 2 | CIC Construction Sdn Bhd 201701012369 (1226534-M) ("CICC") | 12 April 2017 / Malaysia | RM100.00 | 100.00% | Investment holding, contractor of building and infrastructure and trading of building materials. |
| 3 | Central Global Construction Sdn Bhd 202101016146 (1416446-M) ("CGC") | 30 April 2021 / Malaysia | RM750,000.00 | 100.00% | Construction of buildings. |
| 4 | Central Global Technology Sdn Bhd 202101024897 (1425197-X) ("CGT") | 23 July 2021 / Malaysia | RM750,000.00 | 100.00% | Dormant. |
| 5 | CIC Marketing Sdn Bhd 199801015627 (471756-A) ("CICM") | 10 November 1998 / Malaysia | RM1,000,000.00 | 100.00% | Marketing of self-adhesive label stocks and tapes. |
| 6 | CICS Distributors Pte Ltd ("CICS") | 15 April 2002 / Singapore | SGD 100,000.00 | 100.00% | Trading of adhesive tapes. |
| 7 | Proventus Bina Sdn Bhd 201601036843 (1207784-D) ("PBSB") | 3 November 2016 / Malaysia | RM5,593,749.00 | 100.00% | Contractor of building and general contract works and trading of building materials. |
| 8 | RYRT International Sdn Bhd 201901021133 (1330462-X) ("RYRT") | 18 June 2019 / Malaysia | RM37,500,000.00 | 100.00% | Construction of buildings and other engineering projects. |
| 9 | Central Global Development Sdn Bhd 202201009848 (1455545-K) ("CGD") | 17 March 2022 / Malaysia | RM1,000,000.00 | 100.00% | Investment holding and buying, selling, renting and operating of self owned or leased real estate of residential buildings and land. |
| 10 | Central Global Energy Sdn. Bhd. 202201007419 (1453116-K) ("CGE") | 1 March 2022 / Malaysia | RM1,000,000.00 | 100.00% | Investment holding. |

CORPORATE INFORMATION

BOARD OF DIRECTORS**DATO' FAISAL ZELMAN****BIN DATUK ABDUL MALIK***Non-Independent Non-Executive Chairman***MR. CHEW HIAN TAT***Group Managing Director***MR. LEE CHEE VUI***Group Executive Director***MR. LEE SWEE MENG***Independent Non-Executive Director***MS. WONG POOI SEEN***Independent Non-Executive Director
(Appointed on 1 August 2024)***MS. TEOH SAW SIN @JUDY TEOH***Independent Non-Executive Director
(Appointed on 1 January 2025)***DATUK WIRA SHAHRUL NAZRI BIN ABDUL RAHIM***Independent Non-Executive Director
(Appointed on 28 October 2025)***MS. TAN SUAT HOON***Independent Non-Executive Director
(Resigned on 31 December 2024)***ENCIK SAHARI BIN AHMAD***Independent Non-Executive Director
(Resigned on 7 May 2025)***AUDIT AND RISK MANAGEMENT COMMITTEE**

Ms. Teoh Saw Sin @Judy Teoh (Chairperson)
 Mr. Lee Swee Meng (Member)
 Ms. Wong Pooi Seen (Member)

REMUNERATION COMMITTEE

Mr. Lee Swee Meng (Chairman)
 Ms. Wong Pooi Seen (Member)
 Ms. Teoh Saw Sin @Judy Teoh (Member)

NOMINATION COMMITTEE

Ms. Wong Pooi Seen (Chairperson)
 Mr. Lee Swee Meng (Member)
 Ms. Teoh Saw Sin @Judy Teoh (Member)

COMPANY SECRETARIES

Ms. Lim Seck Wah (MAICSA 0799845)
 [SSM Practicing Certificate No. 202008000054]
 Ms. Kong Mei Kee (MAICSA 7039391)
 [SSM Practicing Certificate No. 202008002882]

REGISTERED OFFICE

Level 15-2, Bangunan Faber Imperial Court,
 Jalan Sultan Ismail
 50250 Kuala Lumpur
 Tel : 03-26924271
 Fax : 03-27325388

HEAD OFFICE

A5-06 Block A Plaza Dwi Tasik
 Jalan 5/106
 Bandar Sri Permaisuri
 56000 Kuala Lumpur
 Tel : 03-91718966
 Fax : 03-91718922
 Website : www.cgbgroup.com.my
 Email : info@cgbgroup.com.my

PRINCIPAL BANKERS

Malayan Banking Berhad
 United Overseas Bank (Malaysia) Berhad
 RHB Bank Berhad
 Hong Leong Bank Berhad

SHARE REGISTRAR

Mega Corporate Services Sdn. Bhd. 198901010682
 Level 15-2, Bangunan Faber Imperial Court
 Jalan Sultan Ismail
 50250 Kuala Lumpur
 Tel : 03-26924271
 Fax : 03-27325388

EXTERNAL AUDITORS

Baker Tilly Monteiro Heng PLT
 (LLP0019411-LCA & AF 0117)
 Baker Tilly Tower, Level 10
 Tower 1, Avenue 5
 Bangsar South City
 59200 Kuala Lumpur
 Wilayah Persekutuan Kuala Lumpur
 Tel : 603-2297 1000
 Fax : 603-2282 9980

STOCK EXCHANGE LISTING

**Main Market of the
 Bursa Malaysia Securities Berhad**
 Stock Code : 8052
 Stock Name : CGB

PROFILE OF DIRECTORS



**DATO' FAISAL ZELMAN
BIN DATUK ABDUL MALIK**
Non-Independent Non-Executive Chairman

Malaysian | 52 years old | Male

Dato' Faisal Zelman bin Datuk Abdul Malik was appointed to the Board of Central Global Berhad ("CGB") on 26 February 2021 as Executive Chairman. On 2 December 2021, Dato' was re-designated as Non-Independent Non-Executive Chairman.

Dato' Faisal Zelman started his career as Floor Trader Assistant of Future Trading Sdn. Bhd. in Malaysian commodities market in 1992. Later he joined RMT Metals Sdn. Bhd., a company that is listed in Metal Traders of the World, as Marketing Executive in 1993 to 2010.

Dato' Faisal Zelman holds a Higher National Diploma in Automotive Engineering from Loughborough, United Kingdom in 1998. He also holds a Degree in Business Administration from Western Michigan University in 1996 and a Master of Business Administration from Twintech International University College of Technology in 2019.

Dato' Faisal Zelman became the Managing Director for Ciscorp Sdn. Bhd. (formerly known as Semerak Services Sdn. Bhd.) from 2018 to 2021. He was also appointed as Director of Corporate Affairs for Fomema Sdn. Bhd. between 2019 to 2021. Dato' Faisal Zelman sat on the board of directors as Independent Non-Executive Director for various public listed companies, including Vizione Holdings Berhad (2020 to 2021), Avillion Berhad (2016 to 2019), Ire-TEX Berhad (2018 to 2019), Scomi Group Berhad (2020) and Pertama Digital Berhad (2023 to 2025). Currently Dato' Faisal Zelman also sits on board as an Independent Non-Executive Chairman of EcoFirst Consolidated Bhd.

Dato' Faisal Zelman has no family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no conviction for offences within the past five (5) years other than traffic offences (if any).

PROFILE OF DIRECTORS
(cont'd)**CHEW HIAN TAT**
Group Managing Director

Malaysian | 51 years old | Male

Mr. Chew Hian Tat was appointed as Managing Director on 1 November 2021 and subsequently on 26 November 2021, he was re-designated as Group Managing Director.

Mr. Chew holds a Bachelor's degree in Business Administration from Open University of Malaysia and completed his Master in Business Administration from Twintech International University College of Technology in 2021.

He started his career in 1996 with Shanghai Chanda Steel Sales Co. in Shanghai, China where he mainly dealt in international trade and construction. In 2001, Mr. Chew embarked on his journey into entrepreneurship. Jointly with other partners, he established multiple companies, namely Bakat Bidara (M) Sdn. Bhd., Suria Pagi (M) Sdn. Bhd., Rimbu Selera (M) Sdn. Bhd., and Isoho Holding Sdn. Bhd. where the principal business is in various international trading.

He is an entrepreneur who believes in achieving excellence through determination and courage. Over the years, he has successfully diversified his business investment into various industries. At present, he is also an Executive Director of EcoFirst Consolidated Bhd., a Director of HJT International (M) Sdn. Bhd., HJT Foods Technology (M) Sdn. Bhd. and IPS Mechanical Parking System (M) Sdn. Bhd.

Mr. Chew has no family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no conviction for offences within the past five (5) years other than traffic offences (if any).

PROFILE OF DIRECTORS

(cont'd)



LEE CHEE VUI

Group Executive Director

Malaysian | 60 years old | Male

Mr. Lee Chee Vui was appointed as Executive Director on 1 April 2022 and re-designated as Group Executive Director on 1 June 2025. Mr. Lee has brought with him over 30 years of extensive experience in the construction industry. Over the years, he has been actively involved in different segments of the construction industry; in particular the infrastructure, building and real estate development. He obtained his Diploma in Electronic at Sandakan Vocational College Sabah and had served in various construction companies before embarking his career changing role as an entrepreneur in the construction industry.

Some of his more notable construction ventures which were completed and delivered under his leadership during his attachment to PowerDrive Fastening Systems Sdn. Bhd. (a sub-contractor under Malaysia-China Hydro joint-venture company) include:

- Bakun Hydroelectric Project (2006-2013)
- Bulatan Megawati Seksyen 20 Shah Alam (2003-2005)
- Wangsa Maju LRT station at Setiawangsa construction of Bridge, Tunnel, Retaining wall and roadworks (2014-2018)

Mr. Lee is presently the Managing Director of RYRT International Sdn. Bhd. He is responsible for developing the business and marketing strategies to spearhead the overall business direction of the company. As a veteran in the construction industry, he is hands-on in leading big projects and has demonstrated the strong capabilities to manage all aspects of project implementations and executions. Mr. Lee is also a director in Powerdrive Fastening Systems Sdn. Bhd.

Mr. Lee has no family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no conviction for offences within the past five (5) years other than traffic offences (if any).

PROFILE OF DIRECTORS
(cont'd)**LEE SWEE MENG***Independent Non-Executive Director*

Malaysian | 68 years old | Male

Mr. Lee Swee Meng was appointed as Independent Non-Executive Director on 19 November 2021. Concurrently, he is also the Chairman of the Remuneration Committee and as members of the Audit and Risk Management Committee and Nomination Committee of CGB.

Mr. Lee holds a Master Degree in Business Administration from Phoenix International University, New Zealand in 2005, Sijil Amalan Guaman (Certificate in Legal Practice) from Lembaga Kelayakan Profesion Undang-Undang, Malaysia (Legal Profession Qualification Board) in 2003, Bachelor of Laws from University Malaya in 2002, and Sijil Guru (Teaching Certificate) from Maktab Perguruan (Teacher's College) in 1981.

He started off his career as a trained government school teacher for nine years (from 1975 to 1984). In November 1984, he joined the Royal Malaysia Police Force and in total he spent 33 years of service as a police officer. His last posting was as the Superintendent of Police as Deputy Officer-In-Charged of Police District, Subang Jaya prior to his retirement in 2017. In 2008, Mr. Lee was admitted to the Bar Council and upon retirement from the police force, he is currently the partner of Messrs SM Lee & Co (Advocates & Solicitors).

Mr. Lee has no family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no conviction for offences within the past five (5) years other than traffic offences (if any).

PROFILE OF DIRECTORS

(cont'd)



WONG POOI SEEN

Independent Non-Executive Director

Malaysian | 59 years old | Female

Ms Wong Pooi Seen was appointed as Independent Non-Executive Director on 1 August 2024. On 1 January 2025, she was appointed as member of the Nomination Committee. On 20 May 2025, Ms Wong was re-designated as Chairperson of the Nomination Committee and also appointed as members of Audit and Risk Management Committee and Remuneration Committee.

Ms Wong holds a Bachelor's degree in Arts (Hons) from University of Malaya. She brings with her over 30 years of working experience in the banking industry. She has extensive knowledge and experience in branch distribution network covering sales management, operation, risk and compliance, retail loan, SME business, digital banking and wealth management.

Ms Wong joined Hong Leong Bank Berhad in March 2013 until 2020 as a General Manager, Branch Businesses. She was the Group CEO of ezAuto Asia from January 2022 to March 2023. Currently, she is also an Independent Non-Executive Director of EcoFirst Consolidated Bhd.

Ms Wong has no family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company. She has no conviction for offences within the past five (5) years other than traffic offences (if any).

PROFILE OF DIRECTORS
(cont'd)

TEOH SAW SIN @JUDY TEOH
Independent Non-Executive Director

Malaysian | 63 years old | Female

Ms Judy Teoh was appointed as Independent Non-Executive Director on 1 January 2025. At the same time, she was also appointed as the Chairperson of the Audit and Risk Management Committee and a member of the Remuneration Committee of CGB. Subsequently, she was appointed as a member of the Nomination Committee on 20 May 2025.

Ms Teoh is a professional accountant and a member of the Malaysian Institute of Accountants. She has more than 40 years' experience as Head of Finance in various industries. Her career commenced with an accounting firm in 1981 specializing in statutory audits and corporate taxation. Subsequently from 1988 to 2023 she was employed as Group Financial Controller in various groups of companies both private and public listed, with businesses ranging from manufacturing, trading, investments to property development and property management.

She was the Financial Controller in a few public listed companies including Metacorp Berhad, Pancaran Ikrab Berhad and Toyo Ink Group Berhad. Her career in financial management evolved to include corporate management involving initial public listing of a company in Bursa Malaysia Securities Berhad, acquisitions and divestment of companies, corporate restructuring, operations and financial systems and controls, corporate governance and due diligence audits.

Ms Teoh has no family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company. She has no conviction for offences within the past five (5) years other than traffic offences (if any).

PROFILE OF DIRECTORS

(cont'd)



**DATUK WIRA SHAHRUL
NAZRI BIN ABDUL RAHIM**
Independent Non-Executive Director

Malaysian | 51 years old | Male

Datuk Wira Shahrul Nazri bin Abdul Rahim (“Datuk Wira Nazri”) was appointed to the Board of Central Global Berhad (“CGB”) on 28 October 2025 as Independent Non-Executive Director.

Datuk Wira Nazri holds a Bachelor of Laws (Hons) degree from Anglia University, United Kingdom. He carries with him over 25 years of diverse experience covering both the private and public sectors. He is well-versed in the fields of strategic leadership, corporate development, financial management across public service, banking, and investment sectors.

A results-driven person; Datuk Wira Nazri exhibits strong leadership with proven track record in advising at the ministerial level, leading large-scale organizational transformations, and driving growth in multinational corporations. Some of his previous notable appointments include serving as Special Adviser to Ministry of Finance (2021- 2022), CEO of LAKSANA (2021-2023), Chairman of Penjana Kapital Sdn. Bhd. (2020-2023), President/Chief Executive Officer of Export and Import Bank of Malaysia Berhad (2019-2021), Board Member of Malaysia External Trade Development Corporation (2019-2021) and Malaysian Investment Development Authority (2021-2023), and Independent Non- Executive Director of Pertama Digital Berhad (2023-2024).

Datuk Wira Nazri has no family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no conviction for offences within the past five (5) years other than traffic offences (if any).

PROFILE OF KEY SENIOR MANAGEMENT



YAP YIK YONG

*Group Financial Controller
Central Global Berhad*

Malaysian | 41 years old | Male

Mr. Yap Yik Yong holds a Bachelor of Degree in Accounting/Finance from Charles Sturt University and Master of Business Administration from University of Southern Queensland. He is a qualified accountant, a member of CPA Australia and Malaysian Institute of Accountants since the year 2009 and 2010 respectively.

Mr. Yap has more than 20 years of experience in the management of group of companies with diverse businesses experiences in Malaysia and oversea countries. His specialty areas include Group reporting, treasury management and budgeting, cost rationalisation, corporate finance, tax planning and risk management, investment evaluation, business strategies, merger and acquisition, Enterprise Resources Planning (“ERP”) system implementation and operation management. His experience covers various industries such as real estate, construction, property development, manufacturing and oil and gas services.

Prior to his joining with Central Global Berhad, he had worked with a public listed company, Big 4 accounting firm and several privately owned companies.

Mr. Yap has no family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no conviction for offences within the past five (5) years other than traffic offences (if any).

PROFILE OF KEY SENIOR MANAGEMENT

(cont'd)



IR. BEH KIM BOON

*Chief Operating Officer (West Malaysia)
(Construction & Development Division)*

Malaysian | 54 years old | Male

Ir. Beh Kim Boon joined CIC Construction Sdn. Bhd. (“CICC”) as Chief Executive Officer in 2021. He graduated with a Bachelor of Engineering (Hons) from University of Malaya in 1996 and obtained his Master of Business Administration in 2012. He became a Member of The Institution of Engineers Malaysia (MIEM) in 2004 and registered as Professional Engineer in 2005.

Ir. Beh has close to 30 years of working experience mainly in infrastructure construction industry. In the early years of his engineering career, he worked as a Design Engineer in structural division of APG Structural Systems Sdn. Bhd. He was involved in the project management and construction of the Kuala Lumpur Monorail and Putrajaya Monorail projects under Genesis Structural Systems Sdn. Bhd.

Prior to joining CGB, Ir. Beh was the General Manager in Vizione Holdings Berhad, a position he held since 2014 as top level of management. He build his credentials through a partnership construction company specialising in infrastructure and building construction works. Throughout his career, he gained experiences in major infrastructure projects including suspension bridge, elevated highway structure, segmental bridge, precast concrete segment & guideway beam, prestressing and also launching work.

Ir. Beh has no family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no conviction for offences within the past five (5) years other than traffic offences (if any).

PROFILE OF KEY SENIOR MANAGEMENT

(cont'd)



LAU CHEE WAI
Chief Operating Officer (East Malaysia)
(Construction & Development Division)

Malaysian | 45 years old | Male

Mr. Lau Chee Wai joined RYRT International Sdn Bhd (“RYRT”) as a Contract Manager in December 2020. He was re-designated to Chief Operating Officer of East Malaysia for the Construction and Development Division effective 1 April 2022.

Mr. Lau holds a Diploma in Quantity Surveying from Tunku Abdul Rahman College. He carries with him 20 years of experience in the construction industry. He began his career with Powerdrive C&P Sdn. Bhd. in 2001 as a Quantity Surveyor, a position he held for five years. In 2006, he took up the position of Contract Executive with Sunrise Berhad for a brief period before moving to Petra Boiler Sdn. Bhd. as a Contract Manager in 2008. From 2010 to 2020, Mr. Lau joined Mahiribu Sdn. Bhd. (“Mahiribu”) as a Contract Manager.

During the 20 years of his career, Mr. Lau was involved with a few large-scale construction projects such as: -

- Cadangan Membina Dan Menyiapkan 8 no 25ton Bi-Drum Boiler Di Daerah Pahang-Felda 8 with Contract Value of RM64.850 million (completed in October 2010)
- Cadangan Membina Jalan Sambungan Dari Jalan 1/27A Ke Setiawangsa with Contract Value of RM41.787 million (completed in September 2019)
- Project Jalan Ke Mesej Mangalias, Tenom, Sabah with Contract Value of RM26.635 million (completed in May 2021)

Mr. Lau is currently in charge of Projek Menaiktaraf Sistem Bekalan Air Di Lahad Datu Fasa 1 which carries a contract value of RM265 million.

Mr. Lau has no family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no conviction for offences within the past five (5) years other than traffic offences (if any).

PROFILE OF KEY SENIOR MANAGEMENT

(cont'd)



SOO YEW SIN

*Assistant General Manager
(Manufacturing Division - Production Plant)*

Malaysian | 65 years old | Male

Mr. Soo Yew Sin was appointed as Assistant General Manager of Central Industrial Corporation Berhad (“CICB”) on 1 December, 2021. He holds a Master in Business Administration from Twintech International University College of Technology.

Mr. Soo has 40 plus years of experience in Automotives sector. Prior joining CICB, he is attached with a Multinational Company “EXEDY Group” as General Manager whom is a manufacturer and brand owner of EXEDY Powertrain products for Automotive sectors. Mr. Soo involved and taking charge of Sales & Marketing (Domestic & International) (OE & OES), Purchasing (Domestic & International), Manufacturing, Admin & HR.

Mr. Soo has no family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no conviction for offences within the past five (5) years other than traffic offences (if any).

PROFILE OF KEY SENIOR MANAGEMENT

(cont'd)



TERENCE YEE WAI LEONG

Regional Manager
(Manufacturing Division - Singapore Sales)

Singaporean | 46 years old | Male

Mr. Terence Yee joined CICS Distributors Pte. Ltd. ("CICS") on 1 July 2012 as Assistant Sales Manager. He holds a Diploma in International Business which he attained in 2001 from Southern Cross University, Australia. He obtained his Professional Certificate in Electroplating in 2004 from Singapore Surface Finishing Society and a Certificate in Finance for Non-Finance Managers in 2018 from Temasek Polytechnic.

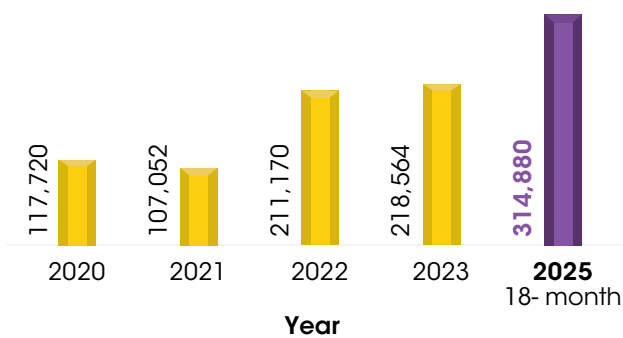
Prior to joining CICS, Mr. Yee was the Assistant Manager of Business Development for UK based Diesel Marine International whose principle activities are in the reconditioning of key engine component. He also held the portfolio of trading industrial products such as Loctite adhesive and sealants, responsible for South East Asia.

Mr. Yee has no family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no conviction for offences within the past five (5) years other than traffic offences (if any).

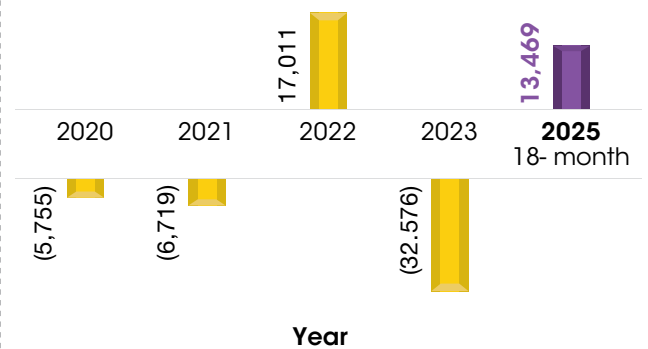
KEY FINANCIAL HIGHLIGHTS

| Description | 18-month 2025 RM'000 | 2023 RM'000 | 2022 RM'000 | Restated 2021 RM'000 | 2020 RM'000 |
|---|----------------------------|----------------|----------------|----------------------------|----------------|
| Revenue | 314,880 | 218,564 | 211,170 | 107,052 | 117,720 |
| Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA") | 21,373 | (30,119) | 18,883 | (4,704) | (2,345) |
| (Loss) / Profit Before Tax | 13,469 | (32,576) | 17,011 | (6,719) | (5,755) |
| (Loss) / Profit After Tax | 7,584 | (37,881) | 13,131 | (7,093) | (5,516) |
| TOTAL EQUITY | 112,381 | 85,931 | 99,959 | 48,695 | 46,833 |
| TOTAL ASSETS | 367,697 | 237,127 | 189,510 | 104,439 | 85,691 |

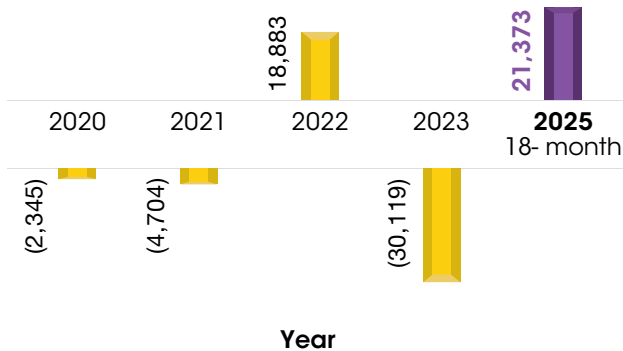
REVENUE



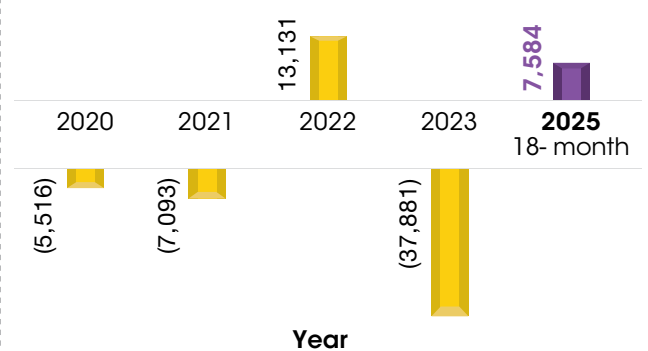
PBT



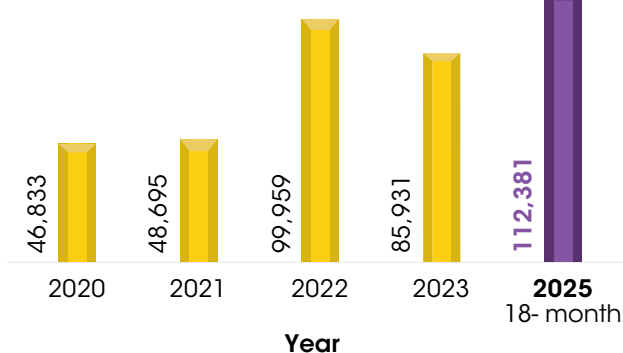
EBITDA



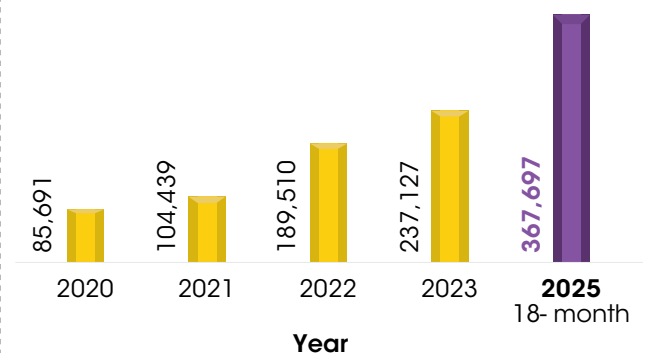
PAT



TOTAL EQUITY



TOTAL ASSETS



CHAIRMAN'S STATEMENT

Dear Valued Shareholders,

On behalf of the Board of Directors of Central Global Berhad ("CGB" or the "Group"), I am pleased to present the Annual Report and Consolidated Financial Statements for the financial period ended 30 June 2025 ("FP2025").



ECONOMIC REVIEW

The global economy landscape in the past eighteen ("18") months period has been shaped by heightened geopolitical uncertainties, economic recalibration and financial market volatility. Key developments include prolonged conflicts in Eastern Europe and Middle East, along trade tensions spurred by the sudden protectionist measure of tariffs imposed by the United States of America. These dynamics are causing the disruptions in global international trade flows and likely inflationary pressures in many economies.

International Monetary Fund ("IMF") projected 2025's global economic growth rate at 2.8%, down from 3.3% in 2024. The near-term outlook remains uneven across regions, while medium term risks are skewed towards the downside.

Nonetheless, the Malaysia's economy has demonstrated adaptability in managing external headwinds and internal structural challenges. Malaysia recorded a Gross Domestic Production ("GDP") growth of 5.1% in 2024, exceeding the forecast of 4.0% to 5.0%. The Malaysian Government projects economic growth of between 4.5% to 5.5% in 2025, driven by technology upcycle, increased infrastructure spending and a resurgence in tourism. The domestic demand is forecast to remain resilient, supported by higher minimum wages and adjustments to civil servant salaries, which drive consumer spending and boost domestic economy.

PERFORMANCE REVIEW

The FP2025 marked another turnaround for the Group with consolidated revenue of RM314.88 million and profit before tax of RM13.47 million, as compared to a consolidated revenue of RM218.56 million and loss before tax of RM32.58 million in the previous financial year ended 31 December 2023 ("FY2023").

The loss in FY2023 was due to the one-off impairment of trade, other receivables and contract assets amounted to RM42.17 million in the Construction Segment.

Another key milestone was achieved on 4 September 2024 with RYRT International Sdn. Bhd., a sub-subsubsidiary of CGB where we managed to secured a major contract worth RM616.38 million, the biggest construction project that we have secured to-date.

We are grateful that the FP2025 has been a smooth period for the Group, with the ultimate achievement of profit after tax of RM7.58 million.

CHAIRMAN'S STATEMENT

(cont'd)

OUTLOOK

The Malaysian economy is expected to sustain its growth, amidst the uncertainties in the world's geopolitical situations. With the reduction of Overnight Policy Rate in July 2025 by 25 basis points from 3.00% to 2.75% by Bank Negara Malaysia, it will help much in the consumer and industrial sectors with the stronger household consumption and domestic economic activities.

The construction sector is expected to continue to be a key component of the economy growth, backed by sustained government infrastructure investments and active private sector participation.

The Group is cautiously optimistic and will remain agile in responding to evolving market and regulatory conditions. The Group will continue to evolve in adapting to the changing market environment, leveraging on our proven track records and enhance the Group's financial and operational performance.

APPRECIATION

I am truly grateful to my fellow members of the Board for the unwavering support and the wisdom they bring to the Group. On that note, please allow me to put on record our gratitude to Ms. Tan Suat Hoon and Encik Sahari Bin Ahmad for their faithful service as our Independent Non-Executive Director. Their contribution and guidance have been invaluable to the Group and we wish them a fond farewell and the best for their future endeavour.

At the same time, we welcomed Ms. Wong Pooi Seen, Ms. Teoh Saw Sin @ Judy Teoh and Datuk Wira Shahrul Nazri bin Abdul Rahim to the Board as our Independent Non-Executive Director. We look forward to their contribution and good counsel as we continue to transform the Group into a giant in the industries we operate in.

On behalf of the Board, I would also like to record our note of appreciation for the efforts of the management team and all members of the growing CGB family. Your hard work, commitment and contribution have been instrumental to the Group's achievements, and I am ever optimistic that we will continue providing the highest standard of excellence to create value that our customers, business partners and associates, investors, and shareholders have come to expect of us.

Last but not least, on behalf of the Group, I would like to extend our heartfelt gratitude to our valued stakeholders, including our business associates and partners, investors, shareholders and customers. Thank you for your patronage, and unwavering support and confidence in us.

Dato' Faisal Zelman Bin Datuk Abdul Malik
Non-Independent Non-Executive Chairman



MANAGEMENT DISCUSSION AND ANALYSIS

Dear Stakeholders,

On 30 September 2024, Central Global Berhad and its subsidiaries (“CGB Group” or “the Group”)’s financial year end has been changed from 31 December to 30 June. As such, the current financial period comprises eighteen (“18”) months ended 30 June 2025 (“FP2025”) whereas the previous year comparative figures are for twelve (“12”) months ended 31 December 2023 (“FY2023”).

FP2025 of the Group marked another recovery period for the Group from its last financial year’s losses arising from RM42.17 million impairment in our Construction Segment. Despite the recorded profit after tax for FP2025, the FP2025 continued to be challenging period for the Group with the uncertainties in geopolitical situations, trade barriers and inflationary pressure.

FINANCIAL AND OPERATIONAL REVIEW

Segmental Contribution

| | Revenue RM'000 | % | EBITDA RM'000 | % | PBT RM'000 | % | PAT RM'000 | % |
|------------------------------|-------------------|------|------------------|------|---------------|------|---------------|------|
| 2025 Manufacturing & Trading | 53,623 | 17% | (2,865) | -13% | (6,029) | -45% | (6,128) | -81% |
| Construction | 261,257 | 83% | 27,003 | 127% | 22,280 | 165% | 16,495 | 217% |
| Others | - | 0% | (2,848) | -13% | (2,782) | -21% | (2,783) | -37% |
| | 314,880 | 100% | 21,290 | 100% | 13,469 | 100% | 7,584 | 100% |
| 2023 Manufacturing & Trading | 50,151 | 23% | (3,584) | 12% | (5,040) | 15% | (5,913) | 16% |
| Construction | 168,413 | 77% | (21,489) | 71% | (22,483) | 69% | (26,915) | 71% |
| Others | - | 0% | (5,046) | 17% | (5,053) | 16% | (5,053) | 13% |
| | 218,564 | 100% | (30,119) | 100% | (32,576) | 100% | (37,881) | 100% |

Remark : MFG = Manufacturing & Trading
 CONS = Construction
 OTH = Others

For the FP2025 under review, the Group registered a consolidated revenue of RM314.88 million, as compared to RM218.56 million revenue recorded in FY2023. With the absence of the one-off impairment amounted to RM42.17 million in FY2023 arising from the Gerbang Bukit Kecil Project and Sungai Pinang Project in the Construction Segment, the Group managed to turn around its profitability with a profit before tax of RM13.47 million and profit after tax of RM7.58 million in FP2025, as compared to loss before tax of RM32.58 million and loss after tax of RM37.88 million recorded in FY2023.

The Group remains cautiously optimistic in recovering the substantial amount of receivables arising from the impairment made in FY2023 and is hopeful there shall be a favorable results in the coming financial year ending 30 June 2026.

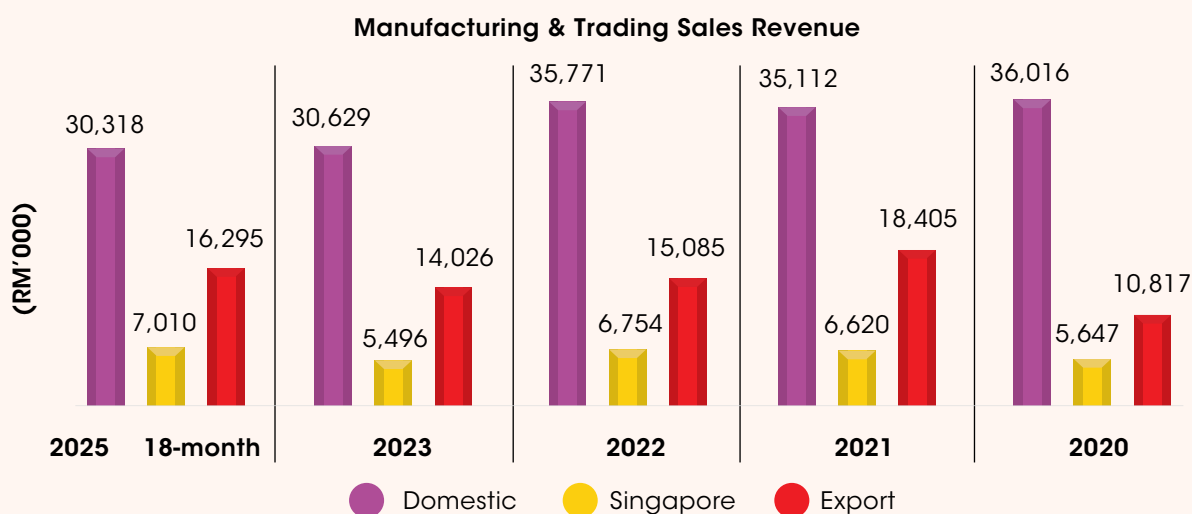
MANAGEMENT DISCUSSION AND ANALYSIS

(cont'd)

Manufacturing & Trading Business Segment

For the financial period under review, the market performance of our Manufacturing & Trading Business Segment remain challenging with the uncertainties faced in the overall global economy recovery coupled with the significant increase in logistics and raw material costs, and the emergence of new players in the industry causing fierce market competition.

As a means to mitigate the increase in material costs and to provide the Group with a competitive edge in the market, we are constantly reviewing our plant efficiency in terms of cost and quality. With the new masking tape coater production line expected to commence production by June 2026, there will be an expected cost efficiency with higher production volume and lower wastage.



Manufacturing & Trading Sales Revenue

| | 18-month 2025 RM'000 | 2023 RM'000 | 2022 RM'000 | 2021 RM'000 | 2020 RM'000 |
|-----------|----------------------------|----------------|----------------|----------------|----------------|
| Domestic | 30,318 | 30,629 | 35,771 | 35,112 | 36,016 |
| Singapore | 7,010 | 5,496 | 6,754 | 6,620 | 5,647 |
| Export | 16,295 | 14,026 | 15,085 | 18,405 | 10,817 |
| | 53,623 | 50,151 | 57,610 | 60,137 | 52,480 |

For the financial period under review, the Manufacturing & Trading Business Segment had endured multiple challenges which became exponentially difficult to overcome, leading to a decrease in sales revenue for both the local and export markets with only RM30.32 million and RM23.31 million sales revenue respectively recorded in the FP2025 as opposed to RM30.63 million and RM19.52 million recorded respectively in FY2023.

The intense competition in the export market, especially from China, has continued to pressure our sales and margin for both the domestic and export markets.

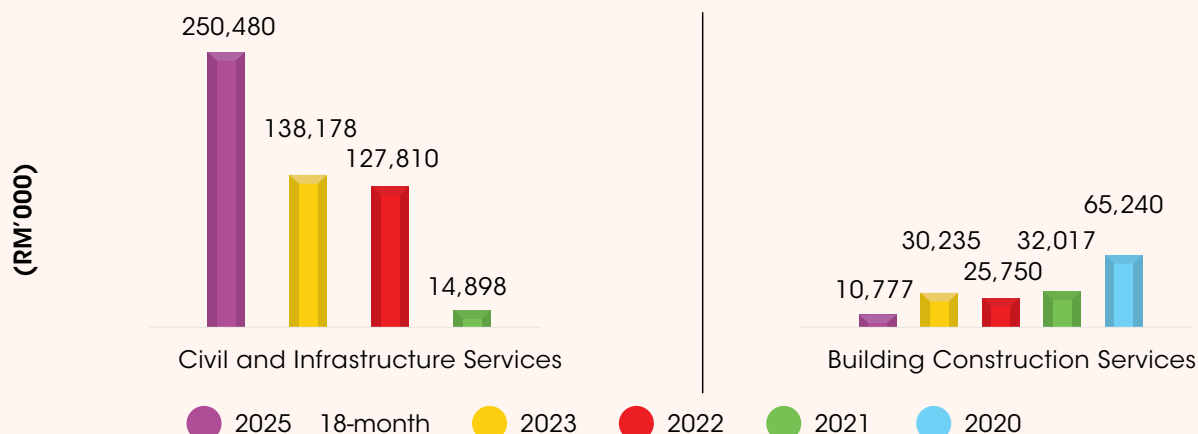
Consequently, our Manufacturing & Trading Business Segment recorded a loss before tax and loss after tax of RM6.03 million and RM6.13 million respectively for the financial period under review.

MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

Construction Business Segment

In FP2025, the Construction Business Segment continued to be the Group's key revenue and profits contributor with RM261.26 million sales revenue, RM22.28 million profit before tax and RM16.50 million profit after tax recorded.

Construction Sales Revenue by Projects



Construction Sales Revenue by Nature of Projects

| | 18-month 2025 RM'000 | 2023 RM'000 | 2022 RM'000 | 2021 RM'000 | 2020 RM'000 |
|-----------------------------------|----------------------------|----------------|----------------|----------------|----------------|
| Civil and Infrastructure Services | 250,480 | 138,178 | 127,810 | 14,898 | - |
| Building Construction Services | 10,777 | 30,235 | 25,750 | 32,017 | 65,240 |
| | 261,257 | 168,413 | 153,560 | 46,915 | 65,240 |

In the past five (5) years, it is notable that the Group has its Construction Business Segment focuses more on the civil and infrastructure construction projects with 96% of the Group's construction revenue contributed from its civil and infrastructure services in FP2025.

FUTURE PROSPECT

Manufacturing & Trading Business Segment

The mounting challenges faced by the Manufacturing & Trading Business Segment due to market uncertainties and escalating costs are expected to remain in the coming financial year.

The Group has embarked on an expansion plan with the investments in new machines to improve the production efficiency and expansion of the production line. This is to increase the volume of tape production whilst significantly reducing the cost of production. The new factory is expected to be operational by June 2026.

Besides the plant efficiency in terms of cost and quality, the Group will also focus on our strategic partnerships in the marketing of our product to maintain and improve its competitiveness.

MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)



Construction Business Segment

The Group is hopeful that the Construction Business Segment will exceed expectations for the forthcoming financial year-end. Discussions with relevant parties have seemingly been encouraging coupled with the current unbilled order book of RM568.49 million as of 30 June 2025 would enable the Group to further solidify itself in the Construction industry as a whole.

The current and immediate goal of the Construction Business Segment is to further enhance its efforts in completing all ongoing projects as scheduled in the existing contracts without compromising on quality. In addition, the Group is also working hard to replenish and build up the construction order book.

Barring any unforeseen circumstances, both the management and Board of Directors are of the opinion that the Construction Business segment is set to mark new highs for the coming years. To reach such heights, the Group is also constantly on the sourcing for growth opportunities in other related industries and/or markets, potentially via joint venture arrangement, and merger and acquisition as a means to increase our shareholders' value.



SUSTAINABILITY STATEMENT

SUSTAINABILITY STATEMENT

(cont'd)

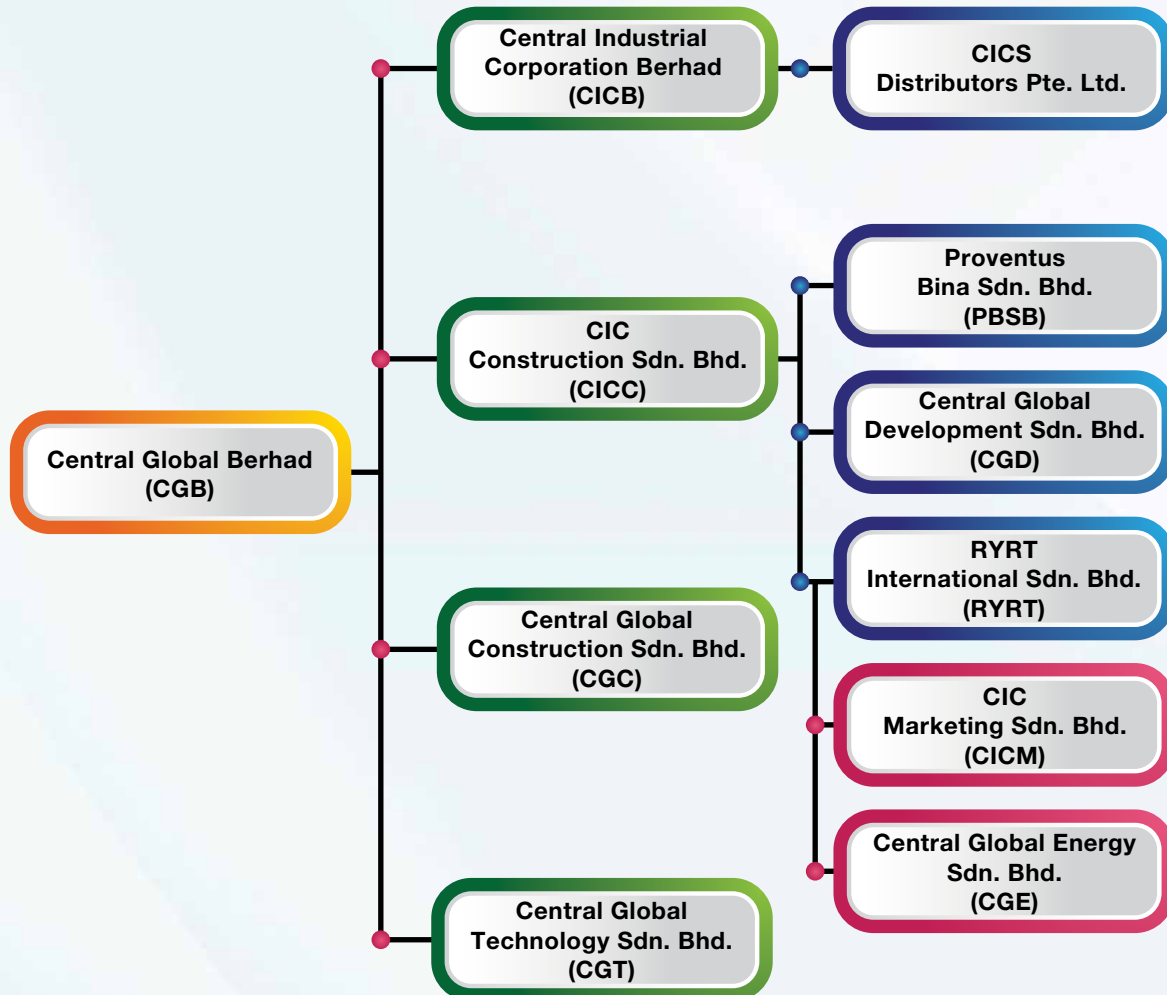
About This Report

Central Global Berhad ("CGB") is honoured to present our Annual Sustainability Statement ("SS2025" or "the Statement") for the financial period ended 30 June 2025 ("FP2025"). This Statement provides an overview of the Group's sustainability performance in positively contributing and enhancing the Environmental, Social and Governance ("ESG") during the period of 1 January 2024 to 30 June 2025, unless stated otherwise.

Scope and Basis of Preparation

This Statement namely covers CGB and its subsidiaries ("the Group")'s sustainability performance and the progress of our business operations. Unless otherwise mentioned, SS2025 excludes all outsourced activities and operations. The scope of this report encompasses all active subsidiaries which make more than 5% contribution to the Group's revenue.

The Group structure is as follows:



SUSTAINABILITY STATEMENT (cont'd)

Reporting Frameworks and Standards

This Statement has been developed according to Bursa Malaysia's Listing Requirements, with reference to Bursa Malaysia's Sustainability Reporting Guide (3rd Edition).

Feedback

Our SS2025 can be viewed and downloaded from our official website at <http://www.cgbgroup.com.my/>.

We value engagement with our valued stakeholders and are always open to any feedback, inquiries, and concerns to ensure we consistently improve at the Group.

Our contact details are as below:

Mr. Yap Yik Yong (Group Financial Controller)

Tel: +603-9171 8966

E-mail: yapyy@cgbgroup.com.my

Sustainability Governance and Oversight

The Group integrates sustainability into core business practices through a governance framework designed to uphold integrity, respect, transparency, and responsibility. The framework comprises clear lines of accountability, robust systems and controls, and regular oversight from our Board of Directors ("Board").

Board oversight and policy alignment

Guided by CGB's Sustainability Policy, the Board provides strategic direction and ensures alignment with the Group's values and long-term objectives. The Board Sustainability Committee ("BSC") oversees the sustainability strategy, targets, and performance. Meeting at least twice annually, the BSC reviews progress, identifies emerging issues, and sets ESG targets to drive continuous improvement.

Management execution

At the management level, the Group Management Sustainability Committee ("GMSC") coordinates implementation across the organisation and maintains reporting structures for effective performance tracking. The Departmental Sustainability Reporting ("DSR") team supports data collection, disclosure processes, and delivery of the sustainability strategy at the operational level.

Disclosure and engagement

CGB communicates its priorities and performance to internal and external stakeholders through the Annual Report and Sustainability Statement, employee townhalls and training, and regular engagement with selected stakeholders.

Capability building and risk vigilance

The Group will continue to strengthen ESG awareness through enterprise-wide training. Management continuously monitors sustainability topics relevant to its businesses, including climate-related risks and opportunities, and engages with regulators, authorities, and industry bodies to stay informed and responsive.

Incentives and future focus

While senior executives' remuneration is not yet linked to ESG outcomes, the Group intends to establish ESG performance targets for key senior executives by the end of the financial year ending 30 June 2027, reinforcing accountability and long-term value creation for stakeholders.

SUSTAINABILITY STATEMENT

(cont'd)



Stakeholder Engagement & Dialogue

Active engagement with the Group's diverse stakeholders is essential to sustaining effective and resilient operations. For CGB, stakeholders are individuals, entities, or groups whose strategies and outcomes may be influenced by our activities and, in turn, may affect our business performance.

We maintain consistent dialogue to understand stakeholder needs and expectations, consider on their concerns, and factor these insights into decisions that shape the Group's financial and non-financial value creation.

Engagement is conducted through multiple channels, including our corporate website and other digital platforms, formal and ad-hoc meetings, seminars and briefings, and in-person interactions. The corporate website provides convenient access to the latest announcements, financial results, policies, and contacts.

The stakeholder engagement table below outlines our priority stakeholders, their key concerns, engagement mechanisms, and corresponding actions:

| Stakeholder group | Engagement channels | Frequency | Key areas of interest/concern | Our response |
|---|--|---------------------|--|---|
| Customers (Existing & potential) | <ul style="list-style-type: none"> Awareness programs; One-to-one engagement; and Marketing materials | Ongoing | <ul style="list-style-type: none"> Product quality; Delivery timeliness; Product defects; and Pricing and value | <ul style="list-style-type: none"> Close-the-loop follow-ups; Corrective actions to prevent dissatisfaction recurrence; and Service-level monitoring and improvement |
| Employees | <ul style="list-style-type: none"> Knowledge-sharing sessions; Internal customer engagement program; Internal customer satisfaction survey; and Innovation accelerator program | Ongoing / As needed | <ul style="list-style-type: none"> Employee well-being and job security; Welfare and benefits; Safe work environment; and Competency development | <ul style="list-style-type: none"> Health, Safety and Environment ("HSE") initiatives; learning & development; Engagement surveys with action plans; and Transparent communication |

SUSTAINABILITY STATEMENT (cont'd)

Stakeholder Engagement & Dialogue (Cont'd)

| Stakeholder group | Engagement channels | Frequency | Key areas of interest/concern | Our response |
|------------------------------------|---|--------------------------------|---|--|
| Suppliers | <ul style="list-style-type: none"> Performance-review meetings; and Workshops and coaching for compliance | As needed | <ul style="list-style-type: none"> Regulatory and policy compliance; Tender pricing and payments; Cost efficiency; New product introduction; and Workers' accommodation | <ul style="list-style-type: none"> Supplier assessments and onboarding; Compliance training; Clear payment terms; and Collaboration on cost and innovation |
| Investors & financiers | <ul style="list-style-type: none"> Annual General Meeting; Quarterly results announcements; Targeted briefings and meetings; and Press releases | Annual / Quarterly / As needed | <ul style="list-style-type: none"> Legal compliance; Financial performance alongside environmental/social considerations; Business risks; Market conditions; and Public perception | <ul style="list-style-type: none"> Transparent disclosures via regular performance updates; Risk management and mitigation; and Active investor relations |
| Business partners | <ul style="list-style-type: none"> Meetings; Discussions; Functions and product launches | Ad hoc | <ul style="list-style-type: none"> Payment terms; Terms of reference ("TOR"); Performance appraisal; and Human rights | <ul style="list-style-type: none"> Clear TOR and contracts; Periodic performance reviews; and Adherence to human rights standards |
| General public | <ul style="list-style-type: none"> Dialogues; Meetings; and Public engagement | Ad hoc | <ul style="list-style-type: none"> Environmental impacts to communities | <ul style="list-style-type: none"> Environmental management measures; Community updates; and Feedback and grievance channels |
| Government & regulators | <ul style="list-style-type: none"> Meetings; Pre-consult submissions; and Periodic monitoring reports | Ad hoc / As required | <ul style="list-style-type: none"> Customer rights; and Regulatory compliance | <ul style="list-style-type: none"> Timely submissions; Continuous liaison; and Compliance with all applicable requirements |

SUSTAINABILITY STATEMENT

(cont'd)

Materiality Assessment

The Group recognise that identifying and prioritising material sustainability matters is essential to integrating ESG considerations into our business strategy. We therefore update our materiality assessment each year. This cycle included extensive engagement with key internal and external stakeholders so their interests and concerns inform our focus areas. The methodology is outlined below.:

Phase 1: Identification of Material Matters

- Understand operating context — Review the company's distinctive context, including common sustainability topics, sector-specific issues, peer practices, and applicable compliance requirements
- Map stakeholders and expectations — Identify priority stakeholder groups and analyse their needs and expectations relating to sustainability impacts.
- Form the long list of topics — Develop a preliminary list of sustainability matters based on the operating context and stakeholder input

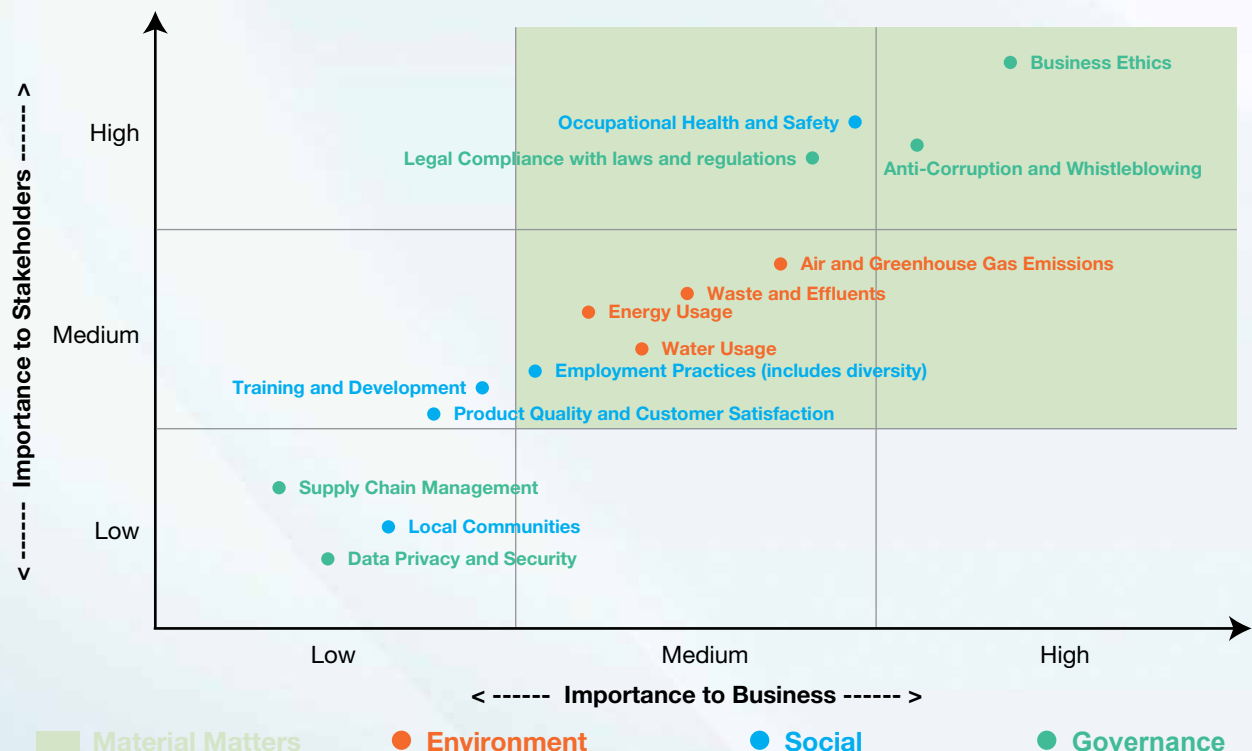
Phase 2: Assessment and Prioritisation of Material Matters

- Apply materiality concept and undertake stakeholder engagement in prioritization
- Disclose prioritized material sustainability matters in a manner which illustrates the relative importance of each material sustainability matter

Phase 3: Review and Validation of Outcome

- Submit materiality assessment results for executive validation and Board approval
- Establish a documented review protocol governing the materiality methodology
- Determine and adopt the periodicity for future assessments

Materiality Prioritisation Matrix



SUSTAINABILITY STATEMENT
(cont'd)

Materiality Prioritisation Matrix (Cont'd)

| Material Sustainability Topics | |
|--------------------------------|---|
| 1 | Business Ethics |
| 2 | Anti-Corruption and Whistleblowing Procedures |
| 3 | Occupational Health and Safety |
| 4 | Legal Compliance with laws and regulations |
| 5 | Air and Greenhouse Gas Emissions |
| 6 | Waste and Effluents |
| 7 | Energy Usage |
| 8 | Water Usage |
| 9 | Employment Practices |

Sustainability Strategy & Framework

Our sustainability framework is built around three focus areas—economic, environmental, and social—which are embedded in the Group’s business strategy to meet stakeholder expectations and create long-term value.

- **Economic:** Deliver service excellence and resilient performance for customers, partners, and shareholders.
- **Environmental:** Reduce our environmental footprint through prudent resource use and responsible operations.
- **Social:** Contribute positively to communities and support the well-being and development of our people.

We are committed to addressing each material topic under these pillars and to continuously monitoring performance to advance our sustainability objectives.

| Focus Areas | | |
|--|---|--|
| Governance | Environmental | Social |
| Providing excellent services and creating value for stakeholders while upholding transparency and accountability | Reducing carbon emission and minimising environmental impacts of our operations | Cultivating a diverse culture, promoting employee wellness, and supporting the local community |
| Transparency & Disclosure | Managing Energy & Emissions | Health and Safety |
| Anti-bribery and anti-corruption | Waste Management | Diversity and equal opportunity |
| | Water Usage | Employment Practices |

SUSTAINABILITY STATEMENT

(cont'd)

Material Topics

Environmental

Energy Usage



Transparent disclosure of energy consumption is central to our sustainability commitments. Because energy underpins key operational processes, we focus on understanding usage patterns, improving efficiency, and reducing environmental impacts.

We maintain detailed tracking of energy use across all facilities and activities, including machinery and equipment operation, utilities, heating/cooling, and lighting, to inform performance management, identify efficiency opportunities, and support responsible resource stewardship.

| Energy Consumption | FP2025 |
|--|-----------|
| Electricity (KWh) | 3,889,953 |
| Diesel (Litre) | 40,275 |
| Petrol (Litre) | 20,670 |
| Total Energy Consumption (GJ) ¹ | 16,265 |

Across our operations, we will continue to deploy efficiency strategies and explore innovation to further curtail energy use and support our sustainability objectives.

Air and Greenhouse Gas Emissions

The Group's FP2025 greenhouse gas emissions ("GHG") profile at a glance:

| GHG Emissions | FP2025 |
|---|----------|
| Scope 1 emissions (tCO ₂ e) ² | 155.69 |
| Scope 2 emissions (tCO ₂ e) ³ | 2,271.73 |
| Total emissions (Scope 1 + Scope 2) | 2,427.42 |

Scope 1 – 155.69 tCO₂e (fuel use in vehicles, site equipment and material-handling); and Scope 2 – 2,271.73 tCO₂e (purchased electricity across construction and manufacturing).

Together, this represents 2,427.42 tCO₂e for the reporting period (1 January 2024 – 30 Jun 2025).

What drives it: Direct emissions are tied to diesel and petrol consumed in daily operations and logistics. Indirect emissions reflect electricity intensity at sites and the plant.

What we're doing next: Tightening fuel management and route planning, improving equipment efficiency and maintenance practices, and pursuing demand-side efficiency for electricity. We continue to evaluate lower-carbon options, including renewable sourcing and technology upgrades, to progressively reduce our footprint.

In line with our sustainability objectives, we continue to manage energy demand, improve efficiency in operations and explore lower-carbon solutions to mitigate our overall footprint.

¹ The conversion factors for 2024 are based on the methodology provided by US Energy Information Administration, eia.gov.

² Emission factors are sourced from World Resource Institute (2015). GHG Protocol tool for stationary combustion. Version 4.1

³ Malaysia grid emission factor sourced from 2021 Peninsular Grid Emission Factor by Energy Commission.

SUSTAINABILITY STATEMENT (cont'd)

Material Topics

Environmental

Water Management



Prudent water stewardship underpins our environmental management approach. Although routine activities in both the manufacturing and construction segments are not water-intensive, we track withdrawal and consumption to maintain operational discipline and to support continuous efficiency gains.

CGB monitors metered usage across sites and facilities, analyses trends, and targets avoidable loss through maintenance and housekeeping controls. The Group's supply is drawn primarily from municipal networks; accordingly, reported water withdrawal approximates consumption. Our focus remains on incremental reduction opportunities, i.e. optimising utilities, improving process controls, and promoting responsible usage to minimise environmental impact and safeguard shared water resources.

| | FP2025 |
|------------------------------|-----------------------|
| Total Water Consumption (m3) | 78,089 m ³ |

Waste and Effluents

Effective waste stewardship is central to our operational discipline. Across construction sites and the manufacturing facility, we apply the waste hierarchy, avoid, reduce, reuse, recycle before disposal. Waste streams are managed in line with applicable requirements, using licensed transporters and approved facilities, with documentation maintained for full traceability.

Operations segregate general (non-hazardous) and scheduled (hazardous) wastes at source. Site teams implement housekeeping standards, designated storage, and labelling; scheduled wastes are stored in secure, compliant areas and removed within prescribed timelines. Routine inspections and contractor audits reinforce safe handling and regulatory compliance.

Measurement is based on tonnage recorded in consignment and collection notes, consolidated at Group level with segment level visibility. Our priorities are to:

- tighten at-source segregation to reduce contamination,
- identify diversion opportunities (recycling/recovery) where practicable, and
- minimise disposal through process and material efficiency.

For the FP2025 reporting period, total waste generated was 628.89 t, diverted from disposal was 0.00 t, and directed to disposal was 628.89 t. Effluent discharges from operations are limited and managed through standard controls with no reportable incidents occurring during the period.

Amount of waste produced through production and manufacturing. It is also essential to ensure that the amount of solid waste disposed of through landfill or incinerations is minimised.

| Waste and Effluents | FP2025 |
|--|--------|
| Total Waste Generated (Metric Tonnes) | 628.89 |
| - General Waste (Metric Tonnes) | 591.53 |
| - Scheduled Waste (Metric Tonnes) | 37.36 |
| Waste directed to disposal (Metric Tonnes) | 628.89 |
| Waste diverted from disposal (Metric Tonnes) | ~ |

~ Insignificant

SUSTAINABILITY STATEMENT

(cont'd)

Material Topics (Cont'd)

Social

Employment Practices



CGB's people agenda is anchored in our Human Resource Policy and centred on building a capable, engaged workforce. We focus on hiring and retaining qualified professionals with the skills and experience to deliver effectively, supported by clear role expectations and performance standards.

We place strong emphasis on capability development and continuous improvement. Performance reviews are conducted across all levels to pinpoint development needs and inform targeted learning plans, creating structured pathways for career progression.

During the reporting period, the Group recorded an average turnover rate of 20% (32/160). We remain committed to strengthening engagement, enhancing supervisory practices, and refining retention initiatives to sustain a stable, motivated workplace.

| Total number of employee turnover by employee category | FP2025 |
|--|--------|
| Senior Management | 2 |
| Management | 3 |
| Executive | 3 |
| Non-Executive | 24 |
| Overall turnover | 32 |

CGB is committed to equal opportunity and non-discrimination across all people-related practices, on recruitment, remuneration, performance management, development, and career progression. We do not tolerate discrimination toward employees, suppliers, or other stakeholders on the basis of race, age, gender, sexual orientation, religion, disability, nationality, or any other protected characteristic.

- **Fair pay and total rewards**

We apply the principle of equal pay for work of equal value, ensuring compensation is fair and consistent irrespective of demographic factors. This commitment extends beyond base salary to all elements of total rewards, including bonuses, overtime, allowances, insurance coverage, and other benefits.

- **Safe, respectful workplace**

To reinforce a culture of dignity and respect, CGB maintains a Sexual Harassment Policy and a formal Grievance Procedure, providing clear channels for reporting, impartial investigation, and timely resolution.

- **Advancing gender equality**

We actively support women's career advancement through targeted development, access to leadership opportunities, and inclusive talent processes designed to build a diverse leadership pipeline.

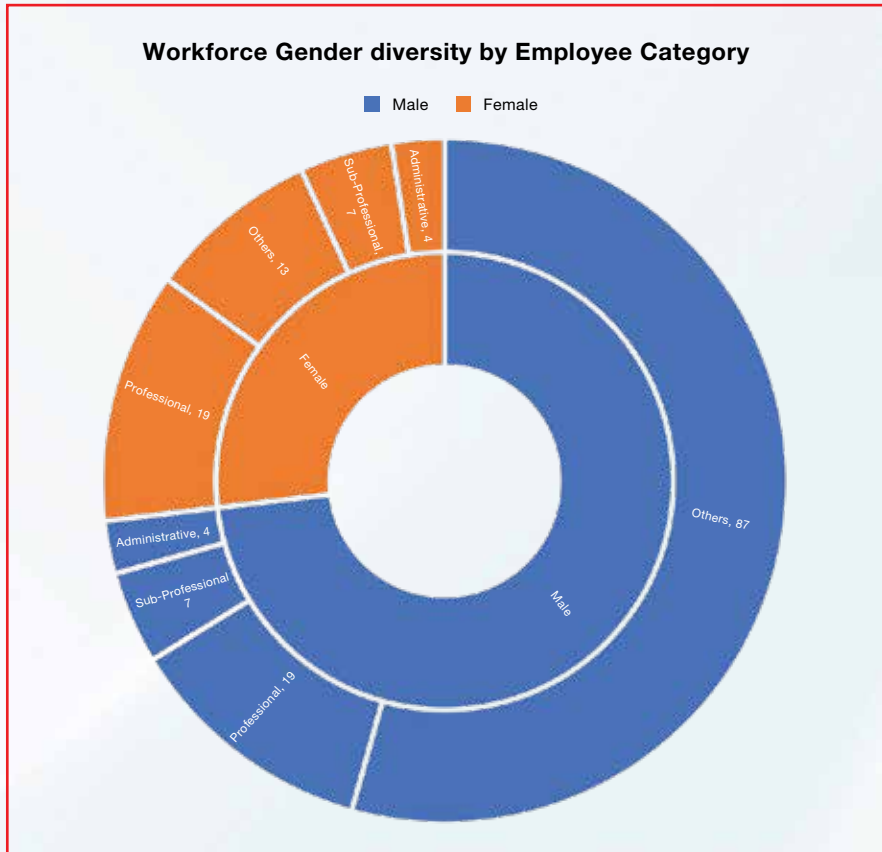
| Workforce Gender Diversity by Category | No. | Percentage (%) |
|--|-----|----------------|
| Overall - Male | 117 | 73% |
| Overall - Female | 43 | 27% |
| Professional - Male | 19 | 12% |
| Professional - Female | 19 | 12% |
| Sub-Professional - Male | 7 | 4% |
| Sub-Professional - Female | 7 | 4% |
| Administrative - Male | 4 | 3% |
| Administrative - Female | 4 | 3% |
| Other - Male | 87 | 54% |
| Other - Female | 13 | 8% |

SUSTAINABILITY STATEMENT
(cont'd)

Material Topics (Cont'd)

Social (Cont'd)

Employment Practices (Cont'd)



| Workforce Age Diversity by Category | No. | Percentage (%) |
|-------------------------------------|-----|----------------|
| Overall - Under 30 | 43 | 27% |
| Overall - Between 30-50 | 93 | 58% |
| Overall - Above 50 | 24 | 15% |
| Professional - Under 30 | 0 | 0% |
| Professional - Between 30-50 | 31 | 19% |
| Professional - Above 50 | 7 | 4% |
| Sub-Professional - Under 30 | 0 | 0% |
| Sub-Professional Between 30-50 | 10 | 6% |
| Sub-Professional Above 50 | 4 | 3% |
| Administrative - Under 30 | 2 | 1% |
| Administrative - Between 30-50 | 5 | 3% |
| Administrative - Above 50 | 1 | 1% |
| Other - Under 30 | 41 | 26% |
| Other - Between 30-50 | 47 | 29% |
| Other - Above 50 | 12 | 8% |

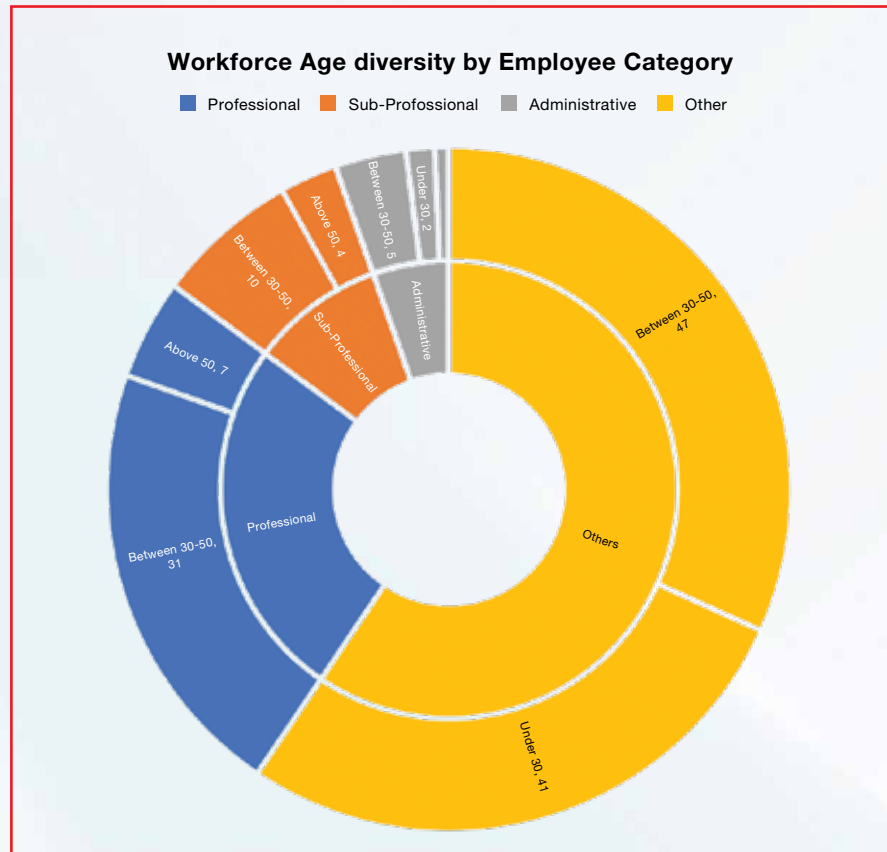
SUSTAINABILITY STATEMENT

(cont'd)

Material Topics (Cont'd)

Social (Cont'd)

Employment Practices (Cont'd)



Occupational Health and Safety

CGB maintains a safety-first operating culture focused on accident prevention and the well-being of all personnel. In line with our Sustainability Policy, we apply clear health and safety accountabilities across the organisation, covering from the Board and senior management through the Safety Committees, Safety Officers and employees, so that responsibilities are defined and consistently executed at every site and function.

Governance and oversight

Each operating location is supported by a multidisciplinary Health & Safety Committee responsible for monitoring compliance, reviewing incidents and near-misses, and driving corrective and preventive actions. Committees meet regularly, escalate issues where required, and track the closure of actions to ensure standards are maintained.

Emergency readiness

The Group maintains documented emergency response procedures for scenarios such as fires, hazardous releases and workplace accidents. Designated personnel receive role-specific training to coordinate responses, while critical safety equipment such as fire extinguishers, emergency lighting and related devices are subject to scheduled inspections and servicing to ensure operational readiness.

SUSTAINABILITY STATEMENT (cont'd)

Material Topics (Cont'd)

Social (Cont'd)

Occupational Health and Safety (Cont'd)



Capability building

During the reporting period, over 50% of employees participated in safety and health training across topics including hazard identification, safe work practices and emergency response. Ongoing competency development remains a core element of our prevention strategy and continuous improvement approach.

| | FP2025 |
|--|--------|
| Number of employees trained on health and safety | 80 |

CGB will continue to invest in training, resources and infrastructure to ensure every employee can work safely and with confidence.

For the reporting period 1 January 2024 to 30 June 2025, the Group recorded zero fatalities. We remain focused on sustaining this outcome through continuous improvement in controls, competency and oversight.

| Occupational Health and Safety Performance | FP2025 |
|--|--------|
| Number of fatalities | 0 |
| Number of Lost time incidents | 4 |
| Lost time incident rate | 1.83 |

Governance and reporting

Safety and health oversight is integral to the Group's risk management framework. The Safety & Health Committee provides regular performance and initiative updates to the Managing Director and Executive Director ("EXCO"), with subsequent reporting to the Board to ensure alignment with business objectives and risk appetite.

Operational assurance

Qualified Safety and Health Officers monitor site activities to verify compliance with procedures and legal requirements. They work closely with project and functional teams to maintain safe conditions for employees and contractors and to drive preventive controls.

Incident notification and investigation

Any incident is escalated to the designated Safety and Health Representative within twenty-four (24) hours. A formal investigation is then initiated, typically completed within five (5) working days to establish the nature and cause of the event, identify contributing factors, and assess the adequacy of existing procedures. The process includes evidence collection, witness interviews, and cross-functional consultation. Corrective and preventive actions are implemented promptly to address root causes and prevent recurrence.

SUSTAINABILITY STATEMENT

(cont'd)

Material Topics (Cont'd)

Social (Cont'd)

Training and Development



CGB is committed to building capability and enabling continuous growth across the workforce. Investing in structured learning is central to maintaining our competitive edge and supporting operational excellence.

All employees have access to development programmes aligned to role requirements and career pathways. Curricula span regulatory compliance, health and safety, technical proficiency, leadership and supervisory skills, and product and process development. Programmes combine classroom sessions, on-the-job learning, and targeted coaching to translate knowledge into sustained performance.

CGB views continuous learning as essential to a skilled, motivated and productive workforce. Career development and performance management are merit-based and aligned to organisational goals, with pathways reviewed regularly through agile performance cycles to reflect evolving business needs.

| Total Hours of training by employee category (hours) | FP2025 |
|--|--------|
| Senior Management | 210 |
| Management | 250 |
| Executive | 80 |
| Non-Executive | 660 |
| Overall hours | 1,200 |

Closing capability gaps

As part of our transformation agenda, we prioritise competency development in critical and higher-risk roles. Our approach includes co-designing tailored technical programmes with external partners, supporting professional certifications, arranging on-the-job attachments, and engaging subject-matter specialists to accelerate knowledge transfer. We also emphasise re-skilling and up-skilling to maintain workforce relevance and agility.

Expanding learning access

We will continue to broaden the scope, depth and duration of training offerings to address identified gaps and equip employees with the capabilities required to succeed in a dynamic operating environment.

Governance

Ethics and Anti-Corruption

CGB remains steadfast in its commitment to upholding the highest standards of ethics and integrity across all facets of its operations. We recognize the inherent risks associated with corruption and are dedicated to fostering a culture of transparency, accountability, and compliance with anti-corruption laws and regulations.

At the close of each reporting period, Anti-Bribery and Corruption ("ABC") of each business unit conducts a comprehensive analysis of corruption-related risks, focusing on areas susceptible to fraud and corruption. We meticulously evaluate existing controls and procedures, particularly in procurement, payment, sales, charity, sponsorship, business gifts, hospitality, and interactions with government authorities. Our Anti-Bribery and Corruption Policy serve as a cornerstone in our efforts to combat bribery and corruption. The policy, available on our corporate website, applies to all employees, subsidiaries, and associated business partners, contractors, and consultants acting on behalf of the Group. We define bribery to encompass various forms of gratification and prohibit any acts that could compromise ethical standards or the integrity of our business practices.

SUSTAINABILITY STATEMENT (cont'd)

Material Topics (Cont'd)

Governance (Cont'd)

Ethics and Anti-Corruption (Cont'd)



To oversee compliance and mitigate bribery and corruption risks, our Anti-Bribery and Corruption Compliance Unit (“ABCCU”), led by the Corruption Risk Officer, assumes responsibility for designing and implementing our anti-bribery management system. The ABCCU provides guidance to personnel, ensures adherence to policy requirements, and reports on the system’s performance to top management and other compliance functions regularly.

| | FP2025 |
|--|--------|
| Percentage of operations assessed for corruption-related risks | 100% |
| Confirmed incidents of corruption and action taken | 0 |

CGB remains committed to staying abreast of developments in anti-corruption legislation and best practices to enhance our anti-bribery and corruption framework continually. We prioritize awareness and education by providing training sessions for top management and employees, focusing on pertinent legal amendments and topics such as gifts, hospitality, and communication with suppliers.

Furthermore, we engage with business partners to communicate our ethical standards and incorporate ABC policies into contract negotiations. In FP2025, the Group recorded no incidents of bribery or corruption. This achievement underscores our unwavering commitment to ethical conduct and regulatory compliance, reflecting the effectiveness of our anti-corruption measures and the diligence of our workforce.

Percentage of employees who have received training on anti-corruption by employee category FP2025

| Percentage of employees who have received training on anti-corruption by employee category | FP2025 |
|--|--------|
| Overall | 100% |
| Senior Management | 100% |
| Management | 100% |
| Executive | 100% |
| Non-executive | 100% |

CGB’s Whistleblowing Policy provides a secure channel for employees and members of the public to report suspected improper conduct, misconduct, or criminal offences through internal mechanisms, without fear of retaliation. Reports are handled confidentially and assessed promptly in line with due process.

What can be reported

Examples include (but are not limited to) fraud, bribery, misuse of company funds or assets, abuse of power, conflicts of interest, questionable accounting or record-keeping practices, and acts that endanger health and safety or otherwise breach laws, regulations, or CGB’s Code of Conduct.

SUSTAINABILITY STATEMENT

(cont'd)

Material Topics (Cont'd)

Governance (Cont'd)

Confidentiality and non-retaliation



CGB is committed to safeguarding the confidentiality of whistleblowers and prohibits any form of victimisation or retaliation against individuals who report concerns in good faith. Where necessary to enable a thorough investigation and appropriate protection, the whistleblower's identity may be requested and will be handled with strict discretion. Any attempt to intimidate, penalise, or retaliate against a whistleblower will result in disciplinary action.

Clear guidance on how to raise concerns, the escalation process, and available protection measures is set out in the Whistleblowing Policy and supporting procedures.

All disclosures can be submitted via the whistleblowing channels as follows:

- i. Ms. Teoh Saw Sin Judy Teoh (Independent Non-Executive Director/ Audit Chair)
E-mail: judytss@gmail.com
- ii. Mr. Yap Yik Yong (Group Financial Controller)
Tel: +603-9171 8966
E-mail: yapyy@cgbgroup.com.my

Compliance

Adherence to applicable laws and regulations concerning environmental, social, and otherwise, is fundamental to our business and operating model. We maintain ongoing surveillance of the regulatory landscape in every jurisdiction where we operate and align policies and practices accordingly. Particular focus is placed on compliance with employment legislation, environmental requirements, and related statutes to uphold responsible conduct and mitigate operational and compliance risk.



Within the Group, compliance is led by dedicated compliance and internal audit committees under the oversight of management and the Board. These bodies coordinate compliance activities, conduct risk-based internal audits, and monitor adherence to applicable laws, regulations, and internal policies.

Human Rights and the Community

Aligned with the UN Guiding Principles on Business and Human Rights ("UNGPs"), the Group is committed to respecting human rights, conducting rigorous due diligence, and maintaining accessible grievance mechanisms. Our commitment includes explicit support for children's rights across our business practices and value chain. We recognise that human rights extend beyond workplace conditions to our impact on the communities in which we operate. Accordingly, we undertake structured assessments to identify, prevent and mitigate potential adverse impacts on human and children's rights across the organisation, and we integrate findings into policies, training, supplier expectations and remediation processes.

SUSTAINABILITY STATEMENT
(cont'd)

Material Topics (Cont'd)

Governance (Cont'd)



Prevention of Child Labour

The Group maintains a zero-tolerance stance on child labour and complies with the Children and Young Persons (Employment) (Amendment) Act 2010. Age verification is mandatory prior to engagement: candidates must present valid government-issued identification; where needed, other acceptable proof (e.g., birth certificate, diploma, or official residency documents) may be used. We also confirm that applicants have completed compulsory schooling. This standard extends to our business partners and suppliers. We require them to implement robust due-diligence controls to prevent child labour within their operations and supply chains, and we reserve the right to review compliance and take corrective action where necessary.

Health and Safety Compliance

CGB complies with the Occupational Safety and Health Act 1994 (OSHA 1994), which establishes the legislative framework for safeguarding the safety, health and welfare of employees at all worksites and for preventing workplace hazards and associated risks. Our operations are subject to inspections by the relevant authorities, and we cooperate fully to ensure ongoing compliance

Environmental Regulations

Compliance with applicable Malaysian environmental laws is integral to our efforts to minimise environmental impact. The regulations listed below guide our environmental practices and constitute the minimum requirements for conducting our business:

| Government Regulations | Related environmental impact |
|--|--|
| Environmental Quality Act 1974 | Prevention, abatement, control of pollution and enhancement of the Environment. |
| Environmental Quality Clean Air Regulation 2014 | For the provision and proper operation of discharge related to pollutants into the open air. |
| Environmental Quality Sewage Regulations 2009 | For the provision and proper operation of sewage operation and discharge. |
| Industrial Effluent Regulations 2009 | For the provision and proper operation of the discharge or release of industrial effluents |
| Solid Waste and Public Cleansing Act 2007 | Segregation of waste to ensure all disposed of materials are dealt with safely by licensed contractors |

During FP2025, the Group recorded no instances of non-compliance with applicable environmental laws and regulations.

| | FP2025 |
|---|--------|
| Significant instances of non-compliance with laws and regulations | 0 |

Community Engagement and Investment

CGB actively advances impactful Corporate Social Responsibility (“CSR”) programmes that enhance community well-being and support citizens in need, consistent with our commitment to responsible corporate citizenship. These initiatives not only deliver tangible benefits to the communities we serve, they also positively influence our employees, whom we encourage to participate in volunteer activities. Fostering volunteerism nurtures values of kindness and generosity within the organisation, and employee volunteers are recognised through appropriate incentives approved by the Group.

SUSTAINABILITY STATEMENT

(cont'd)

Community Engagement and Investment (Cont'd)

As part of this commitment, CGB volunteers supported a literacy initiative at SJKC Keng Chee, Puchong, donating 200 new children's books in Chinese, Malay and English to the school's Starry Reading Room. Our team spent time with students during a guided read-aloud and creative activities designed to spark curiosity and a love of reading. The contribution expands access to age-appropriate, multilingual materials; the books will be available for lending after cataloguing. This programme reflects our dedication to making a positive impact beyond business operations by strengthening educational resources, fostering connections, and supporting the well-being and development of young learners.



| | FP2025 |
|---|---------------|
| Total amount invested where the target beneficiaries are external (MYR) | RM4,108 |
| Total number of beneficiaries of the investment in communities | 1,500 |

Looking Ahead

CGB recognises the material risks and opportunities arising from climate change and broader environmental challenges and as such, the Board is committed to integrating climate considerations into strategic planning and capital allocation where relevant to our operations and markets.

We will set clear objectives to reduce the Group's carbon footprint, progressively align value creation with a lower-carbon economy, and comply with applicable national environmental policies and guidance. Our focus areas include improving energy efficiency, strengthening emissions management, and advancing practical initiatives across our construction and manufacturing activities to support long-term resilience and stakeholder value.

SUSTAINABILITY STATEMENT

(cont'd)

SUSTAINABILITY PERFORMANCE DATA TABLE

The Sustainability Performance Data Table was generated from the Bursa ESG Reporting Platform, and is included in this Report as mandated by Bursa Malaysia Berhad's enhanced sustainability reporting requirements within the Main Market Listing Requirements.

| Indicator | Measurement Unit | 2025 |
|---|------------------|------------|
| Bursa (Anti-corruption) | | |
| Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category | | |
| Senior Management | Percentage | 100.00 |
| Management | Percentage | 100.00 |
| Executive | Percentage | 100.00 |
| Non-Executive | Percentage | 100.00 |
| Bursa C1(b) Percentage of operations assessed for corruption-related risks | Percentage | 100.00 |
| Bursa C1(c) Confirmed incidents of corruption and action taken | Number | 0 |
| Bursa (Community/Society) | | |
| Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer | MYR | 4,107.99 |
| Bursa C2(b) Total number of beneficiaries of the investment in communities | Number | 1,500 |
| Bursa (Diversity) | | |
| Bursa C3(a) Percentage of employees by gender and age group, for each employee category | | |
| Age Group by Employee Category | | |
| Senior Management Under 30 | Percentage | 0.00 |
| Senior Management Between 30-50 | Percentage | 19.00 |
| Senior Management Above 50 | Percentage | 4.00 |
| Management Under 30 | Percentage | 0.00 |
| Management Between 30-50 | Percentage | 6.00 |
| Management Above 50 | Percentage | 3.00 |
| Executive Under 30 | Percentage | 1.00 |
| Executive Between 30-50 | Percentage | 3.00 |
| Executive Above 50 | Percentage | 1.00 |
| Non-Executive Under 30 | Percentage | 26.00 |
| Non-Executive Between 30-50 | Percentage | 29.00 |
| Non-Executive Above 50 | Percentage | 8.00 |
| Gender Group by Employee Category | | |
| Senior Management Male | Percentage | 12.00 |
| Senior Management Female | Percentage | 12.00 |
| Management Male | Percentage | 4.00 |
| Management Female | Percentage | 4.00 |
| Executive Male | Percentage | 3.00 |
| Executive Female | Percentage | 3.00 |
| Non-Executive Male | Percentage | 54.00 |
| Non-Executive Female | Percentage | 8.00 |
| Bursa C3(b) Percentage of directors by gender and age group | | |
| Male | Percentage | 67.00 |
| Female | Percentage | 33.00 |
| Under 30 | Percentage | 0.00 |
| Between 30-50 | Percentage | 0.00 * |
| Above 50 | Percentage | 100.00 * |
| Bursa (Energy management) | | |
| Bursa C4(a) Total energy consumption | Megawatt | 3,896.00 * |
| Bursa (Health and safety) | | |
| Bursa C5(a) Number of work-related fatalities | Number | 0 |
| Bursa C5(b) Lost time incident rate ("LTIR") | Rate | 1.83 |
| Bursa C5(c) Number of employees trained on health and safety standards | Number | 80 |

Internal assurance

External assurance

No assurance

(*)Restated

SUSTAINABILITY STATEMENT (cont'd)

SUSTAINABILITY PERFORMANCE DATA TABLE (CONT'D)

| Indicator | Measurement Unit | 2025 |
|---|------------------|-------------|
| Bursa (Labour practices and standards) | | |
| Bursa C6(a) Total hours of training by employee category | | |
| Senior Management | Hours | 210 |
| Management | Hours | 250 |
| Executive | Hours | 80 |
| Non-Executive | Hours | 660 |
| Bursa C6(b) Percentage of employees that are contractors or temporary staff | Percentage | 2.50 |
| Bursa C6(c) Total number of employee turnover by employee category | | |
| Senior Management | Number | 2 |
| Management | Number | 3 |
| Executive | Number | 3 |
| Non-Executive | Number | 24 |
| Bursa C6(d) Number of substantiated complaints concerning human rights violations | Number | 0 |
| Bursa (Supply chain management) | | |
| Bursa C7(a) Proportion of spending on local suppliers | Percentage | 87.00 |
| Bursa (Data privacy and security) | | |
| Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data | Number | 0 |
| Bursa (Water) | | |
| Bursa C9(a) Total volume of water used | Megalitres | 78.090000 * |
| Bursa (Waste management) | | |
| Bursa C10(a) Total waste generated | Metric tonnes | 628.89 |
| Bursa C10(a)(i) Total waste diverted from disposal | Metric tonnes | 0.00 |
| Bursa C10(a)(ii) Total waste directed to disposal | Metric tonnes | 628.89 |
| Bursa (Emissions management) | | |
| Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e | Metric tonnes | 155.69 |
| Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e | Metric tonnes | 2,271.73 |
| Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting) | Metric tonnes | 0.00 |

Internal assurance

External assurance

No assurance

(*)Restated

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors is pleased to present the report on the Audit and Risk Management Committee Report for the financial period ended 30 June 2025.

The primary objective of the Audit and Risk Management Committee is to assist the Board of Directors in discharging its statutory duties and responsibilities relating to the corporate accounting and practices for Central Global Berhad (“the Company”) and all its subsidiaries and to ensure the adequacy and effectiveness of the Company and its subsidiaries (“the Group”)’s internal control measures.

MEMBERS

| | | |
|-------------|---|---|
| Chairperson | : | Ms. Teoh Saw Sin @ Judy Teoh Independent Non-Executive Director (Appointed on 1 January 2025) |
| | | Ms. Tan Suat Hoon Independent Non-Executive Director (Resigned on 31 December 2024) |
| Members | : | Mr. Lee Swee Meng Independent Non-Executive Director |
| | : | Ms. Wong Pooi Seen Independent Non-Executive Director (Appointed on 20 May 2025) |
| | : | Encik Sahari bin Ahmad Independent Non-Executive Director (Resigned on 7 May 2025) |

No former audit partner of the Company’s external auditors shall be appointed to the Committee unless he or she has observed a cooling-off period of at least three (3) years before being appointed as member of the Committee.

TERMS OF REFERENCE

Membership

The Audit and Risk Management Committee shall be appointed by the Board of Directors from amongst their members and shall be composed of not fewer than three (3) members. All the members of the Committee must be Non-Executive Directors, with a majority of them being Independent Directors. Alternate Directors must not be appointed as members of the Committee. All members of the Committee shall be financially literate and at least one of the members of the Committee:

- i) must be a member of the Malaysian Institute of Accountants (“MIA”); or
- ii) if he or she is not a member of MIA
 - a. he or she must have passed the examinations specified in Part 1 of the 1st Schedule of the Accountants Act 1967 and have at least three (3) years working experience; or
 - b. he or she must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of Accountants Act 1967 and have at least three (3) years of working experience; or
- iii) fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad.

The members of the committee shall elect a chairman from amongst their members who shall be an independent director. The chairman elected shall be subject to endorsement by the Board. If a member of the committee resigns, dies or for any reason ceases to be a member with the result that the number of members is reduced to below three (3), the Board of Directors shall, within three (3) months of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

(cont'd)

TERMS OF REFERENCE (CONT'D)

Notice of Meeting and Attendance

The agenda for Audit and Risk Management Committee meetings shall be circulated before each meeting to members of the committee. The quorum for meetings of the committee shall be two (2) members provided both of whom present are independent directors.

The committee may require the external and/or internal auditors and any official of the Company to attend any of its meetings as it determines. The external auditors shall have the right to appear and be heard at any meeting of the Audit and Risk Management Committee and shall appear before the committee when required to do so by the committee.

The head of finance, the head of internal audit and a representative of the internal or external auditors shall normally attend meetings. Other Board members may attend meetings upon the invitation of the committee. The committee shall meet with the external auditors without executive board members present at least once a year.

The company secretary of the Company shall be the secretary of the committee.

Frequency of Meetings

Meetings of the Audit and Risk Management Committee shall be held not less than four (4) times a year. Upon request of any of its members, the internal or external auditors, the chairman of the Audit and Risk Management Committee shall convene a meeting of the committee.

Authority

In carrying out their duties and responsibilities, the Audit and Risk Management Committee shall:

- a) investigate any matters within its terms of reference;
- b) have full and unrestricted access to any information pertaining to the Group;
- c) have direct communication channels with the external and internal auditors, as well as employees of the Group;
- d) be able to obtain independent professional or other advice if it deems necessary; and
- e) be able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the Company, whenever deemed necessary.

Duties

The duties of the committee shall be:

- 1) To review with the external auditors:
 - the audit plan;
 - the evaluation of the system of internal accounting controls;
 - problems and reservation arising from their audits; and
 - the audit report on the financial statements.
- 2) To review the assistance and corporation given by the employees of the Company to the external and internal auditors;
- 3) To review the external auditors' management letter and management response;

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (cont'd)

TERMS OF REFERENCE (CONT'D)

Duties (Cont'd)

- 4) To review the quarterly results and annual financial statements, prior to the approval by the Board of Directors, focusing particularly on:
 - a) changes in or implementation of major accounting policy changes;
 - b) significant and unusual events;
 - c) significant adjustments arising from audit;
 - d) the going concern assumption; and
 - e) compliance with accounting standards and other legal requirements.
- 5) To review the adequacy of the scope, functions, competency and resources of the internal audit functions and that it has the necessary authority to carry out its work;
- 6) To review the internal audit programme, processes, results of the internal audit programme, processes or investigations undertaken and whether or not appropriate action is taken regarding the recommendations of the internal audit function;
- 7) To review any related party transactions and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;
- 8) To consider the nomination/appointment, remuneration and resignation or dismissal of the auditors;
- 9) To review the risk profile of the Company and establish risk management processes that should be adopted and develop appropriate strategy, guidelines and policies for implementation;
- 10) To promptly report to Bursa Malaysia Securities Berhad if it is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in breach of the Listing Requirements;
- 11) To review such other functions as may be agreed to by the committee and the Board of Directors from time to time; and
- 12) To verify the allocation of options pursuant to a share scheme for employees at the end of each financial year in relation to Chapter 8, Paragraph 8.17 of Bursa's Listing Requirements.

The terms of reference of the committee is published on the Company's website at www.cgbgroup.com.my in line with Paragraph 15.11 of Main Market Listing Requirements.

Reporting Procedures

The secretary shall circulate the minutes of the meetings of the committee to all members of the Board.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

(cont'd)

TERMS OF REFERENCE (CONT'D)

Details of attendance at Audit and Risk Management Committee Meetings

There were eight (8) Audit and Risk Management Committee meetings held during the financial period ended 30 June 2025. Details of the attendance of Audit and Risk Management Committee members at the meetings are as follows:

| Name of Committee Members | Attendance |
|--|------------|
| Ms. Teoh Saw Sin @ Judy Teoh (Appointed on 1 January 2025) | 3/3 |
| Mr. Lee Swee Meng | 8/8 |
| Ms. Wong Pooi Seen (Appointed on 20 May 2025) | 1/1 |
| Encik Sahari bin Ahmad (Resigned on 7 May 2025) | 7/7 |
| Ms. Tan Suat Hoon (Resigned on 31 December 2024) | 5/5 |

SUMMARY OF ACTIVITIES OF THE COMMITTEE DURING THE FINANCIAL PERIOD

The activities carried out by the Audit and Risk Management Committee during the financial period under review were as follows:

- a) Reviewed with the external auditors on the audit plan and the audit report on the financial statements;
- b) Reviewed the quarterly financial results for each quarter of the Company and the Group prior to the Board of Directors' approval and announcement to Bursa Malaysia Securities Berhad, focusing particularly on:
 - the overall performance of the Group;
 - the prospects for the Group;
 - compliance with accounting standards and other legal requirements;
 - changes in or implementation of major accounting policy changes;
 - significant and unusual events; and
 - significant adjustments arising from audit.
- c) Reviewed the year-end financial statements prior to submission to the Board of Directors for consideration and approval;
- d) Reviewed the proposed audit plan to be undertaken by the internal auditors;
- e) Reviewed the internal audit reports, audit recommendations and management's responses to these recommendations as well as the timely actions taken to improve the system of internal controls and procedures, and completion of the internal audit plan;
- f) Evaluated the performance of the external and internal auditors and made recommendations in relation to their reappointment and audit fees to the Board for consideration;
- g) Reviewed the report prepared by Risk Management Working Group; and
- h) Reviewed the Audit and Risk Management Committee Report and the Statement of Risk Management and Internal Control prior to submission of the same to the Board for consideration and inclusion in the Annual Report.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

(cont'd)

INTERNAL AUDIT FUNCTION

The Audit and Risk Management Committee shall oversee all internal audit functions and is authorised to commission investigations to be conducted by the internal auditors, as it deems fit. The responsibilities of the internal audit function, which report directly to the Committee, include the provision of reasonable assurance to all levels of management concerning the overall control over assets and the effectiveness of the system of the internal control in achieving the Company's overall objectives.

The Company has outsourced the internal audit functions to IA Essential Sdn. Bhd., an independent professional firm as the internal auditors for the financial period ended 30 June 2025.

The internal auditors performed their function in accordance with the key principles of the International Professional Practice Framework of the Institute of Internal Auditors. These key principles include audit planning, execution, documentation, communication of findings, and consultation with key stakeholders on audit concerns.

To ensure that the audit focuses on relevant and appropriate risk areas, the internal auditors consulted the ARMC and management and studied the Group's structure, risks, ongoing and upcoming property development projects, and the segmental financial performance of the businesses in the Group before proposing the internal audit plan for ARMC's review and approval.

During the financial period, internal auditors presented their internal audit plan and reviewed the areas of production, safety and health, human resources, property, and contract management. Additionally, the internal auditors conduct follow-up audits to determine the status of management action plans for improvement.

For the financial period ended 30 June 2025, the total cost incurred for the internal audit function was RM71,000.

STATEMENT OF CORPORATE GOVERNANCE

The Board of Directors (“the Board”) of CGB and its subsidiaries (the “Group”) recognises the importance of good corporate governance and continues to be committed to a good corporate governance practice throughout the Group and its subsidiaries to enhance shareholders’ value and the financial performance of the Group.

The Board believes that good governance will help to realise long-term shareholders’ value, whilst taking into account the interest of other stakeholders. The Board evaluates and continues to enhance the existing corporate governance practices in order to remain relevant with developments in market practice and regulations.

The following statement reports on how the Group has applied the principles and recommendations of good corporate governance during the financial period under review as set out in the Malaysian Code on Corporate Governance (“MCCG”) issued by the Securities Commission and the Main Market Listing Requirements (“MMLR”).

The specific disclosures on the application of each practice in the Corporate Governance Report is available at the Company’s website at www.cgbgroup.com.my as well as via announcement on the website of Bursa Malaysia Securities Berhad (“Bursa Securities”).

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

It is the overall governance responsibilities of the Board to lead and control the Group. Amongst others, these responsibilities include charting the strategic direction of the Group and supervising its affairs to ensure its success; implementation of suitable and effective internal controls and risk management; and ensuring compliance with the relevant laws, regulations, guidelines and directives.

Clear Functions Reserved for the Board and Those Delegated to Management

The Board acknowledges its role in the stewardship of the Group’s direction and operations, and ultimately the enhancement of long-term shareholder value. To fulfil this role, the Board is responsible for the overall corporate governance of the Group, which involves reviewing and adopting a strategic plan for the Group, overseeing the conduct of the Group’s businesses and to evaluate whether the businesses are properly managed, identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures, succession planning, overseeing the development and implementation of a shareholder communication policy, reviewing the adequacy and the integrity of the management information and internal control system of the Group. Key matters, such as approval for interim and final results, major capital expenditure are reserved for the Board.

Clear Roles and Responsibilities

The Board assumes, amongst others, the following duties and responsibilities:

- i) Responsible for the overall corporate governance of the Group, including its strategic direction, establishing goals for the management monitoring the achievement of these goals, overseeing the ethical conduct of business and preventing bribery in the Group’s businesses;
- ii) Decides on the overall Group strategy and direction, acquisition and divestment policy, approval of major capital expenditure, consideration of significant financial matters and the review of financial and operating performance of the Group;
- iii) Monitor and evaluate the performance of the management to ensure that the performance criteria remains dynamic;
- iv) Ensure the Group maintains an effective system of internal controls and is able to identify and manage principal risks resulting in efficiency in operations and a stable financial environment;
- v) Monitor the compliance with all relevant statutory and legal obligations;

STATEMENT OF CORPORATE GOVERNANCE (cont'd)

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

I. BOARD RESPONSIBILITIES (CONT'D)

Clear Roles and Responsibilities (Cont'd)

The Board assumes, amongst others, the following duties and responsibilities (Cont'd):

- vi) Regularly considers succession planning and balance composition of the Board;
- vii) Clarify the roles and responsibilities of members of the Board and the management to facilitate Board's and management's accountability to the Company and its shareholders;
- viii) Establish such committees, policies and procedures to effectively discharge the Board's roles and responsibilities;
- ix) Together with management, to take responsibility for the governance of sustainability in the Group, including setting the Group's sustainability strategies, priorities and targets;
- x) To ensure that the Group's sustainability strategies, priorities and targets as well as performance against such targets are communicated to the Company's shareholders and other stakeholders;
- xi) To take appropriate action to ensure Board members stay abreast with, and understand, sustainability issues relevant to the Group and its business, including climate-related risks and opportunities;
- xii) To monitor management's performance and business results; and
- xiii) To ensure that senior management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of Board members and senior management.

The Board has established three (3) board committees which operate within its own specific terms of reference. The board committees undertake in-depth deliberation of the issues at hand before tabling its recommendations thereon to the Board.

The three (3) board committees are as follows:

- a) Audit and Risk Management Committee;
- b) Nomination Committee; and
- c) Remuneration Committee.

(collectively as "Board Committees")

The chairman of the respective committees reports to the Board on the outcome of the committee meetings.

Code of Conduct and Compliance

The Group has formalised a set of ethical standards through the Code of Business Conduct ("the Code") to ensure directors and employees practise ethical, business like and lawful conduct, including proper use of authority and provide mechanisms to report unethical conduct and help foster a culture of honesty and accountability. The Code was last reviewed by the Board on 22 October 2025 and is published on the Company's website at www.cgbgroup.com.my.

The Group has also established the Whistleblower Policy ("the Policy") so that any employee of the Group can seek guidance and report suspected and/or known misconduct, wrongdoings, corruption and other malpractices involving the resources of the Group and in the matters of financial reporting and compliance. Reports can be made anonymously and arrangements are in place for the independent investigations and appropriate follow-up action. The Policy was last reviewed by the Board on 22 October 2025 and is published on the Group's website at www.cgbgroup.com.my.

STATEMENT OF CORPORATE GOVERNANCE (cont'd)

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

I. BOARD RESPONSIBILITIES (CONT'D)

Anti-Bribery and Corruption Policy

The Company does not endorse to bribery, be it giving or accepting the ill-gotten monies.

The Company has established the Anti-Bribery and Corruption Policy pursuant to Section 17A of the Malaysian Anti-Corruption Commission Act 2009. All employees of the Company are aware on the Anti-Bribery and Corruption Policy and that the Group does not cordon to gift giving/receiving. The Anti-Bribery and Corruption Policy is published on the Group's website at www.cbggroup.com.my.

Business Sustainability and Environmental, Social and Governance

The Group is committed to operate its business in accordance with environmental, social and economic responsibilities in compliance with all relevant laws in order to meet the requirements and aspirations of various stakeholders. The Group strives to achieve a long term sustainable balance between meeting its business goals and preserving the environment as it recognises that the sustainability of ecosystems is an integral part of sustaining its long term business plans. A Sustainability Statement is set out on pages 27 to 46 of this Annual Report.

Access to Information and Advice

Prior to meetings of the Board and Board Committees, appropriate documents, which include the agenda, board papers and reports relevant to the issues to be deliberated at the meetings covering the areas of financial, operational and regulatory compliance matters, are circulated to all directors, to enable them to review and disseminate the reports, obtain further explanation, if necessary and enable focused and constructive deliberation at meetings. All proceedings of Board meetings are minuted and signed by the Chairman of the meeting in accordance with the provisions of the Companies Act 2016.

Presentations and briefings by the management and relevant external consultants, where applicable, are also held at Board meetings to advise the Board and furnish relevant information and clarification for the Board to arrive at a considered decision.

All directors have direct access to the senior management and have unrestricted access to all information relating to the Group to enable them to discharge their duties. In the furtherance of its duties, the Board may when necessary, obtain independent professional advice on specific matters, at the Group's expense.

All directors have direct access to the services of the company secretary. The Board is regularly updated and advised by the company secretary.

Qualified and Competent Company Secretary

The Board is supported by experienced and competent company secretaries in discharging its duties and responsibilities. The company secretaries are qualified Chartered Secretaries, members of the Malaysian Institute of Chartered Secretaries and Administrators. The Board receives regular advice, updates and notices from the company secretaries to ensure compliance with applicable laws, regulations and corporate governance matters. The Company Secretaries attend and ensure that all Board and Board Committees meetings are properly convened and all deliberations and decisions are properly minuted and kept. They are also responsible in ensuring that Board's policies and procedures are followed, and the applicable statutory and regulatory requirements are observed.

The appointment and termination of company secretary are under the purview of the Board of Directors.

STATEMENT OF CORPORATE GOVERNANCE (cont'd)

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

I. BOARD RESPONSIBILITIES (CONT'D)

Board Charter

The Board delegates the day-to-day operations of the Group to the Group Managing Director, Group Executive Director and managers of its subsidiaries who have vast experience in the respective business of the Group. The Board has established clear functions reserved for the Board and those delegated to the management in the Board Charter (“the Charter”). The Charter provides guidance for the Directors and the Management on the responsibilities of the Board, the Board Committees and requirements of directors which are subject to periodical review to ensure consistency with the Board’s strategic intent as well as relevant standards of corporate governance. The Charter was last reviewed by the Board on 22 October 2025 and is published on the Company’s website at www.cgbgroup.com.my.

REINFORCE INDEPENDENCE

Assessment of Independence

The Board undertakes an annual assessment of Independent Directors and is satisfied that they continue to bring independent and objective judgement to board deliberations. A self-assessment is also carried out by the Independent Directors once every year.

Tenure of Independent Director

One of the recommendations of MCCG states that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. However, the Board has not adopted a nine-year policy for Independent Directors. The Board noted that the MMLR on the twelve (12) years tenure limit for Independent Directors.

Chairman, Group Managing Director and Group Executive Director

The roles of the Chairman, the Group Managing Director and Group Executive Director are separated to ensure there is a balance of power and authority. The Chairman of the Board is not a member of the Audit and Risk Management Committee, Nomination Committee and Remuneration Committee and does not involve in all these three (3) Board Committees. The Chairman is responsible for the leadership, effectiveness, conduct and governance of the Board, while the Group Managing Director and Group Executive Director have overall responsibility for the day-to-day management of the business and implementation of the Board’s policies and decisions.

The Board is led by Dato’ Faisal Zelman bin Datuk Abdul Malik, a Non-Independent Non-Executive Chairman while the executive management of the group of companies is headed by the Group Managing Director, Mr. Chew Hian Tat and the Group Executive Director, Mr. Lee Chee Vui. The Group Managing Director and the Group Executive Director are supported by the senior management personnel of the Company and respective subsidiaries, responsible for implementing the policies and decisions of the Board, overseeing the operations as well as co-ordinating the development and implementation of business and corporate strategies of the Group.

The Executive and Non-Executive Directors, with their different backgrounds and specialisations, collectively bring to them a wide range of experience and expertise in areas such as finance, legal, corporate affairs, marketing and operations.

STATEMENT OF CORPORATE GOVERNANCE (cont'd)

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

I. BOARD RESPONSIBILITIES (CONT'D)

REINFORCE INDEPENDENCE (CONT'D)

Composition of the Board

At the date of this statement, the Board consists of seven (7) members comprising one (1) Non-Independent Non-Executive Chairman, one (1) Group Managing Director, one (1) Group Executive Director and four (4) Independent Non-Executive Directors. All the Independent Non-Executive Directors fulfil the criteria of independence as defined in the MMLR of Bursa Securities. The proportion of more than one-third of the Independent Non-Executive Directors provides effective check and balance in the functioning of the Board. In the event of any vacancy in the Board resulting in non-compliance with Paragraph 15.02(1) of the MMLR, the Company must fill the vacancy within three (3) months.

The presence of Independent Non-Executive Directors in the Board is essential as they provide an unbiased and independent view, advice and judgement to the decision-making of the Board and provide an appropriate check and balance for the Group Managing Director, Group Executive Director and managers of the Company and its subsidiaries, thereby ensuring that no one individual or group dominates the Board's decision-making process. They also ensure strategies proposed by the management are fully deliberated on and take into account the interests of minority shareholders, employees, customers and the communities in which the Group conducts its businesses. Together with the Group Managing Director, Group Executive Director and managers who have intimate knowledge of the businesses, the Board is constituted of individuals who have a proper understanding of and competence to deal with, current and emerging business issues.

FOSTER COMMITMENT

Time Commitment and Expectations

During the financial period ended 30 June 2025, the Board met on seven (7) occasions, where it deliberated upon and considered a variety of matters including the Group's financial results, strategic decisions and the direction of the Group.

| Name of Directors | Attendance |
|---|------------|
| Dato' Faisal Zelman bin Datuk Abdul Malik | 7/7 |
| Mr. Chew Hian Tat | 7/7 |
| Mr. Lee Chee Vui | 7/7 |
| Mr. Lee Swee Meng | 7/7 |
| Ms. Wong Pooi Seen (Appointed on 1 August 2024) | 4/4 |
| Datuk Wira Shahrul Nazri bin Abdul Rahim (Appointed on 28 October 2025) | N/A |
| Ms. Teoh Saw Sin @ Judy Teoh (Appointed on 1 January 2025) | 2/2 |
| Encik Sahari bin Ahmad (Resigned on 7 May 2025) | 6/6 |
| Ms. Tan Suat Hoon (Resigned on 31 December 2024) | 5/5 |

All the Directors have complied with the minimum 50% attendance requirement as stipulated in the MMLR.

All directors are furnished with the notice of meeting, the agenda and supporting documents on matters requiring their consideration in advance of each Board meeting. The Chairman, with the assistance of the Company Secretary, undertakes the primary responsibility for organising information necessary for the Board to deal with the agenda and for providing this information to the directors on a timely basis. During the meetings, the Board is briefed on matters dealt with in the agenda and, where appropriate, additional information is made available to directors. All proceedings of the Board meetings are duly recorded and the minutes thereof signed by the chairman of the Board.

STATEMENT OF CORPORATE GOVERNANCE (cont'd)

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

I. BOARD RESPONSIBILITIES (CONT'D)

FOSTER COMMITMENT (CONT'D)

Training

The Board, through the Nomination Committee, ensures that it recruits to the Board only high calibre individuals with relevant industrial, knowledge and experience to fulfil the duties of a director appropriately. As at the date of this statement, all directors have attended and successfully completed the Mandatory Accreditation Programme as required by Bursa Securities.

The Board is cognizant of the need to ensure that its members undergo continuous trainings to enhance their knowledge, expertise, skills and professionalism in discharging their duties. As the Board members have attended a diverse range of training programmes during the year to enhance their knowledge and skills in specific areas, the Nomination Committee is of the opinion that the directors have assessed and addressed their own training needs.

Details of trainings attended by the directors during the financial period ended 30 June 2025 are as detailed below:-

| Director Name | Training Program |
|---|---|
| Dato' Faisal Zelman bin Datuk Abdul Malik | <ul style="list-style-type: none"> Growing Concerns from New Technology, Stakeholder Interests & Conflict of Interest Mandatory Accreditation Programme Part II: Leading for Impact Aligning Risk Management to Strategy and Purpose |
| Chew Hian Tat | <ul style="list-style-type: none"> Mandatory Accreditation Programme Part II: Leading for Impact Aligning Risk Management to Strategy and Purpose |
| Lee Chee Vui | <ul style="list-style-type: none"> Mandatory Accreditation Programme Part II: Leading for Impact |
| Lee Swee Meng | <ul style="list-style-type: none"> Mandatory Accreditation Programme Part II: Leading for Impact |
| Teoh Saw Sin @ Judy Teoh | <ul style="list-style-type: none"> Mandatory Accreditation Programme Part I |
| Wong Pooi Seen | <ul style="list-style-type: none"> Mandatory Accreditation Programme Part I |

UPHOLD INTEGRITY IN FINANCIAL REPORTING

Compliance with Applicable Financial Reporting Standards

In presenting the financial statements and announcements of quarterly financial results to shareholders, the Board takes responsibility in conveying a balanced and understandable assessment of the Group's position and prospects.

Financial reporting

The Board aims to provide and present a balanced and meaningful assessment of the Group's financial performance and prospects at the end of the financial period/year, primarily through the audited financial statements, announcements of quarterly financial results to Bursa Securities as well as the Chairman's statement and review of financial and operations in the Annual Report. The Board is assisted by the Audit and Risk Management Committee to oversee the Group's financial reporting processes and the quality of its financial reports.

STATEMENT OF CORPORATE GOVERNANCE (cont'd)

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

I. BOARD RESPONSIBILITIES (CONT'D)

UPHOLD INTEGRITY IN FINANCIAL REPORTING (CONT'D)

Directors' responsibility statement in respect of the preparation of the audited financial statements

The Board is responsible for ensuring that the financial statements of the Group give a true and fair view of the state of affairs of the Group as at the end of the financial period and the results of their operations and cash flows for the period then ended. In preparing the financial statements, the directors have ensured that applicable approved accounting standards in Malaysia and the provisions of the Companies Act 2016 have been applied.

In preparing the financial statements, the directors have selected and applied consistently suitable accounting policies and made reasonable and prudent judgements and estimates.

The directors also have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

State of internal controls

The Statement on Risk Management and Internal Control furnished on pages 65 to 67 of this Annual Report, provides an overview on the state of internal controls within the Group.

Relationship with the Auditors

Key features underlying the relationship of the Audit and Risk Management Committee with the internal and external auditors are included in the Audit and Risk Management Committee's terms of reference as detailed on pages 47 to 51 of this Annual Report.

A summary of the work of the Audit and Risk Management Committee during the financial period are set out in the Audit and Risk Management Committee Report on page 47 to 51 of this Annual Report.

Assessment of External Auditors

The ARMC has the overall assessment to evaluate the performance, competency and independence of the external auditors.

II. BOARD COMPOSITION

Nomination Committee

The Nomination Committee ("NC") comprises the following members:

| | | |
|-------------|---|--|
| Chairperson | : | Ms. Wong Pooi Seen Independent Non-Executive Director |
| Members | : | Ms. Teoh Saw Sin @ Judy Teoh Independent Non-Executive Director |
| | : | Mr. Lee Swee Meng Independent Non-Executive Director |

The NC consists entirely of Independent Non-Executive Directors. In observance with MCCG, the NC is chaired by an Independent Non-Executive Director.

STATEMENT OF CORPORATE GOVERNANCE (cont'd)

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

II. BOARD COMPOSITION (CONT'D)

Develop, Maintain and Review the Criteria for Recruitment and Annual Assessment of Directors

The NC is responsible for identifying, evaluating and nominating suitable candidates to be filled to the Board and Board Committees. In assessing and evaluating the suitability of candidates for recommendation to the Board for appointment as well as Directors who are seeking for re-election, the NC will consider the criteria set out in the Directors' Fit and Proper Policy including skills, knowledge, experience, expertise, professionalism, integrity, capabilities, competencies, time commitment and in case of candidates for the position of Independent Non-Executive Directors, the candidates' ability to discharge such responsibilities and its creditability are also taken into consideration.

During the financial period, the Company has two (2) new appointments of Directors, namely Ms. Wong Pooi Seen and Ms. Teoh Saw Sin @ Judy Teoh. Datuk Wira Shahrul Nazri Bin Abdul Rahim was appointed on 28 October 2025, which was after the financial period under review. The management sourced the candidates through the referral from the business contact. The NC interviewed the proposed candidates, assessed them based on Directors' Fit and Proper Policy. The proposed candidate was then shortlisted and recommended to the Board. The final decision on the appointment of a candidate recommended by the NC rests with the Board. The Board is entitled to the services of the Company Secretary who ensure that all appointments are properly made upon obtaining all necessary information from the directors.

The Board, assisted by the NC, assesses the effectiveness of the Board, the Board Committees and the contribution of each individual Director, including Independent Directors, on an annual basis. Questionnaires are sent to Directors to obtain their feedback, views and suggestions to improve the performance of the Board and its Board Committees. The assessment results were summarised for analysis by the Company Secretary. The recommendations of the NC will be presented to the Board for consideration.

The NC met one (1) time during the financial period and all NC members attended the meeting. During the period, the NC conducted assessment on the effectiveness of the Board, the Board Committees and the contribution of each director. Various factors were considered including its composition and size, mix of skills and experience, conduct of meetings, roles and responsibilities, contribution and performance, communications and supply of timely information. All assessments and evaluations carried out by the NC are documented. The NC has also identified programmes, with the assistance of the company secretary, for the continuous training of the Board members to ensure that they are conversant with industry trends and developments. The Board has taken steps to ensure that its members continuously have access to appropriate continuing education programmes.

The Board has not established gender policy on setting targets for women candidates. Nonetheless, the Board support the gender diversity policy and has two (2) female Independent Non-Executive Director in the Board (i.e. 29% woman director). The Board does not have a formal gender diversity policy as the Company is committed to provide fair and equal opportunities and nurturing diversity within the Group based on merit, experience and knowledge. The same goes to the senior management.

In the absence of formal procedure, a director accepting new directorship will notify the Board ahead of his or her new appointment and pledged his or her time commitment for accepting new directorships with other listed entities. The Board would obtain from its directors their full commitment to devote sufficient time to carry out their responsibilities effectively and efficiently and where appropriate, the ability of the candidates to act as Independent Non-Executive Directors to exercise independent judgement and opinion.

The terms of reference of the NC is published on the Company's website at www.cbggroup.com.my in line with Paragraph 15.08A(2) of MMLR.

STATEMENT OF CORPORATE GOVERNANCE (cont'd)

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

II. BOARD COMPOSITION (CONT'D)

Re-election

In accordance with the provisions of the Company's Constitution, one-third of the directors for the time being or, if their number is not a multiple of three (3), then the number nearest to one-third shall retire from office at the Annual General Meeting ("AGM"). All the directors shall retire from office at the first annual general meeting and once at least in each three years and shall be eligible for re-election.

At the forthcoming AGM, Mr. Lee Chee Vui will retire by rotation pursuant to Clause 78 of the Company's Constitution whereas Ms. Wong Pooi Seen, Ms. Teoh Saw Sin @ Judy Teoh and Datuk Wira Shahrul Nazri bin Abdul Rahim will retire by rotation pursuant to Clause 79 of the Company's Constitution. All retiring directors being eligible, offer themselves for re-election.

The evaluation process was carried out through a set of questionnaires which was duly completed by each NC members, in respect to each of the directors seeking for re-election with reference to Directors' Fit and Proper Policy. The NC assessed and is satisfied and made recommendations to the Board for re-election of all the retiring directors.

III. DIRECTORS' REMUNERATION

Remuneration Committee

The Board has established a Remuneration Committee ("RC") consisting of the following Independent Non-Executive Directors:-

| | | |
|----------|---|--|
| Chairman | : | Mr. Lee Swee Meng Independent Non-Executive Director |
| Members | : | Ms. Teoh Saw Sin @ Judy Teoh Independent Non-Executive Director |
| | : | Ms. Wong Pooi Seen Independent Non-Executive Director |

The Group's policy on the directors' remuneration is to attract, retain and motivate directors to effectively oversee the business of the Group. The RC is responsible for recommending and putting in place a structured remuneration framework for executive directors.

The RC takes into account corporate financial performance as well as performance on a range of non-financial factors including accomplishment of strategic goals. The RC recommends to the Board the remuneration package of the executive directors and the key management of the Group. It is the responsibility of the Board to approve the remuneration package of an executive director, with the executive director concerned abstaining from deliberation and voting on the same.

For non-executive directors, the level of remuneration shall reflect the experience and level of responsibilities undertaken by the non-executive directors concerned and is determined by the Board as a whole, with the directors concerned abstaining from deliberations or voting on decision in respect of their individual remuneration.

All directors are paid with directors' fees and meeting allowance. Additional fees will be given for undertaking responsibilities as Chairman of the Board. The aggregate amount of directors' fees to be paid to the directors is subject to the approval of the shareholders at AGM.

STATEMENT OF CORPORATE GOVERNANCE (cont'd)

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

III. DIRECTORS' REMUNERATION (CONT'D)

Remuneration Committee

In addition to the above, the directors are covered by the Directors and Officers ("D&O") Liability insurance in respect of any liabilities arising from acts committed in their capacity as D&O of the Company.

Details of the nature and amount of each major element of the remuneration of directors of the Company during the financial period ended 30 June 2025, are as follows:-

| In RM'000 | Group | | | | |
|--|----------------|-------------------|------------------|--|------------------|
| Director | Fees (RM) | Allowance (RM) | Salary (RM) | Defined Contribution Plans (RM) | Total (RM) |
| Non-Independent Non-Executive Chairman | | | | | |
| Dato' Faisal Zelman bin Datuk Abdul Malik | 87,500 | 13,500 | - | - | 101,000 |
| Independent Non-Executive Director | | | | | |
| Lee Swee Meng | 61,500 | 14,250 | - | - | 75,750 |
| Wong Pooi Seen (Appointed on 1 August 2024) | 38,500 | 4,500 | - | - | 43,000 |
| Teoh Saw Sin @ Judy Teoh (Appointed on 1 January 2025) | 24,000 | 4,250 | - | - | 28,250 |
| Sahari bin Ahmad (Resigned on 7 May 2025) | 55,269 | 12,750 | - | - | 68,019 |
| Tan Suat Hoon (Resigned on 31 December 2024) | 45,000 | 11,750 | - | - | 56,750 |
| Group Managing Director | | | | | |
| Chew Hian Tat | - | - | 1,080,000 | 131,317 | 1,211,317 |
| Group Executive Director | | | | | |
| Lee Chee Vui | - | - | 900,000 | 99,978 | 999,978 |
| Total | 311,769 | 61,000 | 1,980,000 | 231,295 | 2,584,064 |

STATEMENT OF CORPORATE GOVERNANCE (cont'd)

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

III. DIRECTORS' REMUNERATION (CONT'D)

Remuneration Committee

| Director | In RM'000 | | Company | | Total (RM) |
|--|----------------|-------------------|------------------|--|------------------|
| | Fees (RM) | Allowance (RM) | Salary (RM) | Defined Contribution Plans (RM) | |
| Non-Independent Non-Executive Chairman | | | | | |
| Dato' Faisal Zelman bin Datuk Abdul Malik | 87,500 | 13,500 | - | - | 101,000 |
| Independent Non-Executive Director | | | | | |
| Lee Swee Meng | 61,500 | 14,250 | - | - | 75,750 |
| Sahari bin Ahmad (Resigned on 7 May 2025) | 55,269 | 12,750 | - | - | 68,019 |
| Wong Pooi Seen (Appointed on 1 August 2024) | 38,500 | 4,500 | - | - | 43,000 |
| Teoh Saw Sin @ Judy Teoh (Appointed on 1 January 2025) | 24,000 | 4,250 | - | - | 28,250 |
| <i>Tan Suat Hoon</i> (Resigned on 31 December 2024) | 45,000 | 11,750 | - | - | 56,750 |
| Group Managing Director | | | | | |
| Chew Hian Tat | - | - | 1,080,000 | 131,317 | 1,211,317 |
| Group Executive Director | | | | | |
| Lee Chee Vui | - | - | 50,000 | 6,000 | 56,000 |
| Total | 311,769 | 61,000 | 1,130,000 | 137,317 | 1,640,086 |

IV. REMUNERATION OF KEY SENIOR MANAGEMENT

The aggregate remuneration paid to the key senior management (including the executive directors of the Company) of the Group for the financial period ended 30 June 2025 are as follows:-

| Range of Remuneration | Number of Senior Management Employee |
|----------------------------|--------------------------------------|
| RM150,001 to RM200,000 | 1 |
| RM250,001 to RM300,000 | 1 |
| RM850,001 to RM900,000 | 1 |
| RM1,050,001 to RM1,100,000 | 1 |

The Board has chosen to disclose the remuneration of the key senior management in bands instead of named basis as the Board considered the information of the remuneration of these employees to be sensitive and proprietary. The transparency and accountability aspects of corporate governance applicable to the remuneration of these employees are deemed appropriately served by the above disclosures.

STATEMENT OF CORPORATE GOVERNANCE (cont'd)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Risk Management Framework

The Board has always placed significant emphasis on sound internal controls which are necessary to safeguard the Group's assets and shareholders' investment. To this end, the Board affirms its overall responsibility for the Group's internal controls system which encompasses risk management practices as well as financial, operational and compliance controls. However, it should be noted that such system, by its nature, manages but not eliminate risks and therefore can provide only reasonable and not absolute assurance against material misstatement, loss or fraud.

Ongoing reviews are performed throughout the period to identify, evaluate, monitor and manage significant risks affecting the business and ensure that adequate and effective controls are in place.

Internal Audit Function

The Board acknowledges the importance of internal audit function and has engaged the services of an external independent professional accounting and consulting firm who reports directly to the Audit and Risk Management Committee at least on a semi-annually basis. Further details of the Group's internal control system and framework are found in the Statement on Risk Management and Internal Control and the Audit and Risk Management Committee Report.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP

Corporate Disclosure

The Board recognises the importance of accountability to its shareholders through proper and equal dissemination of information to its shareholders. The Board acknowledges that shareholders should be informed of all material business matters which influence the Group. Timely release of quarterly financial results to Bursa Securities and other information and corporate actions taken by the Group that warrant an announcement to Bursa Securities under MMLR of Bursa Securities provide shareholders with a current overview of the Group's performance. Towards this end, the Board has established a Policy on Corporate Disclosure which provides guidance to the Board, the management and the employees on the Group's disclosure requirements and practices in disseminating material information to and in dealing with stakeholders, analysts, media and the investing public.

In addition, the Board and the management welcome any form of visit by fund managers and analysts and conduct regular briefings to them as the Board believes that this will give investors and interested parties on one hand, a better appreciation and understanding of the Group's performance and on the other, awareness of the expectations and concerns of investors and such interested parties.

Using Information Technology for Effective Dissemination

The Group also maintains an official website at www.cgbgroup.com.my that provides background information of the Group to the public. However, in any circumstances, while the Group endeavours to provide as much information as possible to its shareholders and stakeholders, it is mindful of the legal and regulatory framework governing the release of material and price-sensitive information. However, in any of the circumstances, the directors are cautious not to provide undisclosed material information about the Group and frequently stress the importance of timely and equal dissemination of information to shareholders and stakeholders.

STATEMENT OF CORPORATE GOVERNANCE (cont'd)

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

Encourage Shareholder Participation at General Meetings

Whilst this Annual Report provides a comprehensive source of information on the Group's financial and operational performance, AGM and Extraordinary General Meetings provide a platform for shareholders to seek more information and clarification on the audited financial statements, operational issues and other matters of interest.

The directors readily available themselves to answer any such questions that may arise as shareholders may seek more information than what is available in this Annual Report. The Company's practice is to send out the notice of AGM and related papers to shareholders at least twenty-one (21) days before the meeting.

Poll Voting

At general meetings, shareholders are given the opportunity to seek clarification on any matter pertaining to the business activities and financial performance of the Group. All resolutions in the general meetings were deliberated, take on the questions and answers before putting to vote. Voting is by way of poll and an independent scrutineer is appointed to verify the poll results.

Communication and Engagement with Shareholders

The Board will maintain an effective communication policy that enables both the Board and the management to communicate effectively with shareholders and the general public. The shareholders shall be informed of all material matters affecting the Group.

The ways of communication to shareholders are as follows:

- (a) timely announcements and disclosures made to the Bursa Securities, which include quarterly financial results, material contract awarded, changes in the composition of the Group and any other material information that may affect investors' decision making;
- (b) make available of the additional corporate information and/or disclosures of the Group for reference on the Company's website; and
- (c) ensure that the general meetings are conducted in an efficient manner, which includes supply of comprehensive and timely information and active participation of the shareholders at AGM.

The Company had conducted a virtual Fifth Annual General Meeting ("5th AGM") which was held through live streaming via remote participation and voting facilities on Tuesday, 25 June 2024 at 10.00 a.m., by leveraging technology in accordance with Sections 327(1) and (2) of the Companies Act 2016, Clause 59 of the Constitution of the Company and the Securities Commission Malaysia's Guidance and FAQs on the Conduct of General Meetings for Listed Issuers.

All the Board members attended the 5th AGM together with the joint secretaries, the external auditors and the senior management.

COMPLIANCE STATEMENT

The Board is satisfied that the Group had applied most of the principles and best practices of MCCG during the financial period. The Board is committed and will continue to enhance compliance with MCCG within the Group. This statement on Corporate Governance has been approved by the Board.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Malaysian Code on Corporate Governance promulgates, inter alia, the need for listed companies to maintain a sound risk management framework and internal control system to safeguard shareholders' investment and their assets. The Board of Directors ("the Board") of Central Global Berhad ("CGB" or "the Company") is pleased to present the Statement on Risk Management and Internal Control ("the Statement") which is in compliance with paragraph 15.26(b) of Bursa Securities' MMLR and has taken into account the guidelines mentioned in the Statement on Risk Management and Internal Control (Guidelines for Directors of Listed Issuers).

RESPONSIBILITY FOR RISK MANAGEMENT AND INTERNAL CONTROL

The Board recognises and affirms its overall responsibility for the Company and its subsidiaries ("the Group")'s system of internal control and risk management, as well as reviewing the adequacy and effectiveness of those systems regularly. However, such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives. As such, they can only provide reasonable assurance rather than absolute assurance against material misstatement or loss.

The Board and management acknowledge that a sound internal control system is a vital process developed to ensure effective and efficient operation, provide reliable and relevant reporting, and compliance with the applicable laws and regulations. The Board has established an ongoing process for identifying, evaluating and managing the significant risks faced, or potentially exposed to, by the Group in pursuing and achieving its business objectives and strategies. This process has been in place throughout the financial period and up to the date of approval of the Annual Report.

The Group has established a Risk Management Working Group ("RMWG") for each major subsidiary to identify risk profiles of all departments within the operations and also review the areas that require further improvement. The RMWG consists of the Business Head of the subsidiary as the chairman and the Head of Departments as members.

The terms of reference of RMWG are:

- a) Create a high-level risk policy aligned with the Group's strategic business objectives;
- b) Identify critical risks, whether present or potential, their changes and the management's action plans to manage the risks;
- c) Perform risk oversight and review the risk profiles of the respective companies and monitor organisational performance; and
- d) Guide the business units/departments on the Group's risk appetite.

RMWG is to hold at least two (2) meetings during the year, and all Department Heads are responsible for carrying out action plans in their respective areas of responsibility. The management monitors progress through meetings scheduled half yearly or as and when deemed necessary-

RISK MANAGEMENT

The Board regards risk management as part of the business operation activities of the Group. It is the Board's priority to ensure that the uncertainties and investment risks in new business ventures are managed to safeguard the interests of the shareholders. Collectively, the Board oversees and reviews the conduct of the Group's businesses while the management executes measures and controls to ensure that risks are effectively managed. As part of the risk identification process, the Board receives updates on the Group's risk management from the management during the Board meetings.

The Board, assisted by the Audit and Risk Management Committee, deliberates on the integrity of the financial results, Annual Report and audited financial statements before presenting them to the shareholders and public investors.

For bribery and corruption risks, the Group has adopted the Guidelines on Adequate Procedures pursuant to Subsection (5) of Section 17A under the Malaysian Anti-Corruption Commission (Amendment) Act 2018 to prevent, detect and respond to bribery and corruption risks.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(cont'd)

INTERNAL AUDIT

The Group engaged IA Essential Sdn. Bhd. ("IA Essential"), an independent professional firm as the internal auditors to provide independent internal audit services to the Group. IA Essential is responsible for developing the internal audit plan for the financial period ending 30 June 2025.

The principal role of the internal auditors is to assist the Audit and Risk Management Committee in discharging its duties and responsibilities in reviewing the adequacy and effectiveness of the internal control system, risk management framework, governance control and processes.

The Audit and Risk Management Committee has full and direct access to the internal auditors, reviews their reports on all audits performed and monitors their performance. The Audit and Risk Management Committee also, in its framework, reviews the adequacy of the scope, functions, competency and resources of the outsourced internal auditors.

The outsourced internal auditors carried out internal audits on various operating units within the Group based on a risk-based audit plan approved by the Audit and Risk Management Committee. Based on these audits, the outsourced internal auditors provided the Audit and Risk Management Committee with periodic reports highlighting observations, recommendations and management action plans to improve the system of internal control.

For the financial period ended 30 June 2025, a summary of activities carried out by the outsourced internal auditors for the Company and its three (3) major subsidiaries of the Group, Proventus Bina Sdn. Bhd. ("PBSB"), RYRT International Sdn. Bhd. ("RYRT") and Central Industrial Corporation Berhad ("CICB"), include:

- Audits on:
 - Project Management (PBSB)
 - Contract Management (RYRT)
 - Production Management (CICB)
 - Human Resources (CGB, CICB and RYRT)
- Issued reports on the results of the internal audit/reviews, weaknesses identified with suggested recommendations for improvements to management for further action to improve the system of internal control;
- Attended Audit and Risk Management Committee's meetings to table and discuss the internal audit reports; and
- Followed up on the implementation of corrective action plans agreed by management.

INTERNAL CONTROL

The Board and Audit and Risk Management Committee

While the Executive Directors and Management are responsible for implementing the internal controls and risk management systems to address the various risks faced by the Group, the Board is assisted by the Audit and Risk Management Committee to review and report to the Board on the effectiveness and adequacy of these systems.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(cont'd)

INTERNAL CONTROL (CONT'D)

Organisational Structure and Authorisation

In striving to operate a sound system of risk management and internal control that drives the Group towards achieving its goals, the Board has put in place an organisation structure with formally defined lines of responsibility and Limits of Authority for the Group's operating units.

The daily running of business operations is entrusted to the respective Head of Business of the subsidiaries. Under the purview of the Head of Business, the respective heads of each department of the operating subsidiaries are empowered with the responsibility to manage their respective operations.

The head office coordinates the process for the Group wherein the budgets are discussed and ultimately approved by the Group Managing Director and Executive Director (collectively known as "EXCO"). Actual performances are monitored and measured monthly against the budget by the management, and corrective actions are taken to address shortfall areas. Major decisions that require the approval of the EXCO are only made after detailed appraisal and review. Proposals for major capital expenditure and new investment by the Group are reviewed and approved by the Board.

Information and Communication

The Audit and Risk Management Committee holds meetings to deliberate on the findings and recommendations for improvement by the internal auditors on the state of the internal control system and reports to the Board. The Audit and Risk Management Committee also reviews and deliberates on any matters relating to internal control highlighted by the external auditors in the course of their statutory audit of the financial statements of the Group.

Quarterly performance reports provide the Board and management with information on financial performance and key business indicators.

Monitoring and Review

Scheduled periodic meetings of the Board, Board Committees and management represent the main platform by which the Group's performance and conduct are monitored. Board and management discussions at the operational level are also held during the financial period to assess performance and controls.

Periodic reviews of the adequacy and integrity of selected areas of the internal control system are carried out by the internal auditor, and the results of such reviews are reported to the Audit and Risk Management Committee. The internal audit function thereby provides independent assurance on the areas reviewed by the internal auditor to the Board on the effectiveness of the Group's internal control system.

Board Assurance and Limitation

While the Board reiterates that the risk management and system of internal control should be continuously improved in line with evolving business developments, it should also be noted that all risk management and system of internal control can only manage rather than eliminate the risks of the failure to achieve business objectives. Therefore, these systems of internal control and risk management in the Group can only provide reasonable but not absolute assurance against material misstatements, frauds, and losses.

The Board is committed towards enhancing the internal control system of the Group. Where areas of improvement in the system are identified, the Board considers the recommendations made by both the Audit and Risk Management Committee and management.

The Board has received assurance from the EXCO and the respective Business Head of its major operating units that the Group's risk management and internal control systems are operating adequately and effectively in all material aspects, based on the risk management and internal control system of the subsidiary and ongoing improvements to internal control will continue to be prioritised by the subsidiary.

This Statement on Risk Management and Internal Control is made in accordance with a resolution of the Board of Directors dated 22 October 2025.

ADDITIONAL COMPLIANCE INFORMATION

Audit Fees and Non-Audit Fees

The amount of audit and non-audit fees incurred for the services rendered by external auditors of the Group for the financial period ended 30 June 2025 were as follows:

| | Group RM | Company RM |
|----------------|-------------|---------------|
| Audit Fees | 366,000 | 65,000 |
| Non-audit Fees | 142,100 | 52,100 |

Material Contracts

There were no material contracts entered into by the Company and/or its subsidiaries involving the Directors' and major shareholders' interests, either still subsisting at the end of the financial period ended 30 June 2025 or since the end of the previous financial year, other than as disclosed in the financial statements in this Annual Report.

Utilisation of Proceeds

The Company did not raise funds through any private placement proposal during the financial period under review.

Long-Term Incentive Plan ("LTIP")

The Company had at the Extraordinary General Meeting held on 27 October 2021 obtained its shareholders' approval to establish the LTIP which comprise of share option scheme and share grant scheme. The LTIS shall be in force for a period of five (5) years from the effective date of 21 March 2022.

On 21 March 2022, the Company announced that the effective date for the implementation of LTIS is 21 March 2022, the date on which the Company is in full compliance with the relevant requirements of the Listing Requirements.

On 29 December 2022, the Company announced that 7,487,264 ordinary shares of the Company are to be awarded under the Company's share grant scheme ("SGS").

On 18 January 2023, the Company announced that effective grant date for the first tranche of the SGS amounting to 697,859 ordinary shares of the Company shall be on 18 January 2023 at an issue price at RM0.9635 based on the five (5)-day volume weighted average market price of the Company's shares immediately preceding the share grant date.

On 11 April 2023, the Company announced that the effective grant date for the first tranche of the SGS amounting to 945,340 ordinary shares of the Company to the eligible director on 11 April 2023 at an issue price at RM1.1085 based on the five (5)-day volume weighted average market price of the Company's shares immediately preceding the share grant date.

On 15 June 2023, the Company announced that the effective grant date for the first tranche of the SGS amounting to 333,170 ordinary shares of the Company to the eligible director on 15 June 2023 at an issue price at RM1.4434 based on the five (5)-day volume weighted average market price of the Company's shares immediately preceding the share grant date.

On 30 June 2023, the Company announced that the effective grant date for the first tranche of the SGS amounting to 1,000,000 ordinary shares of the Company to the eligible director on 30 June 2023 at an issue price at RM1.5240 based on the five (5)-day volume weighted average market price of the Company's shares immediately preceding the share grant date.

Recurrent Related Party Transactions of A Revenue Nature

There were no recurrent related party transactions of a revenue nature during the financial year.



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DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial period from 1 January 2024 to 30 June 2025.

CHANGE OF FINANCIAL YEAR END

During the financial period, the Company changed its financial year end from 31 December to 30 June. The financial statements presented for the current financial period cover the period of 18 months from 1 January 2024 to 30 June 2025.

PRINCIPAL ACTIVITIES

The principal activities of the Company is investment holding and provision of management services to its subsidiaries. The principal activities of its subsidiaries include manufacturing and sales of self-adhesive label stocks and tapes of its own brand, investment holding, construction of building, general contract work and other engineering projects.

There have been no significant changes in the nature of these activities during the financial period.

RESULTS

| | Group RM | Company RM |
|--|---------------------|-----------------------|
| Profit/(Loss) for the financial period, net of tax | 7,584,218 | (806,034) |
| Attributable to: Owners of the Company | 7,584,218 | (806,034) |

DIVIDENDS

No dividends have been paid or declared by the Company since the end of the previous financial year.

The directors do not recommend the payment of any dividends in respect of the financial period ended 30 June 2025.

RESERVES OR PROVISIONS

There were no material transfers to or from reserves or provisions during the financial period.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would render the amount written off for 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.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company had been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

- (i) any charge of the assets of the Group or of the Company which has arisen since the end of the financial period which secures the liabilities of any other person; and
- (ii) any contingent liabilities in respect of the Group or of the Company which has arisen since the end of the financial period.

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF MATERIAL AND UNUSUAL NATURE

In the opinion of the directors, except as disclosed in the financial statements,

- (i) the results of the operations of the Group and of the Company for the financial period were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial period and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial period in which this report is made.

DIRECTORS' REPORT

(cont'd)

AUDITORS' REMUNERATION AND INDEMNITY

The auditors' remuneration of the Group and the Company during the financial period were RM366,000 and RM65,000 respectively.

The Company has agreed to indemnify the auditors of the Company as permitted under Section 289 of the Companies Act 2016 in Malaysia.

ISSUE OF SHARES AND DEBENTURES

During the financial period,

- (i) On 8 March 2024, the Company had completed a subdivision of every one (1) existing ordinary share into four (4) new ordinary shares in the Company ("share split");
- (ii) the Company issued 3,674,641 ordinary shares from the exercise of Warrants A at an exercise price of RM0.80, and subsequent to the share split, the Company issued 48,198,708 ordinary shares from the exercise of Warrants A at an exercise price of RM0.20; and
- (iii) the Company issued 8,482,740 ordinary shares from the exercise of 8,482,740 units of Warrants B at an exercise price of RM0.75.

The issued share capital of the Company increased from RM149,498,184 to RM168,439,693.

The new ordinary shares issued during the financial period rank pari passu in all respects with the existing ordinary shares of the Company.

The Company did not issue any debentures during the financial period.

WARRANTS

Warrants A (2022/2025)

The Warrants A issued on 29 July 2022 are constituted under a Deed Poll dated 5 July 2022 executed by the Company. The Warrants A are listed on the Bursa Malaysia Securities Berhad.

The movement of Warrants A during the financial period ended 30 June 2025 are stated as below:

| | ← Number of Warrants A → | | | |
|------------------------|--------------------------|-------------|--------------|-------------------|
| | At 01.01.2024 | Share Split | Exercised | At 30.06.2025 |
| Warrants A (2022/2025) | 26,381,520 | 68,120,637 | (51,873,349) | 42,628,808 |

On 8 March 2024, the Company had completed a subdivision of every one (1) existing ordinary share into four (4) new ordinary shares in the Company ("share split"). Upon completion of the share split, the total number of ordinary shares of the Company increased to 90,827,516 Warrants A.

WARRANTS (CONT'D)**Warrants A (2022/2025) (Cont'd)**

The salient features of the Warrants A (2022/2025) are as follows:

- (i) Each warrant will entitle the registered holder/(s) at any time prior to 26 July 2025 to subscribe for one (1) new ordinary share at RM0.20 each (Prior to share split: RM0.80 each). The Warrants A entitlement is subject to adjustments under the terms and conditions as set out in the Deed Poll dated 5 July 2022;
- (ii) The exercise period is three (3) years from the date of issuance until the maturity date. Upon the expiry of the exercise period, any unexercised rights will lapse and cease to be valid for any purposes; and
- (iii) The holders of the Warrants A are not entitled to vote in any general meetings or to participate in any dividends, distribution and/or offer of securities in the Company until and unless such holders of the Warrants A exercise their Warrants A into new shares.

As at reporting date, 42,628,808 Warrants A remained unexercised.

Warrants B (2024/2027)

The Warrants B issued on 8 March 2024 are constituted under a Deed Poll dated 21 February 2024 executed by the Company. The Warrants B are listed on the Bursa Malaysia Securities Berhad.

The movement of Warrants B during the financial period ended 30 June 2025 are stated as below:

| | ← Number of warrants B → | | | |
|------------------------|--------------------------|-------------|-------------|------------------|
| | At 01.01.2024 | Issued | Exercised | At 30.06.2024 |
| Warrants B (2024/2027) | - | 244,691,847 | (8,482,740) | 236,209,107 |

The salient features of the Warrants B (2024/2027) are as follows:

- (i) Each warrant will entitle the registered holder/(s) at any time prior to 12 March 2027 to subscribe for one (1) new ordinary share at RM0.75 each. The Warrants B entitlement is subject to adjustments under the terms and conditions as set out in the Deed Poll dated 21 February 2024;
- (ii) The exercise period is three (3) years from the date of issuance until the maturity date. Upon the expiry of the exercise period, any unexercised rights will lapse and cease to be valid for any purposes; and
- (iii) The holders of the Warrants B are not entitled to vote in any general meetings or to participate in any dividends, distribution and/or offer of securities in the Company until and unless such holders of the Warrants B exercise their Warrants B into new shares.

As at reporting date, 236,209,107 Warrants B remained unexercised.

DIRECTORS' REPORT

(cont'd)

OPTION GRANTED ON UNISSUED SHARES

Long-term Incentive Scheme

At an Extraordinary General Meeting held on 27 October 2021, the Company's shareholders approved the establishment of a Long-term incentive scheme for eligible employees, executive directors and non-executive directors of the Company and its subsidiaries.

The share grant scheme granted for subscription of unissued ordinary shares and the respective exercise prices are as follows:

| Grant date | Expiry date RM | Exercise price Units | Number of shares granted | | | At 30.06.2025 |
|-----------------|-------------------|----------------------------|---------------------------|------------------|--------------------|------------------|
| | | | At 01.01.2024 Units | Granted Units | Forfeited Units | |
| 18 January 2023 | 17 January 2028 | 0.9635 | 65,669 | - | (65,669) | - |
| 30 June 2023 | 28 June 2028 | 1.5240 | 82,700 | - | (82,700) | - |
| | | | 148,369 | - | (148,369) | - |

DIRECTORS

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

| | |
|---|--------------------------------|
| Dato' Faisal Zelman bin Datuk Abdul Malik | |
| Chew Hian Tat * | |
| Lee Chee Vui * | |
| Lee Swee Meng | |
| Wong Pooi Seen | (Appointed on 1 August 2024) |
| Teoh Saw Sin @ Judy Teoh | (Appointed on 1 January 2025) |
| Datuk Wira Shahrul Hazri Bin Abdul Rahim | (Appointed on 28 October 2025) |
| Sahari Bin Ahmad | (Resigned on 7 May 2025) |
| Tan Suat Hoon | (Resigned on 31 December 2024) |

* Directors of the Company and certain subsidiaries

Other than as stated above, the names of directors of the subsidiaries of the Company in office during the financial period and during the period from the end of the financial period to the date of this report are:

| | |
|-----------------------|----------------------------|
| Terence Yee Wai Leong | |
| Lau Chee Wai | |
| Beh Kim Boon | |
| Yap Yun Fah | |
| Yao Kee Kong | (Resigned on 29 July 2024) |

DIRECTORS' REPORT

(cont'd)

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of directors in office at the end of the financial period in shares in the Company and its related corporations during the financial period were as follows:

| | ← Number of ordinary shares → | | | | At 30.06.2025 |
|---------------------------|-------------------------------|------------|-------------|--------------|--------------------|
| | At 01.01.2024 | Bought | Share split | Sold | |
| Direct interests | | | | | |
| Chew Hian Tat | 47,954,428 | 35,187,000 | 154,270,284 | (43,136,200) | 194,275,512 |
| Lee Chee Vui | 2,328,510 | 3,104,680 | 6,985,530 | - | 12,418,720 |
| Lee Swee Meng | 139,300 | - | 417,900 | (300,000) | 257,200 |
| Indirect interests | | | | | |
| Chew Hian Tat | 6,442,500 | 23,439,000 | 19,327,500 | (4,593,000) | 44,616,000 |
| Lee Chee Vui | 20,168,108 | 53,595,868 | 62,004,324 | (40,223,000) | 95,545,300 |
| <hr/> | | | | | |
| | ← Number of Warrants A → | | | | At 30.06.2025 |
| | At 01.01.2024 | Bought | Share split | Sold | |
| Direct interests | | | | | |
| Chew Hian Tat | 14,798,689 | - | 44,396,067 | (33,285,000) | 25,909,756 |
| Lee Swee Meng | 156,650 | - | 469,950 | - | 626,600 |
| Indirect interests | | | | | |
| Chew Hian Tat | 1,775,000 | 4,283,000 | 5,325,000 | (6,283,000) | 5,100,000 |
| Lee Chee Vui | 2,825,767 | 4,576,000 | 6,977,301 | (9,803,068) | 4,576,000 |
| <hr/> | | | | | |
| | ← Number of Warrants B → | | | | At 30.06.2025 |
| | At 01.01.2024 | Bought | Share split | Sold | |
| Direct interests | | | | | |
| Chew Hian Tat | - | - | 68,564,568 | (2,000,000) | 66,564,568 |
| Lee Swee Meng | - | - | 185,733 | - | 185,733 |
| Lee Chee Vui | - | - | 3,104,680 | (1,350,000) | 1,754,680 |
| Indirect interests | | | | | |
| Chew Hian Tat | - | 5,185,000 | 8,589,999 | - | 13,774,999 |
| Lee Chee Vui | - | - | 27,557,474 | (1,900,000) | 25,657,474 |

By virtue of his interests in the ordinary shares of the Company and pursuant to Section 8 of the Companies Act 2016 in Malaysia, Chew Hian Tat and Lee Chee Vui are deemed to have an interest in ordinary shares in the subsidiaries to the extent that the Company has an interest.

Other than as stated above, none of the other directors in office at the end of the financial period had any interest in ordinary shares or debentures of the Company and its related corporations during the financial period.

DIRECTORS' REPORT

(cont'd)

DIRECTORS' BENEFITS

Since the end of the previous financial year, no directors of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown below) by reason of a contract made by the Company or subsidiary company with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

The directors' benefits of the Group and of the Company were as follows:

| | Group RM | Company RM |
|------------------------------|-------------|---------------|
| Directors | | |
| - Fees | 311,769 | 311,769 |
| - Other emoluments | 3,219,443 | 1,192,717 |
| - Defined contribution plans | 386,068 | 135,600 |
| | 3,917,280 | 1,640,086 |

Neither during, nor at the end of the financial period, was the Company a party to any arrangement where the object was to enable the directors to acquire benefits by means of the acquisition of ordinary shares in, or debentures of the Company or any other body corporate.

INDEMNITY TO DIRECTORS AND OFFICERS

During the financial period, the total amount of indemnity insurance coverage and insurance premium paid for the directors and officers of the Company and its subsidiaries were RM10,000,000 and RM19,000 respectively.

SUBSIDIARIES

The details of the Company's subsidiaries are as follows:

| Name of company | Principal place of business/ Country of incorporation | Effective ownership interest | | Principal activities |
|--|--|------------------------------|-----------------|---|
| | | 30.06.2025 % | 31.12.2023 % | |
| Direct subsidiaries of the Company: | | | | |
| Central Industrial Corporation Berhad ("CICB") | Malaysia | 100 | 100 | Manufacturing and sales of self-adhesive label stocks and tapes of its own brand and trading of other self-adhesive label stocks and tapes. |
| CIC Construction Sdn. Bhd. ("CICC") | Malaysia | 100 | 100 | Investment holding, contractor of building and infrastructure and trading of building materials. |
| Central Global Construction Sdn. Bhd. ("CGC") | Malaysia | 100 | 100 | Construction of buildings. |
| Central Global Technology Sdn. Bhd. ("CGT") | Malaysia | 100 | 100 | Dormant. |

SUBSIDIARIES (CONT'D)

The details of the Company's subsidiaries are as follows: (Cont'd)

| Name of company | Principal place of business/ Country of incorporation | Effective ownership interest | | Principal activities |
|--|--|------------------------------|-----------------|--|
| | | 30.06.2025 % | 31.12.2023 % | |
| Direct subsidiaries of CICB: | | | | |
| CICS Distributors Pte. Ltd. ("CICS") | Singapore | 100 | 100 | Trading of adhesive tapes. |
| Direct subsidiary of CICC: | | | | |
| Proventus Bina Sdn. Bhd. ("PBSB") | Malaysia | 100 | 100 | Contractor of building and general contract works and trading of building materials. |
| RYRT International Sdn. Bhd. ("RYRT") | Malaysia | 100 | 100 | Construction of building and other engineering projects. |
| Central Global Development Sdn. Bhd. ("CGD") | Malaysia | 100 | 100 | Investment holding and buying, selling, renting and renting of self-owned or leased real estate of residential buildings and land. |
| Direct subsidiaries of RYRT: | | | | |
| Central Global Energy Sdn. Bhd. ("CGE") | Malaysia | 100 | 100 | Investment holding. |
| CIC Marketing Sdn. Bhd. ("CICM") | Malaysia | 100 | 100 | Marketing of self-adhesive label stocks and tapes. |

The available auditors' reports on the account of the subsidiary did not contain any qualification.

SIGNIFICANT EVENT DURING THE FINANCIAL PERIOD**Share split**

On 8 March 2024, the Company had completed a subdivision of every one (1) existing ordinary share into four (4) new ordinary shares in the Company ("share split").

DIRECTORS' REPORT

(cont'd)

AUDITORS

The auditors, Messrs Baker Tilly Monteiro Heng PLT, have expressed their willingness to continue in office.

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the directors:

CHEW HIAN TAT
Director

LEE CHEE VUI
Director

Date: 31 October 2025

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2025

| | Note | Group | | Company | |
|---|------|--------------------|--------------------|--------------------|--------------------|
| | | 30.06.2025 RM | 31.12.2023 RM | 30.06.2025 RM | 31.12.2023 RM |
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Property, plant and equipment | 5 | 47,742,132 | 26,842,816 | 5,830 | 12,554 |
| Right-of-use assets | 6 | 11,543,389 | 1,488,745 | - | - |
| Investment properties | 7 | 534,824 | 560,173 | - | - |
| Goodwill on consolidation | 8 | 5,834,180 | 21,144,873 | - | - |
| Investment in subsidiaries | 9 | - | - | 111,383,822 | 112,216,737 |
| Total non-current assets | | 65,654,525 | 50,036,607 | 111,389,652 | 112,229,291 |
| Current assets | | | | | |
| Inventories | 10 | 9,467,629 | 12,804,473 | - | - |
| Contract assets | 11 | 155,884,038 | 474,457 | - | - |
| Trade and other receivables | 12 | 128,484,939 | 164,096,769 | 48,647,265 | 27,278,114 |
| Current tax assets | | 1,017,967 | 1,046,336 | 40,936 | - |
| Short-term investment | 13 | - | 35,960 | - | - |
| Fixed deposits with licensed banks | 14 | 6,400,465 | 3,776,241 | 1,861,954 | 1,800,000 |
| Cash and bank balances | 15 | 787,379 | 4,856,050 | 19,074 | 391,763 |
| Total current assets | | 302,042,417 | 187,090,286 | 50,569,229 | 29,469,877 |
| TOTAL ASSETS | | 367,696,942 | 237,126,893 | 161,958,881 | 141,699,168 |
| EQUITY AND LIABILITIES | | | | | |
| Equity attributable to owners of the Company | | | | | |
| Share capital | 16 | 168,439,693 | 149,498,184 | 168,439,693 | 149,498,184 |
| Other reserve | 17 | 395,721 | 660,766 | - | 189,307 |
| Accumulated losses | | (56,454,416) | (64,227,941) | (14,584,040) | (13,967,313) |
| TOTAL EQUITY | | 112,380,998 | 85,931,009 | 153,855,653 | 135,720,178 |
| Non-current liabilities | | | | | |
| Loans and borrowings | 18 | 64,620,356 | 26,663,348 | - | - |
| Deferred tax liabilities | 19 | 335,229 | 1,309,389 | - | - |
| Total non-current liabilities | | 64,955,585 | 27,972,737 | - | - |
| Current liabilities | | | | | |
| Loans and borrowings | 18 | 86,022,203 | 9,442,550 | - | - |
| Contract liabilities | 11 | 11,658,783 | 18,125,862 | - | - |
| Trade and other payables | 20 | 79,650,298 | 84,568,422 | 8,103,228 | 5,978,990 |
| Current tax liabilities | | 13,029,075 | 11,086,313 | - | - |
| Total current liabilities | | 190,360,359 | 123,223,147 | 8,103,228 | 5,978,990 |
| TOTAL LIABILITIES | | 255,315,944 | 151,195,884 | 8,103,228 | 5,978,990 |
| TOTAL EQUITY AND LIABILITIES | | 367,696,942 | 237,126,893 | 161,958,881 | 141,699,168 |

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

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025

| | Note | Group | | Company | |
|--|------|---|---|---|---|
| | | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM |
| Revenue | 21 | 314,879,549 | 218,563,760 | 3,394,080 | - |
| Cost of sales | | (270,770,711) | (192,011,853) | - | - |
| Gross profit | | 44,108,838 | 26,551,907 | 3,394,080 | - |
| Other income | | 15,537,215 | 578,686 | 139 | - |
| Distribution expenses | | (3,406,749) | (2,045,223) | - | - |
| Administrative expenses | | (35,501,780) | (14,746,811) | (4,262,207) | (7,309,533) |
| Net impairment loss on financial instruments and contract assets | | (1,538,787) | (42,174,947) | - | - |
| Other expenses | | (2,549,570) | (387,971) | - | - |
| Operating profit/(loss) | | 16,649,167 | (32,224,359) | (867,988) | (7,309,533) |
| Finance income | 22 | 119,796 | 47,626 | 61,954 | - |
| Finance costs | 23 | (3,300,024) | (399,423) | - | - |
| Profit/(Loss) before tax | 24 | 13,468,939 | (32,576,156) | (806,034) | (7,309,533) |
| Income tax expense | 26 | (5,884,721) | (5,304,998) | - | - |
| Profit/(Loss) for the financial period/year | | 7,584,218 | (37,881,154) | (806,034) | (7,309,533) |
| Other comprehensive income/(loss), net of tax | | | | | |
| <i>Items that will not be reclassified subsequently to profit or loss:</i> | | | | | |
| Foreign currency translation differences on foreign operations | | (75,738) | 82,804 | - | - |
| Total comprehensive income/(loss) for the financial period/year | | 7,508,480 | (37,798,350) | (806,034) | (7,309,533) |

STATEMENTS OF **COMPREHENSIVE INCOME**

FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025

(cont'd)

| | Group | | Company | |
|--|---|---|---|---|
| | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM |
| Profit/(Loss) attributable to: | | | | |
| Owners of the Company | 7,584,218 | (42,060,869) | (806,034) | (7,309,533) |
| Non-controlling interests | - | 4,179,715 | - | - |
| | 7,584,218 | (37,881,154) | (806,034) | (7,309,533) |
| Total comprehensive income/ (loss) attributable to: | | | | |
| Owners of the Company | 7,508,480 | (41,978,065) | (806,034) | (7,309,533) |
| Non-controlling interests | - | 4,179,715 | - | - |
| | 7,508,480 | (37,798,350) | (806,034) | (7,309,533) |
| Earnings/(Loss) ordinary share attributable to: | | | | |
| Owners of the Company (sen) | | | | |
| - Basic | 27 | 0.83 | (5.95) | |
| - Diluted | 27 | 0.83 | (5.95) | |

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025

| | ← Attributable to owners of the Company → | | | | | |
|---|---|---------------------|--------------------------|--------------------|--------------------|--------------------|
| Group | Share capital RM | Other reserve RM | Accumulated losses RM | Sub-total RM | Total equity RM | |
| At 1 January 2024 | 149,498,184 | 660,766 | (64,227,941) | 85,931,009 | 85,931,009 | 85,931,009 |
| Total comprehensive income for the financial period | | | | | | |
| Foreign currency translation differences for foreign operations | - | (75,738) | - | (75,738) | (75,738) | (75,738) |
| Total other comprehensive loss for the financial period | - | (75,738) | - | (75,738) | (75,738) | (75,738) |
| Profit for the financial period | - | - | 7,584,218 | 7,584,218 | 7,584,218 | 7,584,218 |
| Total comprehensive (loss)/income | - | (75,738) | 7,584,218 | 7,508,480 | 7,508,480 | 7,508,480 |
| Transactions with owners | | | | | | |
| Issuance of ordinary shares via warrants exercised | 18,941,509 | - | - | 18,941,509 | 18,941,509 | 18,941,509 |
| Forfeiture of shares pursuant to share grant scheme | - | (189,307) | 189,307 | - | - | - |
| Total transactions with owners | 18,941,509 | (189,307) | 189,307 | 18,941,509 | 18,941,509 | 18,941,509 |
| At 30 June 2025 | 168,439,693 | 395,721 | (56,454,416) | 112,380,998 | 112,380,998 | 112,380,998 |

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025

(cont'd)

| Group | ← Attributable to owners of the Company → | | | | | Total equity RM |
|---|---|------------------|-----------------------|--------------|------------------------------|-----------------|
| | Share capital RM | Other reserve RM | Accumulated losses RM | Sub-total RM | Non-controlling interests RM | |
| At 1 January 2023 | 100,111,517 | 388,655 | (8,495,675) | 92,004,497 | 7,954,888 | 99,959,385 |
| Total comprehensive income for the financial year | | | | | | |
| Foreign currency translation differences for foreign operations | - | 82,804 | - | 82,804 | - | 82,804 |
| Total other comprehensive income for the financial year | - | 82,804 | - | 82,804 | - | 82,804 |
| (Loss)/Profit for the year | - | - | (42,060,869) | (42,060,869) | 4,179,715 | (37,881,154) |
| Total comprehensive income/(loss) | - | 82,804 | (42,060,869) | (41,978,065) | 4,179,715 | (37,798,350) |
| Transactions with owners | | | | | | |
| Issue of ordinary shares via warrants exercised | 20,045,040 | - | - | 20,045,040 | - | 20,045,040 |
| Issuance of shares pursuant to share grant scheme | 3,535,627 | 189,307 | - | 3,724,934 | - | 3,724,934 |
| Change in ownership interest in a subsidiary | 25,806,000 | - | (13,671,397) | 12,134,603 | (12,134,603) | - |
| Total transactions with owners | 49,386,667 | 189,307 | (13,671,397) | 35,904,577 | (12,134,603) | 23,769,974 |
| At 31 December 2023 | 149,498,184 | 660,766 | (64,227,941) | 85,931,009 | - | 85,931,009 |

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025

(cont'd)

| Company | ← Attributable to owners of the Company → | | | |
|---|---|---------------------|--------------------------|--------------------|
| | Share capital RM | Other reserve RM | Accumulated losses RM | Total equity RM |
| At 1 January 2023 | 100,111,517 | - | (6,657,780) | 93,453,737 |
| Total comprehensive loss for the financial year | - | - | (7,309,533) | (7,309,533) |
| Share grant reserve | - | 189,307 | - | 189,307 |
| Issue of ordinary shares via warrants exercised | 20,045,040 | - | - | 20,045,040 |
| Issuance of shares pursuant to share grant scheme | 3,535,627 | - | - | 3,535,627 |
| Change in ownership interest in a subsidiary | 25,806,000 | - | - | 25,806,000 |
| At 31 December 2023 | 149,498,184 | 189,307 | (13,967,313) | 135,720,178 |
| Total comprehensive loss for the financial period | - | - | (806,034) | (806,034) |
| Forfeiture of shares pursuant to share grant scheme | - | (189,307) | 189,307 | - |
| Issuance of ordinary shares via warrants exercised | 18,941,509 | - | - | 18,941,509 |
| At 30 June 2025 | 168,439,693 | - | (14,584,040) | 153,855,653 |

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025

| | Group | | Company | |
|--|---|---|---|---|
| | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM |
| Cash flows from operating activities | | | | |
| Profit/(Loss) before tax | 13,468,939 | (32,576,156) | (806,034) | (7,309,533) |
| Adjustments for: | | | | |
| Depreciation of: | | | | |
| - property, plant and equipment | 4,097,796 | 1,663,637 | 7,224 | 8,943 |
| - right-of-use assets | 600,568 | 424,465 | - | - |
| - investment properties | 25,349 | 16,899 | - | - |
| Impairment loss on goodwill | 15,310,693 | - | - | - |
| Loss/(Gain) on disposal of property, plant and equipment | 56,392 | (395,720) | - | - |
| Loss on termination of lease | 109,280 | - | - | - |
| Property, plant and equipment written off | 236 | 4 | - | - |
| Finance costs | 3,300,024 | 399,423 | - | - |
| Finance income | (119,796) | (47,626) | (61,954) | - |
| Impairment loss on investment in a subsidiary | - | - | 146,000 | 3,138,085 |
| Impairment loss: | | | | |
| - trade receivables | 1,990,899 | 21,259,966 | - | - |
| - contract assets | - | 18,646,747 | - | - |
| - other receivables | - | 2,268,234 | - | - |
| Disposal of shares arising from internal restructuring | - | - | 685,915 | - |
| Reversal of impairment loss on: | | | | |
| - contract assets | (202,112) | - | - | - |
| - other receivables | (250,000) | - | - | - |
| Employee benefits | - | 129,116 | - | - |
| Fair value loss/(gain) on short-term investment | 35,960 | (8,810) | - | - |
| Share grant scheme expenses | - | 3,724,934 | - | 1,726,584 |
| Net unrealised foreign exchange gain | (83,373) | (9,389) | - | - |
| Operating profit/(loss) before changes in working capital, carried forward | 38,340,855 | 15,495,724 | (28,849) | (2,435,921) |
| <u>Changes in working capital</u> | | | | |
| Inventories | 3,336,844 | 9,986,182 | - | - |
| Trade and other receivables | 33,954,304 | (82,978,464) | (47,188) | (3,470) |
| Contract assets | (155,207,469) | (1,168,793) | - | - |
| Trade and other payables | (4,918,124) | 34,339,957 | 672,685 | (325,613) |
| Contract liabilities | (6,467,079) | 1,918,979 | - | - |
| Net cash (used in)/generated from operations | (90,960,669) | (22,406,415) | 596,648 | (2,765,004) |
| Tax paid | (4,887,750) | (3,783,709) | (40,936) | - |
| Interest received | - | - | 61,954 | - |
| Employee benefits paid | - | (1,451,333) | - | - |
| Net cash (used in)/generated from operating activities | (95,848,419) | (27,641,457) | 617,666 | (2,765,004) |

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025

(cont'd)

| | Note | Group | | Company | |
|--|------|---|---|---|---|
| | | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM |
| Cash flows from investing activities | | | | | |
| Purchase of property, plant and equipment | (a) | (10,403,918) | (11,614,541) | (500) | - |
| Proceeds from disposal of property, plant and equipment | | 223,602 | 684,295 | - | - |
| Purchase of right-of use assets | (a) | (531,605) | (156,851) | - | - |
| Net advances to subsidiaries | | - | - | (19,870,410) | (13,386,918) |
| Investment in subsidiaries | | - | - | - | (1,749,800) |
| Proceeds from disposal of a subsidiary | | - | - | 1,000 | - |
| Interest received | | 119,796 | 47,626 | - | - |
| Net cash used in investing activities | | (10,592,125) | (11,039,471) | (19,869,910) | (15,136,718) |
| Cash flows from financing activities | | | | | |
| Proceeds from issuance of ordinary shares via warrants exercised | | 18,941,509 | 20,045,040 | 18,941,509 | 20,045,040 |
| Net drawdown from term loans | (b) | 18,196,053 | 22,538,332 | - | - |
| Change in pledge deposits | | (2,624,224) | (2,047,266) | (61,954) | (1,800,000) |
| Interest paid | | (3,300,024) | (399,423) | - | - |
| Net repayment of lease liabilities | (b) | (35,302) | (207,872) | - | - |
| Net repayment of hire purchase payables | (b) | (3,029,250) | (767,173) | - | - |
| Net repayment of revolving credit | (b) | (3,000,000) | - | - | - |
| Net drawdown of bankers' acceptance | (b) | 44,050,381 | (1,988,606) | - | - |
| Net cash generated from financing activities | | 69,199,143 | 37,173,032 | 18,879,555 | 18,245,040 |
| Net (decrease)/increase in cash and cash equivalents | | (37,241,401) | (1,507,896) | (372,689) | 343,318 |
| Cash and cash equivalents at the beginning of the year | | 4,674,295 | 6,113,820 | 391,763 | 48,445 |
| Effects of exchange rate changes on cash and cash equivalents | | (78,401) | 68,371 | - | - |
| Cash and cash equivalents at the end of the period/year | | (32,645,507) | 4,674,295 | 19,074 | 391,763 |
| Analysis of cash and cash equivalents | | | | | |
| Cash and bank balances | 15 | 787,379 | 4,856,050 | 19,074 | 391,763 |
| Bank overdrafts | 18 | (33,432,886) | (181,755) | - | - |
| | | (32,645,507) | 4,674,295 | 19,074 | 391,763 |

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025
(cont'd)

(a) Purchase property, plant and equipment.

| | Group | | Company | |
|--|---|---|---|---|
| | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM |
| Purchase of property plant and equipment | 25,277,392 | 16,749,588 | 500 | - |
| Purchase of right-of-use assets | 10,761,779 | 156,851 | - | - |
| Financed by way of lease and borrowing | (25,103,648) | (5,135,047) | - | - |
| | 10,935,523 | 11,771,392 | 500 | - |

(b) Reconciliation of liabilities arising from financing activities:

| | 1 January 2024 RM | Additions RM | Cash flows RM | 30 June 2025 RM |
|------------------------|-------------------------|-----------------|---------------------|---------------------------|
| Group | | | | |
| Revolving credit | 3,000,000 | - | (3,000,000) | - |
| Bankers' acceptance | 4,296,282 | 103,698,158 | (59,647,777) | 48,346,663 |
| Lease liabilities | 303,287 | 238,155 | (273,457) | 267,985 |
| Hire purchase payables | 5,786,242 | 5,528,648 | (3,029,250) | 8,285,640 |
| Term loan | 22,538,332 | 41,153,852 | (3,382,799) | 60,309,385 |
| | 35,924,143 | 150,618,812 | (69,333,283) | 117,209,673 |
| Company | | | | |
| | 1 January 2023 RM | Additions RM | Cash flows RM | 31 December 2023 RM |
| Revolving credit | 3,000,000 | - | - | 3,000,000 |
| Bankers' acceptance | 6,284,888 | - | (1,988,606) | 4,296,282 |
| Lease liabilities | 511,159 | 156,851 | (364,723) | 303,287 |
| Hire purchase payables | 1,418,368 | 5,135,047 | (767,173) | 5,786,242 |
| Term loan | - | - | 22,538,332 | 22,538,332 |
| | 11,214,415 | 5,291,898 | 19,417,830 | 35,924,143 |

(c) Total cash outflows for leases as a lessee:

During the financial period, the total cash outflows incurred for leases of the Group and Company amounting to RM2,630,431 and RM106,955 (31.12.2023: RM915,907 and RM54,442) respectively.

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

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Central Global Berhad (“the Company”) is a public limited company, incorporated and domiciled in Malaysia, and listed on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Securities”). The registered office of the Company is located at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur. The principal place of business of the Company is located at A5-06, Block A Plaza Dwi Tasik, Jalan 5/106 Bandar Sri Permaisuri, 56000 Kuala Lumpur.

The principal activities of the Company is investment holding and provision of management services to its subsidiaries. The principal activities of its subsidiaries include manufacturing and sales of self-adhesive label stocks and tapes of its own brand, investment holding, construction of building, general contract work and other engineering projects.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 31 October 2025.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

2.2 Adoption of amendments to MFRSs and explanation of change in accounting policy

(a) Adoption of amendments to MFRSs

The Group and the Company have adopted the following applicable amendments to MFRSs for the current financial year:

Amendments to MFRSs

| | |
|----------|--------------------------------------|
| MFRS 7 | Financial Instruments: Disclosures |
| MFRS 16 | Leases |
| MFRS 101 | Presentation of Financial Statements |
| MFRS 107 | Statement of Cash Flows |

The adoption of the above amendments to MFRSs did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group’s and the Company’s existing accounting policies, except as discussed below.

Amendments to MFRS 16 Leases

The amendments clarify how an entity should subsequently measure the leaseback liability that arise in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right-of-use it retains. Although MFRS 16 includes requirements on how to account for a sale and leaseback at the date the transaction takes place, it has not specified how to measure the sale and leaseback transaction when reporting after that date.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

2. BASIS OF PREPARATION (CONT'D)**2.2 Adoption of amendments to MFRSs and explanation of change in accounting policy (Cont'd)*****Amendments to MFRS 101 Presentation of Financial Statements***

The amendments include specifying that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period; clarifying that classification of a liability is unaffected by the likelihood of the entity to exercise its right to defer settlement of the liability for at least twelve months after the reporting period; clarifying how lending conditions affect classification of a liability; and clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

The latest amendments to MFRS 101 clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. As such, the amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require an entity to disclose information about these covenants in the notes to the financial statements.

Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures

Amendments to MFRS 107 and MFRS 7 respond to investors' concerns that some supplier finance arrangements – also referred to as supply chain finance, trade payables finance or reverse factoring arrangements – used by entities are not sufficiently visible, hindering investors' analysis.

The disclosure requirements require entities to disclose information that would enable users of financial statements to assess how supplier finance arrangements affect an entity's operations; including the effects supplier finance arrangements have on an entity's liability, cash flows and exposures to liquidity risk. The new disclosure requirements would also inform users of financial statements on how an entity might be affected if the arrangements were no longer available to it.

2.3 New MFRS and amendments to MFRSs that have been issued, but are yet to be effective

- (a) The Group and the Company have not adopted the following new MFRS and amendments to MFRSs that have been issued, but are yet to be effective:

| <u>New MFRS</u> | | Effective for financial periods beginning on or after |
|----------------------------|--|--|
| MFRS 18 | Presentation and Disclosure in Financial Statements | 1 January 2027 |
| <u>Amendments to MFRSs</u> | | |
| MFRS 1 | First-time Adoption of Malaysian Financial Reporting Standards | 1 January 2026 |
| MFRS 7 | Financial Instruments: Disclosures | 1 January 2026 |
| MFRS 9 | Financial Instruments | 1 January 2026 |
| MFRS 10 | Consolidated Financial Statements | 1 January 2026/ Deferred |
| MFRS 107 | Statement of Cash Flows | 1 January 2026 |
| MFRS 121 | The Effects of Changes in Foreign Exchange Rates | 1 January 2025 |
| MFRS 128 | Investments in Associates and Joint Ventures | Deferred |

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

2. BASIS OF PREPARATION (CONT'D)

2.3 New MFRS and amendments to MFRSs that have been issued, but are yet to be effective (Cont'd)

- (b) The Group and the Company plan to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group and the Company are summarised below.

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 replaces MFRS 101 *Presentation of Financial Statements*. It retains many requirements from MFRS 101 without modification.

MFRS 18 introduces two subtotals which are to be presented in the statement of profit or loss – including “operating profit”, which has been specifically defined. Income and expenses shall be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

MFRS 18 requires disclosure of explanations of the entity’s company-specific measures that are related to the statement of profit or loss, referred to as management-defined performance measures (“MPMs”). The entity is required to reconcile MPMs to a total or subtotal required by MFRS 18 or another MFRS Accounting Standards. MFRS 18 also requires other disclosures, including how each MPM is calculated, what the MPM communication about the entity’s financial performance, and any changes made to the MPMs in the year.

MFRS 18 adds new principles for aggregation and disaggregation of information. It requires the entity to classify the expenses in the “operating” category in the profit or loss by nature or function, or both. The entity that classifies operating expenses by functions are required to disclose in the notes to the financial statements, the amount of depreciation, amortisation, employee benefits, impairment losses and write-downs of inventories included in each line in the operating category. Subject to materiality, MFRS 18 requires items presented or disclosed as “other” to be labelled and/or described in as faithfully representative and precise a way as possible.

Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates

Amendments to MFRS 121 respond to stakeholder feedback and concerns about diversity in practice in accounting for a lack of exchangeability between currencies.

Applying the Amendments, entities will be applying a consistent approach in determining if a currency can be exchanged into another currency. These amendments provide guidance on the spot exchange rate to use when a currency is not exchangeable into another currency and the disclosures entities need to provide to enable users of financial statements to understand the impact on the entities’ financial performance, financial position and cash flows as a result of a currency being not exchangeable into another currency.

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures

These narrow scope amendments to MFRS 9 clarify the requirements, including:

- clarify the classification of financial assets, particularly those with environmental, social and corporate governance and similar features. The Amendments clarify how the contractual cash flows on such financial assets should be assessed, specifically the assessment of interest focuses on what an entity is being compensated for, rather than how much compensation it receives. Nonetheless, the amount of compensation the entity receives may indicate that it is being compensated for something other than basic lending risks and costs.
- clarify the date on which a financial asset or a financial liability settled via electronic payment systems is derecognised. The Amendments permit an entity to derecognise a financial liability before it delivers cash on the settlement date if specified criteria are met.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

2. BASIS OF PREPARATION (CONT'D)

2.3 New MFRS and amendments to MFRSs that have been issued, but are yet to be effective (Cont'd)

- (b) The Group and the Company plan to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group and the Company are summarised below. (Cont'd)

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures (Cont'd)

Amendments to MFRS 7 introduces new disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs.

- (c) The financial effects of the adoption of the new MFRS and amendments to MFRSs that have been issued but are yet to be effective are currently still being assessed by the Group and the Company.

2.4 Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

2.5 Basis of measurement

The financial statements of the Group and the Company have been prepared on the historical cost basis, except as otherwise disclosed in Note 3 to the financial statements.

2.6 Use of estimates and judgement

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reported period. It also requires directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgements are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Group's and the Company's financial statements are disclosed in Note 4 to the financial statements.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Unless otherwise stated, the following material accounting policy information have been applied consistently to all the financial years presented in the financial statements of the Group and of the Company.

3.1 Basis of consolidation

(a) Subsidiaries and business combination

The Group applies the acquisition method to account for business combinations from the acquisition date. When the acquired set of activities meets the definition of a business and control is transferred to the Group.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.1 Basis of consolidation (Cont'd)

(b) Non-controlling interests

At the acquisition date, components of non-controlling interests of the Group are measured at their acquisition-date fair values.

3.2 Separate financial statements

In the Company's statement of financial position, investment in subsidiaries is measured at cost less any impairment losses.

Contributions to subsidiaries are amounts which the settlement is neither planned nor likely to occur in the foreseeable future is, in substance, considered as part of the Company's investment in the subsidiaries.

3.3 Financial instruments

Financial assets - subsequent measurements and gains and loss

Financial assets at fair value through profit or loss

These assets are subsequently measured at fair value. Net gains and losses, including any interest and dividend income, are recognised in profit or loss.

Debt Instrument at amortised cost

These assets are subsequent measured at amortised cost under the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt instrument at fair value through other comprehensive income

These assets are subsequently measured at fair value. Interest income calculated under the effective interest method, foreign exchange gain and losses and impairment are recognized in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Financial liabilities - subsequent measurements and gains and loss

The Group and the Company classify the financial liabilities at amortised cost or fair value through profit or loss. Financial liabilities are classified as fair value through profit or loss if it is classified as held for trading or it is designated as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

The Group and the Company subsequently measure other financial liabilities at amortised cost under the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.4 Property, plant and equipment

(a) Recognition and measurement

Property, plant and equipment other than right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land has an unlimited useful life and therefore is not depreciated. Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

All other property, plant and equipment (other than right-of-use assets as disclosed in Note 3.5) are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

| | Annual Rates % |
|--|----------------|
| Buildings | 2 – 10 |
| Plant, machinery and loose tools | 7.5 – 33.33 |
| Furniture, fittings, equipment, and installation | 7.5 – 33.33 |
| Motor vehicles | 20 |

3.5 Leases

(a) Lessee accounting

The Group and the Company present right-of-use assets that do not meet the definition of property, plant and equipment, investment property, and lease liabilities as loans and borrowings.

Short-term leases and leases of low value assets

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. Accordingly, the Group and the Company recognise the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use asset

The right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses and adjust for any remeasurement of the lease liabilities. The right of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The annual rate used for this purpose are as follows:

| | Annual Rates % |
|----------------|----------------|
| Leasehold land | 2.13 - 2.29 |
| Building | 33.33 – 50.00 |

Lease liabilities

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the incremental borrowing rate.

The Group and the Company have elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.5 Leases (Cont'd)

(b) Lessor accounting

The Group recognises lease payments received from investment properties under operating leases as income on a straight-line basis over the lease term as part of revenue. Rental income from sublease properties which recognise as other income.

3.6 Investment properties

Investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

The investment properties, buildings are depreciated on straight-line basis by allocating their depreciation amounts over their remaining useful lives of 50 years.

3.7 Inventories

Inventories are measured at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- raw materials: purchase costs on a first-in first-out basis.
- finished goods and work-in-progress: costs of direct materials and labour and proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on a weighted average cost basis.

3.8 Revenue and other income

Financing components

The Group and the Company have applied the practical expedient for not to adjust the promised amount of consideration for the effects of a significant financing components as the Group and the Company expect that the period between the transfer of the promised goods or services to the customer and payment by the customer will be one year or less.

(a) Sale of goods - manufacturing

Revenue from sale of goods is recognised at a point in time when control of goods is transferred to the customer, generally on the delivery of goods.

A receivable is recognised when the customer accepts the delivery of the goods as the consideration is unconditional other than the passage of time before the payment is due.

Revenue is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience with the customer's purchasing pattern is used to estimate and provide for the discounts, using the expected value method. The estimated volume discounts recognised is constrained to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.8 Revenue and other income (Cont'd)

(b) Construction contracts

The Group constructs commercial and industrial properties under long term contracts with customers. Construction service contracts comprise multiple deliverables that require significant integration service and therefore accounted as a single performance obligation.

Under the terms of the contracts, control of the commercial and industrial properties is transferred over time as the Group creates or enhances an asset that the customer controls as the asset is created or enhanced. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of a performance obligation is determined by the proportion of construction costs incurred for work performed to date bear to the estimated total construction costs (an input method).

The Group becomes entitled to invoice customers for construction of commercial and industrial properties based on achieving a series of performance-related milestones.

The Group recognised a contract asset for any excess of revenue recognised to date over the billings-to-date. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point when invoice is issued or timing for billing is due to passage of time. If the milestone billing exceeds the revenue recognised to date and any deposit or advances received from customers then the Group recognises a contract liability for the difference.

Defect liability period is usually 24 months from the date of Certificate of Practical Completion as provided in the contracts with customers.

(c) Rental income

Rental income from investment property is recognised on a straight-line basis over the term of the lease. Lease incentive granted is recognised as an integral part of the total rental income, over the term of the lease.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Group's and the Company's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's and the Company's financial statements within the next financial year are disclosed as follows:

(a) Impairment of financial assets and contract assets

The impairment of financial assets and contract assets are based on assumptions about risk of default and expected loss rate. The Group uses judgement in making these assumptions and selecting inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The assessment of the correlation between historical observed default rates, forward-looking estimates and expected credit losses is a significant estimate. The amount of expected credit losses is sensitive to changes in circumstances and forecast of economic conditions over the expected lives of the financial assets and contract assets. The Group's historical credit loss experience and forecast of economic conditions may not be representative of customer's actual default in the future.

The information about the impairment losses on the Group's financial assets and contract assets are disclosed in Note 28(b)(i).

(b) Inventories

The cost of inventories comprise the cost of raw materials, direct labour, conversion cost such as variable and fixed overheads. The cost allocation to the work-in-progress and manufactured goods involves multiple inputs which comprise the cost of raw materials, direct labour, other direct costs, and the appropriate allocation of overheads based on normal operating capacity.

Reviews are made periodically on inventories for cost allocation, obsolete and decline in net realisable value. These reviews require the use of judgement and estimate. Possible change in these estimates may results in revision to the valuation of inventories.

The carrying amounts of inventories are disclosed in Note 10.

(c) Construction revenue

The Group recognised construction revenue in profit or loss by using the progress towards complete satisfaction of performance obligation. The progress towards complete satisfaction of performance obligation is determined by the proportion that construction costs incurred for work performed to date bear to the estimated total construction costs for each project (input method).

Significant judgement is required in determining the progress towards complete satisfaction of performance obligation, the extent of the construction costs incurred, the estimated total construction revenue and costs, as well as the recoverability of the construction projects. In making the judgement, the Group evaluate based on past experience and by relying on the work of specialists.

The carrying amounts of the Group's contract assets and contract liabilities are disclosed in Note 11.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONT'D)

(d) Impairment of goodwill

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires an estimation of the value-in-use of the cash generating units to which goodwill is allocated. When value-in-use calculations are undertaken, the Group uses its judgement to decide the discount rates to be applied in the recoverable amount calculation and assumptions supporting the underlying cash flow projections, including inflation rates and gross profit margin. Cash flows that are projected based on those inputs or assumptions may have a significant effect on the Group's financial position and results if the actual cash flows are less than the expected.

The carrying amount of the Group's goodwill and key assumptions used to determine the recoverable amount for different cash-generating units, including sensitivity analysis, are disclosed in Note 8.

(e) Investment in subsidiaries

The Company assesses whether there is any indication that the cost of investment in subsidiaries is impaired at the end of each reporting date. Impairment is measured by comparing carrying amount of an assets with its recoverable amount. Recoverable amount is measured at the higher of the fair value less cost to sell for that assets and its value-in-use. The value-in-use involves exercise of judgement on the discount rate applied and the assumptions supporting the underlying cash flow projection which includes future sales, gross profit margin and operating expenses.

The carrying amounts of investment in subsidiaries are disclosed in Note 9.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

5. PROPERTY, PLANT AND EQUIPMENT

| Group | Buildings RM | Plant, machinery and loose tools RM | Furniture, fittings, equipment and installation RM | Motor vehicles RM | Capital works-in- progress RM | Total RM |
|--------------------------------------|-------------------|--|--|-------------------------|--|-------------------|
| Cost | | | | | | |
| At 1 January 2023 | 11,306,717 | 27,065,026 | 4,816,234 | 2,971,966 | - | 46,159,943 |
| Additions | - | 2,925,324 | 202,284 | 2,368,538 | 11,253,442 | 16,749,588 |
| Disposals | - | (380,000) | (3,270) | (646,012) | - | (1,029,282) |
| Written off | - | (3,350) | (5,560) | (15,052) | - | (23,962) |
| Effect of movement in exchange rates | - | - | 8,352 | - | - | 8,352 |
| At 31 December 2023 | 11,306,717 | 29,607,000 | 5,018,040 | 4,679,440 | 11,253,442 | 61,864,639 |
| Additions | 9,306,843 | 8,404,225 | 2,454,994 | 3,496,383 | 1,614,947 | 25,277,392 |
| Disposals | - | (8,593) | (587,371) | (234,153) | - | (830,117) |
| Written off | - | - | (42,074) | - | - | (42,074) |
| Effect of movement in exchange rates | - | - | (7,437) | - | - | (7,437) |
| At 30 June 2025 | 20,613,560 | 38,002,632 | 6,836,152 | 7,941,670 | 12,868,389 | 86,262,403 |
| Accumulated Depreciation | | | | | | |
| At 1 January 2023 | 3,847,823 | 25,629,839 | 3,573,052 | 1,064,379 | - | 34,115,093 |
| Depreciation for the year | 226,949 | 509,832 | 287,073 | 639,783 | - | 1,663,637 |
| Disposals | - | (364,167) | (1,635) | (374,905) | - | (740,707) |
| Written off | - | (3,350) | (5,557) | (15,051) | - | (23,958) |
| Effect of movement in exchange rates | - | - | 7,758 | - | - | 7,758 |
| At 31 December 2023 | 4,074,772 | 25,772,154 | 3,860,691 | 1,314,206 | - | 35,021,823 |
| Depreciation for the period | 355,778 | 1,335,908 | 462,335 | 1,943,775 | - | 4,097,796 |
| Disposals | - | (8,593) | (510,180) | (31,350) | - | (550,123) |
| Written off | - | - | (41,838) | - | - | (41,838) |
| Effect of movement in exchange rates | - | - | (7,387) | - | - | (7,387) |
| At 30 June 2025 | 4,430,550 | 27,099,469 | 3,763,621 | 3,226,631 | - | 38,520,271 |
| Carrying amount | | | | | | |
| At 1 January 2024 | 7,231,945 | 3,834,846 | 1,157,349 | 3,365,234 | 11,253,442 | 26,842,816 |
| At 30 June 2025 | 16,183,010 | 10,903,163 | 3,072,531 | 4,715,039 | 12,868,389 | 47,742,132 |

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

| | Furniture, fittings, equipment and installation RM | Total RM |
|---------------------------------|---|---------------------|
| Company | | |
| Cost | | |
| At 1 January 2023 | 26,189 | 26,189 |
| Additions | 6,278 | 6,278 |
| <hr/> | | |
| At 31 December 2023 | 32,467 | 32,467 |
| Additions | 500 | 500 |
| <hr/> | | |
| At 30 June 2025 | 32,967 | 32,967 |
| <hr/> | | |
| Accumulated Depreciation | | |
| At 1 January 2023 | 10,970 | 10,970 |
| Depreciation for the year | 8,943 | 8,943 |
| <hr/> | | |
| At 31 December 2023 | 19,913 | 19,913 |
| Depreciation for the period | 7,224 | 7,224 |
| <hr/> | | |
| At 30 June 2025 | 27,137 | 27,137 |
| <hr/> | | |
| Carrying amount | | |
| At 1 January 2024 | 12,554 | 12,554 |
| <hr/> | | |
| At 30 June 2025 | 5,830 | 5,330 |
| <hr/> | | |

- (a) The Group's motor vehicles and plant, machinery and tools with carrying amount of RM2,324,832 (31.12.2023: RM1,818,751) have been pledged as security for hire purchase arrangement as disclosed in Note 18(b).
- (b) The motor vehicles of the Group at the net book value of RM33,739 (31.12.2023: RM123,280) were held in trust by one of the directors.
- (c) Included in the Group's property, plant and equipment is finance costs capitalised amounting to RM4,120,996 (31.12.2023: RM814,601).

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

6. RIGHT-OF-USE ASSETS

| | Land RM | Building RM | Total RM |
|--------------------------------------|-------------------|----------------|-------------------|
| Group | | | |
| Cost | | | |
| At 1 January 2023 | 2,017,009 | 699,571 | 2,716,580 |
| Addition | 45,839 | 111,012 | 156,851 |
| Written off | - | (54,395) | (54,395) |
| Effect of movement in exchange rates | - | 24,933 | 24,933 |
| At 31 December 2023 | 2,062,848 | 781,121 | 2,843,969 |
| Addition | 10,171,069 | 590,710 | 10,761,779 |
| Derecognition | - | (698,637) | (698,637) |
| Effect of movement in exchange rates | - | (24,782) | (24,782) |
| At 30 June 2025 | 12,233,917 | 648,412 | 12,882,329 |
| Accumulated Depreciation | | | |
| At 1 January 2023 | 772,754 | 201,306 | 974,060 |
| Depreciation for the year | 67,199 | 357,266 | 424,465 |
| Written off | - | (54,395) | (54,395) |
| Effect of movement in exchange rates | - | 11,094 | 11,094 |
| At 31 December 2023 | 839,953 | 515,271 | 1,355,224 |
| Depreciation for the period | 112,148 | 488,420 | 600,568 |
| Derecognition | - | (589,357) | (589,357) |
| Effect of movement in exchange rates | - | (27,495) | (27,495) |
| At 30 June 2025 | 952,101 | 386,839 | 1,338,940 |
| Carrying amount | | | |
| At 1 January 2024 | 1,222,895 | 265,850 | 1,488,745 |
| At 30 June 2025 | 11,281,816 | 261,573 | 11,543,389 |

- (a) The Group's leasehold land: with carrying amount of RM11,281,816 (31.12.2023: RM1,222,895) for office and operation site. The leasehold land has lease term of 47 to 58 years (31.12.2023: 60 years) and have been pledged as security for term loan arrangement as disclosed in Note 18.
- (b) The Group's leasehold land and buildings with carrying amount of RM259,382 (31.12.2023: 290,679) for office space and operation site. Generally have lease term between 2 to 3 years.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

7. INVESTMENT PROPERTIES

| | Shoplots RM | Total RM |
|--------------------------------------|------------------------|---------------------|
| Group | | |
| Cost | | |
| At 31 December 2023/ At 30 June 2025 | 830,946 | 830,946 |
| Accumulated Depreciation | | |
| At 1 January 2023 | 253,874 | 253,874 |
| Depreciation for the year | 16,899 | 16,899 |
| At 31 December 2023 | 270,773 | 270,773 |
| Depreciation for the period | 25,349 | 25,349 |
| At 30 June 2025 | 296,122 | 296,122 |
| Carrying amount | | |
| At 1 January 2024 | 560,173 | 560,173 |
| At 30 June 2025 | 534,824 | 534,824 |

- (a) The Group's investment properties comprise of shoplots that are leased to third parties. Each of the leases contains an initial non-cancellable period of 2 years. Subsequent renewals are negotiated with the lessee and on average renewal periods are 2 years.
- (b) The following are recognised in profit or loss in respect of investment properties:

| | Group | |
|--|--|--|
| | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM |
| Rental income | 18,810 | 105,270 |
| Direct operating expenses: - income generating investment | 6,097 | 23,945 |

- (c) The operating lease payments to be received are as follows:

| | Group | |
|----------------------------------|--------------------------|--------------------------|
| | 30.06.2025 RM | 31.12.2023 RM |
| Less than one year | - | 18,810 |
| One to two years | - | - |
| Total undiscounted lease payment | - | 18,810 |

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

7. INVESTMENT PROPERTIES (CONT'D)

(d) Fair value information

Fair value of investment property is categorised as follows:

| | Group Level 3 RM | Total RM |
|-------------------------|------------------------|-------------|
| 30 June 2025 | | |
| Shoplots | 1,714,696 | 1,714,696 |
| 31 December 2023 | | |
| Shoplots | 1,426,845 | 1,426,845 |

The estimated fair values of the investment properties are determined based on the directors' estimation of the fair values of the investment properties. Such fair values are arrived at based on comparisons with prices of similar properties in the same location or adjacent locations. Location differences may significantly affect the estimates of the fair values.

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models.

| Description | Valuation technique | Significant unobservable inputs | Relationship of unobservable inputs to fair value |
|-------------|---------------------------|--|--|
| Shoplots | Sales comparison approach | Price per square feet RM453 (31.12.2023: RM 377) | The higher the price per square feet, the higher the fair value. |

8. GOODWILL ON CONSOLIDATION

Goodwill acquired in a business combination was allocated, at acquisition, to the cash-generating unit ("CGU") that is expected to benefit from the business combination. The carrying amount of goodwill had been allocated to RYRT International Sdn. Bhd. ("CGU 1") that was acquired in the previous financial year.

The carrying amount of goodwill to the CGU of the Group is as follow:

| | Group 30.06.2025 RM | 31.12.2023 RM |
|--|---------------------------|------------------|
| Goodwill | | |
| Cost | | |
| At 30 June/ 31 December | 21,593,930 | 21,593,930 |
| Accumulated impairment loss | | |
| At 1 January | 449,057 | 449,057 |
| Impairment loss recognised for the financial period/year | 15,310,693 | - |
| At 30 June/ 31 December | 15,759,750 | 449,057 |
| Carrying amount | | |
| At 30 June/ 31 December | 5,834,180 | 21,144,873 |

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

8. GOODWILL ON CONSOLIDATION (CONT'D)

The carrying amount of goodwill allocated to the CGU is as follows:

| | Group | |
|-------|------------|------------|
| | 30.06.2025 | 31.12.2023 |
| | RM | RM |
| CGU 1 | 5,834,180 | 21,144,873 |

Goodwill is assessed at each reporting date regardless of any indication of impairment by comparing the carrying amount with the recoverable amount of each CGU.

The recoverable amount of the CGU has been determined based on value-in-use calculations using cash flows projection from financial budgets and forecasts approved by management covering a five-year period.

The pre-tax discount rate applied to the cash flow projections is as follows:

| | Group | |
|---------------|------------|------------|
| | 30.06.2025 | 31.12.2023 |
| | RM | RM |
| Discount rate | 10% | 10% |

Key assumptions used in the value-in-use calculations

The calculation of value-in-use for the CGU is most sensitive to the following assumptions:

- (i) The basis used to determine the future potential earning are the remaining book order.
- (ii) Gross margin is the forecasted margin as a percentage of revenue over the five-year projection period. These are based on the average gross margin of the existing projects.
- (iii) Discount rate was estimated based on the industry weighted average cost of capital. The discount rate applied to the cash flow projections is pre-tax and reflects management's estimate of the risks specific to the CGU at the date of assessment.

9. INVESTMENT IN SUBSIDIARIES

| | Company | |
|---------------------------------------|--------------------|-------------|
| | 30.06.2025 | 31.12.2023 |
| | RM | RM |
| At cost | | |
| Unquoted shares | 52,906,780 | 53,906,780 |
| Loan that are part of net investments | 61,448,042 | 61,448,042 |
| | 114,354,822 | 115,354,822 |
| Less: Impairment loss | | |
| At 1 January | (3,138,085) | - |
| Addition | (146,000) | (3,138,085) |
| Transfer of a subsidiary | 313,085 | - |
| | (2,971,000) | (3,138,085) |
| At 30 June/ 31 December | 111,383,822 | 112,216,737 |

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

9. INVESTMENT IN SUBSIDIARIES (CONT'D)

Loans that are part of net investments represent amount owing by subsidiary which is non-trade in nature, unsecured and non-interest bearing. The settlement of the amount is neither planned nor likely to occur in the foreseeable future as it is the intention of the Company to treat these amounts as long-term source of capital to the subsidiary. As this amount is, in substance, a part of the Company's net investment in the subsidiary, it is stated at cost less accumulated impairment loss, if any.

Details of the subsidiaries are as follows:

| Name of company | Principal place of business/ Country of incorporation | Effective ownership interest | | Principal activities |
|--|---|------------------------------|--------------|---|
| | | 30.06.2025 % | 31.12.2023 % | |
| Direct subsidiaries of the Company: | | | | |
| Central Industrial Corporation Berhad ("CICB") | Malaysia | 100 | 100 | Manufacturing and sales of self-adhesive label stocks and tapes of its own brand and trading of other self-adhesive label stocks and tapes. |
| CIC Construction Sdn. Bhd. ("CICC") | Malaysia | 100 | 100 | Investment holding, contractor of building and infrastructure and trading of building materials. |
| Central Global Construction Sdn. Bhd. ("CGC") | Malaysia | 100 | 100 | Construction of buildings. |
| Central Global Technology Sdn. Bhd. ("CGT") | Malaysia | 100 | 100 | Dormant. |
| Direct subsidiary of CICB: | | | | |
| CICS Distributors Pte. Ltd. ("CICS") ^ | Singapore | 100 | 100 | Trading of adhesive tapes. |
| Direct subsidiary of CICC: | | | | |
| Proventus Bina Sdn. Bhd. ("PBSB") | Malaysia | 100 | 100 | Contractor of building and general contract works and trading of building materials. |
| RYRT International Sdn. Bhd. ("RYRT") | Malaysia | 100 | 100 | Construction of building and other engineering projects. |
| Central Global Development Sdn. Bhd. ("CGD") | Malaysia | 100 | 100 | Investment holding and buying, selling, renting and renting of self-owned or leased real estate of residential buildings and land. |
| Direct subsidiaries of RYRT: | | | | |
| Central Global Energy Sdn. Bhd. ("CGE") | Malaysia | 100 | 100 | Investment holding. |
| CIC Marketing Sdn. Bhd. ("CICM") | Malaysia | 100 | 100 | Marketing of self-adhesive label stocks and tapes. |

^ Audited by auditors other than Baker Tilly Monteiro Heng PLT.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

9. INVESTMENT IN SUBSIDIARIES (CONT'D)

(a) Changes in the composition of the Group

For the financial period ended 30 June 2025

Transfer of a subsidiary

On 5 September 2024, RYRT International Sdn. Bhd., a wholly owned indirect subsidiary acquired the entire issued and paid-up share capital of Central Global Energy Sdn. Bhd. from Central Global Berhad, comprising 1,000,000 ordinary shares for RM1,000.

The rationale for the transfer is mainly internal restructuring of companies within the Group.

For the financial year ended 31 December 2023

Acquisition of additional interest in RYRT International Sdn. Bhd.

On 5 October 2023, a wholly owned subsidiary, CIC Construction Sdn. Bhd. purchased additional 30% equity interest (representing 10,200,000 ordinary shares) in RYRT International Sdn Bhd, a subsidiary of the Group at a price of RM1.30 per share. The Company's effective ownership in RYRT International increased from 70% to 100% as a result of the additional shares purchased.

Effect of the increase in the Company's ownership interest is as follows:

| | RM |
|---|--------------|
| Fair value of consideration transferred | 25,806,000 |
| Increase in share of net assets | (12,134,603) |
| | 13,671,397 |

(b) Non-controlling interests in subsidiary

The financial information of the Group's subsidiaries that have material non-controlling interests are as follows:

Profit allocated to material non-controlling interest:

| | 30.06.2025 | 31.12.2023 |
|---------------------------------------|-------------------|-------------------|
| | RM | RM |
| Name of company | | |
| RYRT International Sdn. Bhd. ("RYRT") | - | 4,179,715 |
| | | 4,179,715 |

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

10. INVENTORIES

| | Group | |
|---|------------------|------------------|
| | 30.06.2025 RM | 31.12.2023 RM |
| Raw material | 4,084,584 | 6,422,764 |
| Work-in-progress | 2,306,372 | 2,046,821 |
| Manufactured inventories | 1,847,846 | 2,010,016 |
| Trading inventories | 1,228,827 | 2,324,872 |
| | 9,467,629 | 12,804,473 |
| | | |
| Recognised in profit or loss: | | |
| Inventories recognised as cost of sales | 52,175,383 | 48,861,362 |
| Inventories written off | 333,477 | 14,479 |

11. CONTRACT ASSETS/(LIABILITIES)

| | Note | Group | |
|---|------|---------------------|------------------|
| | | 30.06.2025 RM | 31.12.2023 RM |
| Contract assets relating to construction contracts | (a) | 174,328,673 | 19,121,204 |
| Less: Impairment loss | (b) | (18,444,635) | (18,646,747) |
| Total contract assets | | 155,884,038 | 474,457 |
| | | | |
| Contract liabilities relating to construction contracts | (c) | (11,658,783) | (18,125,862) |
| Total contract liabilities | | (11,658,783) | (18,125,862) |
| Net amount | | 144,225,255 | (17,651,405) |

(a) Contract assets

The contract assets represent the Group's and the Company's rights to consideration for the work performed for the construction contracts but yet to be billed. Contract assets are transferred to receivables when the Group and the Company issue progress billings to the customers. Typically, the amount will be billed within 60 days and payments is expected within 60 days.

(b) Impairment

The movement in the impairment of contract assets is as follows:

| | Group | |
|--------------------------------------|-------------------|------------------|
| | 30.06.2025 RM | 31.12.2023 RM |
| At 1 January | 18,646,747 | - |
| Charge for the financial period/year | | |
| - Individually assessed | - | 18,646,747 |
| Reversal of impairment loss | (202,112) | - |
| At 30 June/31 December | 18,444,635 | 18,646,747 |

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

11. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

(c) Contract liabilities

The contract liabilities represent progress billings and deposits received for construction contracts for which performance obligations have not been satisfied. The contract liabilities are expected to be recognised as revenue over a period of 60 days.

(d) Significant changes in contract balances

| | 01.01.2024 to 30.06.2025 (18 months) | | 01.01.2023 to 31.12.2023 (12 months) | |
|---|---|--|---|--|
| | Contract assets Increase/ (Decrease) RM | Contract liabilities (Increase)/ Decrease RM | Contract assets Increase/ (Decrease) RM | Contract liabilities (Increase)/ Decrease RM |
| Group | | | | |
| Revenue recognised that was included in contract liability at the beginning of the financial year | - | 18,125,862 | - | 16,206,883 |
| Increase due to consideration received from customers, but revenue not recognised | - | (11,658,783) | - | (18,125,862) |
| Increase as a result of changes in the measure of progress | 155,884,036 | - | 18,685,839 | - |
| Transfer from contract assets recognised at the beginning of the period to receivables | (676,567) | - | (17,517,047) | - |
| Impairment losses on contract assets | - | - | (18,646,747) | - |
| Reversal of impairment losses on contract assets | 202,112 | - | - | - |

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

12. TRADE AND OTHER RECEIVABLES

| | Note | Group | | Company | |
|------------------------------|------|---------------------|------------------|-------------------|------------------|
| | | 30.06.2025 RM | 31.12.2023 RM | 30.06.2025 RM | 31.12.2023 RM |
| Trade | | | | | |
| Third parties | (a) | 83,257,691 | 146,910,550 | - | - |
| Retention sum | (b) | 29,847,637 | 26,987,340 | - | - |
| | | 113,105,328 | 173,897,890 | - | - |
| Less: | | | | | |
| Impairment loss | (a) | (25,127,216) | (23,136,317) | - | - |
| | | 87,978,112 | 150,761,573 | - | - |
| Non-trade | | | | | |
| Amount due from subsidiaries | (c) | - | - | 48,593,849 | 27,271,886 |
| Other receivables | (d) | 36,757,034 | 7,928,427 | - | - |
| Advance payment to suppliers | | 2,323,229 | 6,028,700 | - | - |
| Deposits | | 804,845 | 1,080,935 | 1,500 | 1,500 |
| Prepayments | | 2,734,004 | 659,419 | 51,916 | 4,728 |
| | | 42,619,112 | 15,697,481 | 48,647,265 | 27,278,114 |
| Less: | | | | | |
| Impairment loss | (d) | (2,112,285) | (2,362,285) | - | - |
| | | 40,506,827 | 13,335,196 | 48,647,265 | 27,278,114 |
| | | 128,484,939 | 164,096,769 | 48,647,265 | 27,278,114 |

(a) Trade receivables

Trade receivables are non-interest bearing and normal credit terms offered by the Company ranging from 0 to 90 days (31.12.2023: 0 to 90 days) from the date of invoices. Other credit terms are assessed and approved on a case-by-case basis.

Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of trade receivables are as follows:

| | Group | |
|---|-------------------|------------------|
| | 30.06.2025 RM | 31.12.2023 RM |
| At 1 January | 23,136,317 | 1,876,351 |
| Charge for the financial period/year - Individually assessed | 1,990,899 | 21,259,966 |
| At 30 June/31 December | 25,127,216 | 23,136,317 |

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

12. TRADE AND OTHER RECEIVABLES (CONT'D)

- (b) Retention sum relates to construction work-in-progress. Retention sum is unsecured, interest-free and is expected to be collected as follows:

| | Group | |
|------------------|------------|------------|
| | 30.06.2025 | 31.12.2023 |
| | RM | RM |
| Within 1 year | 3,472,035 | 2,269,521 |
| More than 1 year | 26,375,602 | 24,717,819 |
| | 29,847,637 | 26,987,340 |

- (c) Amount due from subsidiaries is unsecured, non-interest bearing, repayable on demand.

- (d) Other receivables

- (i) Included in other receivables of the Group is profit guarantees receivable of RM13,055,290 (31.12.2023: Nil) from Guarantors of RYRT Holdings Sdn. Bhd. ("Vendor") as per profit guarantee agreement dated 26 January 2022. One of the Guarantor is the Director of the Company. The receivable is interest-free and is repayable on monthly instalment of RM1,087,941.
- (ii) Included in other receivables of the Group are deposit paid to a director of the Company for the acquisition of land of RM557,696 (31.12.2023: Nil) as disclosed in Note 33 to the financial statements.
- (iii) The Group's other receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of other receivables are as follows:

| | Group | |
|--------------------------------------|------------------|------------|
| | 30.06.2025 | 31.12.2023 |
| | RM | RM |
| At 1 January | 2,362,285 | 94,051 |
| Charge for the financial period/year | | |
| - Individually assessed | - | 2,268,234 |
| Reversal of impairment losses | (250,000) | - |
| | 2,112,285 | 2,362,285 |

13. SHORT TERM INVESTMENT

| | Group | |
|---|------------|------------|
| | 30.06.2025 | 31.12.2023 |
| | RM | RM |
| Financial assets designated at fair value through profit or loss ("DFVPL") | | |
| At fair value: | | |
| - Quoted equity securities | - | 35,960 |
| | - | 35,960 |

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

14. FIXED DEPOSITS WITH LICENSED BANK

| | Group | | Company | |
|--|------------------|------------------|------------------|------------------|
| | 30.06.2025 RM | 31.12.2023 RM | 30.06.2025 RM | 31.12.2023 RM |
| Fixed deposits placed with licensed bank | 6,400,465 | 3,776,241 | 1,861,954 | 1,800,000 |

Fixed deposits have been pledged to banks from banking facilities granted to the Group as disclosed in Note 18 and hence, are not available for general use.

The interest rates for the fixed deposits placed with licensed bank range from 2.00% to 3.10% (31.12.2023: 2.10% to 3.10%) per annum.

15. CASH AND BANK BALANCES

| | Group | | Company | |
|------------------------|------------------|------------------|------------------|------------------|
| | 30.06.2025 RM | 31.12.2023 RM | 30.06.2025 RM | 31.12.2023 RM |
| Cash and bank balances | 787,379 | 4,856,050 | 19,074 | 391,763 |

16. SHARE CAPITAL

| | Group and Company | | | |
|---|---------------------------|---------------------|--------------------|------------------|
| | Number of ordinary shares | | Amounts | |
| | 30.06.2025 Units | 31.12.2023 Units | 30.06.2025 RM | 31.12.2023 RM |
| Issued and fully paid up (no par value): | | | | |
| At 1 January | 179,844,244 | 141,760,214 | 149,498,184 | 100,111,517 |
| Share split of existing ordinary shares | 550,502,055 | - | - | - |
| Warrants exercised | 60,356,089 | 25,056,300 | 18,941,509 | 20,045,040 |
| Acquisition of a subsidiary | - | 10,200,000 | - | 25,806,000 |
| Share grant scheme | - | 2,827,730 | - | 3,535,627 |
| At 30 June/31 December | 790,702,388 | 179,844,244 | 168,439,693 | 149,498,184 |

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

During the financial period,

- (i) On 8 March 2024, the Company had completed a subdivision of every one (1) existing ordinary share into four (4) new ordinary shares in the Company ("share split"). Upon completion of the share split, the total number of ordinary shares of the Company increased to 183,518,885 shares.
- (ii) The Company issued 3,674,641 ordinary shares from the exercise of Warrants A at an exercise price of RM0.80, and subsequent to the share split, the Company issued 48,198,708 ordinary shares from the exercise of Warrants A at an exercise price of RM0.20; and
- (iii) the Company issued 8,482,740 ordinary shares from the exercise of 8,482,740 units of Warrants B at an exercise price of RM0.75.

The new ordinary shares issued during the financial period rank pari passu in all respects with the existing ordinary shares of the Company.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

16. SHARE CAPITAL (CONT'D)

Warrants

Warrants A (2022/2025)

The Warrants A issued on 29 July 2022 are constituted under a Deed Poll dated 5 July 2022 executed by the Company. The Warrants A are listed on the Bursa Malaysia Securities Berhad.

The movement of Warrants A during the financial period ended 30 June 2025 are stated as below:

| | ← | Number of Warrants A | | → |
|------------------------|------------|----------------------|--------------|-------------------|
| | At | Share | Exercised | At |
| | 01.01.2024 | Split | | 30.06.2025 |
| Warrants A (2022/2025) | 26,381,520 | 68,120,637 | (51,873,349) | 42,628,808 |

The salient features of the Warrants A (2022/2025) are as follows:

- (i) Each warrant will entitle the registered holder/(s) at any time prior to 26 July 2025 to subscribe for one (1) new ordinary share at RM0.20 each (Prior to share split: RM0.80 each). The Warrants entitlement is subject to adjustments under the terms and conditions as set out in the Deed Poll dated 5 July 2022;
- (ii) The exercise period is three (3) years from the date of issuance until the maturity date. Upon the expiry of the exercise period, any unexercised rights will lapse and cease to be valid for any purposes; and
- (iii) The holders of the Warrants are not entitled to vote in any general meetings or to participate in any dividends, distribution and/or offer of securities in the Company until and unless such holders of the Warrants exercise their Warrants into new shares.

Warrants B (2024/2027)

The Warrants B issued on 8 March 2024 are constituted under a Deed Poll dated 21 February 2024 executed by the Company. The Warrants B are listed on the Bursa Malaysia Securities Berhad.

The movement of Warrants B during the financial period ended 30 June 2025 are stated as below:

| | ← | Number of Warrants B | | → |
|------------------------|------------|----------------------|-------------|--------------------|
| | At | Issued | Exercised | At |
| | 01.01.2024 | | | 30.06.2025 |
| Warrants B (2024/2027) | - | 244,691,847 | (8,482,740) | 236,209,107 |

The salient features of the Warrants B (2024/2027) are as follows:

- (i) Each warrant will entitle the registered holder/(s) at any time prior to 12 March 2027 to subscribe for one (1) new ordinary share at RM0.75 each. The Warrants B entitlement is subject to adjustments under the terms and conditions as set out in the Deed Poll dated 21 February 2024;
- (ii) The exercise period is three (3) years from the date of issuance until the maturity date. Upon the expiry of the exercise period, any unexercised rights will lapse and cease to be valid for any purposes; and
- (iii) The holders of the Warrants B are not entitled to vote in any general meetings or to participate in any dividends, distribution and/or offer of securities in the Company until and unless such holders of the Warrants B exercise their Warrants B into new shares.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

17. OTHER RESERVES

| | | Group | | Company | |
|--------------------------------------|-----|------------------|------------------|------------------|------------------|
| | | 30.06.2025 RM | 31.12.2023 RM | 30.06.2025 RM | 31.12.2023 RM |
| Foreign currency translation reserve | (a) | 395,721 | 471,459 | - | - |
| Share grant reserve | (b) | - | 189,307 | - | 189,307 |
| | | 395,721 | 660,766 | - | 189,307 |

- (a) The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency as well as the foreign currency differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation or another currency.
- (b) In the previous financial year, share grant reserve comprises the number of ordinary shares that the Group had granted from the Long Term Incentive Scheme but yet to be allotted.

The share grant scheme reserve comprises the cumulative value of eligible employees, executive directors and non-executive directors' services received for the issue of share options. The reserve is recorded over the vesting period commencing from the grant date and is reduced by the expiry or exercise of the share options. When the share grant scheme is exercised, the amount from the share grant reserve is transferred to share capital. When the share grant scheme forfeits, the amount from the share grant reserve is transferred to retained earnings.

Share grant scheme are granted to eligible employees, executive directors and non-executive directors of the Company and its subsidiaries based on the conditions as specified on the date of offer of the scheme. The options granted are vesting immediately and settlement is by issuance of fully paid ordinary shares. The exercise price in each grant is set at the weighted average of the market prices of the Company's ordinary shares in the last five trading days before the grant date. The contractual term of each option granted is five years. There are no cash settlement alternatives. The options carry neither right to dividends nor voting rights. Share grant scheme may be exercised any time from the date of vesting to the date of expiry.

During the financial period, all unexercised share grant scheme are forfeited and the outstanding share grant reserve balances was transferred to retained earnings.

Movement of share grant scheme during the financial period

The following table illustrates the number and weighted average exercise prices ("WAEP") of, and movement in share options:

| | Number 30.06.2025 | WAEP 30.06.2025 | Number 31.12.2023 | WAEP 31.12.2023 |
|-----------------------------|----------------------|--------------------|----------------------|--------------------|
| At 1 January | 148,369 | 1.2599 | - | - |
| Granted on 18 January 2023 | - | - | 697,589 | 0.9635 |
| Granted on 11 April 2023 | - | - | 945,340 | 1.1085 |
| Granted on 15 June 2023 | - | - | 333,170 | 1.4434 |
| Granted on 30 June 2023 | - | - | 1,000,000 | 1.5240 |
| Alloted during the year | - | - | (631,920) | 0.9635 |
| Alloted during the year | - | - | (945,340) | 1.1085 |
| Alloted during the year | - | - | (333,170) | 1.4434 |
| Alloted during the year | - | - | (917,300) | 1.5240 |
| Forfeited during the period | (148,369) | - | - | - |
| At 30 June/31 December | - | - | 148,369 | 1.2599 |

In the previous financial year, the share grant scheme outstanding at 31 December 2023 have exercise prices range from RM0.9635 to RM1.5240.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

18. LOANS AND BORROWINGS

| | Note | Group | |
|------------------------------------|------|--------------------|------------------|
| | | 30.06.2025 RM | 31.12.2023 RM |
| Non-current: | | | |
| Lease liabilities | | - | 58,027 |
| Hire purchase payable | | 5,825,896 | 4,657,489 |
| Term loan | | 58,794,460 | 21,947,832 |
| | | 64,620,356 | 26,663,348 |
| Current: | | | |
| Lease liabilities | | 267,985 | 245,260 |
| Hire purchase payable | | 2,459,744 | 1,128,753 |
| Term loan | | 1,514,925 | 590,500 |
| Bankers' acceptance | | 48,346,663 | 4,296,282 |
| Revolving credit | | - | 3,000,000 |
| Bank overdrafts | | 33,432,886 | 181,755 |
| | | 86,022,203 | 9,442,550 |
| Total loans and borrowings: | | | |
| Lease liabilities | (a) | 267,985 | 303,287 |
| Hire purchase payable | (b) | 8,285,640 | 5,786,242 |
| Term loan | (c) | 60,309,385 | 22,538,332 |
| Bankers' acceptance | (d) | 48,346,663 | 4,296,282 |
| Revolving credit | (e) | - | 3,000,000 |
| Bank overdrafts | (h) | 33,432,886 | 181,755 |
| | | 150,642,559 | 36,105,898 |

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

18. LOANS AND BORROWINGS (CONT'D)

(a) Lease liabilities

Future minimum lease payments together with the present value of net minimum lease payments are as follows:

| | Group | |
|---|------------------|------------|
| | 30.06.2025 | 31.12.2023 |
| | RM | RM |
| Minimum lease payments: | | |
| Not later than one year | 271,438 | 254,245 |
| Later than one year and not later than five years | - | 58,970 |
| | 271,438 | 313,215 |
| Less: Future finance charges | (3,453) | (9,928) |
| Present value of minimum lease payments | 267,985 | 303,287 |
| Present value of minimum lease payments: | | |
| Not later than one year | 267,985 | 245,260 |
| Later than one year and not later than five years | - | 58,027 |
| | 267,985 | 303,287 |
| Less: Amount due within 12 months | (267,985) | (245,260) |
| Amount due after 12 months | - | 58,027 |

(b) Hire purchase payables

Hire purchase payables of the Group of RM8,285,640 (31.12.2023: RM5,717,653) bears interest ranging from 2.13% to 6.50% (31.12.2023: 2.13% to 7.79%) per annum and are secured by the Group's motor vehicles and plant, machinery and tools under hire purchase arrangements as disclosed in Note 5(a).

(c) Term loan

Term loan 1 of the Group of RM37,766,451 (31.12.2023: RM22,538,333) bears interest at 8.34% (31.12.2023: 8.34%) per annum and is repayable by monthly instalments over 6 years and is secured and supported as follows:

- (i) pledged of leasehold land;
- (ii) personal guarantee provided by Directors of the Company; and
- (iii) corporate guarantee provided by the Company

Term loan 2 of the Group of RM2,958,282 (31.12.2023: Nil) bears interest 4.75% (31.12.2023: Nil) per annum and is repayable by monthly instalments over 10 years and is secured and supported as follows:

- (i) Facilities agreement as principal instrument;
- (ii) Legal charge over the leasehold land of a related company; and
- (iii) Corporate guarantee by Central Global Berhad.

Term loan 3 of the Group of RM 19,584,654 (31.12.2023: Nil) bears interest 4.70% (31.12.2023: Nil) per annum and is repayable by monthly instalments over 20 years and is secured and supported as follows:

- (i) Facilities agreement as principal instrument;
- (ii) Corporate guarantee by CIC Construction Sdn. Bhd.; and
- (iii) Jointly and severally guaranteed by two directors of the Company.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

18. LOANS AND BORROWINGS (CONT'D)

(d) Bankers' acceptance

The bankers' acceptance of the Group bears interest at the rate of 3.32% to 7.40% (31.12.2023: 3.30% to 4.63%) per annum and is secured by way of corporate guarantee.

(e) Revolving credit

The revolving credit of the Group bears interest at the rate of 4.77% to 5.00% (31.12.2023: 4.44% to 5.00%) per annum and is secured by way of:

- (i) pledged of fixed deposits with a licensed bank; and
- (ii) corporate guarantee of the Company.

(f) Bank overdrafts

The bank overdraft of the Group bears interest at the rate of 7.40% to 8.15% (31.12.2023: 7.57%) per annum and is secured by way of:

- (i) facilities agreement as principal instrument;
- (ii) pledged of fixed deposits with a licensed bank as disclosed in Note 14;
- (iii) deed of assignment of contract proceed; and
- (iv) corporate guarantee provide by the Company.

19. DEFERRED TAX LIABILITIES

Deferred tax relates to the following:

| | At 1 January 2024 RM | Recognised in profit or loss (Note 26) RM | At 30 June 2025 RM |
|---|-------------------------------|--|---------------------------------|
| Group | | | |
| Property, plant and equipment | (1,187,193) | (547,190) | (1,734,383) |
| Other deductible differences | (122,196) | 1,521,350 | 1,399,154 |
| | (1,309,389) | 974,160 | (335,229) |
| | | | |
| | At 1 January 2023 RM | Recognised in profit or loss (Note 26) RM | At 31 December 2023 RM |
| Group | | | |
| Property, plant and equipment | (1,011,068) | (176,125) | (1,187,193) |
| Other deductible differences | (27,107) | (95,089) | (122,196) |
| | (1,038,175) | (271,214) | (1,309,389) |
| | | | |
| | | Group | |
| | | 30.06.2025 | 31.12.2023 |
| | | RM | RM |
| Presented after appropriate offsetting as follows: | | | |
| Deferred tax liabilities | | (335,229) | (1,309,389) |

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

19. DEFERRED TAX LIABILITIES (CONT'D)

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

| | Group | |
|------------------------------------|-------------------|-------------------|
| | 30.06.2025 RM | 31.12.2023 RM |
| Unabsorbed capital allowances | 3,070,803 | 1,174,522 |
| Unutilised reinvestment allowances | 10,022,950 | 10,022,950 |
| Unutilised tax losses | 21,792,396 | 19,442,694 |
| Others | 27,634 | 653,235 |
| | 34,913,783 | 31,293,401 |

The availability of unused tax losses for offsetting against future taxable profits of the respective subsidiaries in Malaysia are subject to requirements under the Income Tax Act, 1967 and guidelines issued by the tax authority.

The foreign unutilised tax losses applicable to foreign incorporated subsidiary company are pre-determined by and subject to the tax legislation of the respective country.

The unused tax losses are available for offset against future taxable profits of the Group up to the following financial years:

| | Group | |
|----------------|-------------------|-------------------|
| | 30.06.2025 RM | 31.12.2023 RM |
| 2031 | 38,878 | 2,386,843 |
| 2032 | 382,530 | 382,530 |
| 2033 | 16,648,213 | 16,648,213 |
| 2035 | 4,657,348 | - |
| With no expiry | 65,427 | 25,108 |
| | 21,792,396 | 19,442,694 |

The unutilised reinvestment allowances will expire as follows:

| | Group | |
|--|------------------|------------------|
| | 30.06.2025 RM | 31.12.2023 RM |
| Unutilised reinvestment allowances 2025 | 10,022,950 | 10,022,950 |

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

20. TRADE AND OTHER PAYABLE

| | Note | Group | | Company | |
|----------------------------|------|-------------------|-------------------|------------------|------------------|
| | | 30.06.2025 RM | 31.12.2023 RM | 30.06.2025 RM | 31.12.2023 RM |
| Trade | | | | | |
| Third parties | | 26,560,790 | 42,542,422 | - | - |
| Accrued cost | | 28,195,248 | 26,257,775 | - | - |
| Retention sum | (a) | 17,010,676 | 10,934,252 | - | - |
| | | 71,766,714 | 79,734,449 | - | - |
| Non-trade | | | | | |
| Amount due to subsidiaries | (b) | - | - | 7,161,417 | 5,709,864 |
| Amount due to directors | (c) | 488,173 | - | - | - |
| Other payables | | 5,417,947 | 4,237,170 | 640,811 | 200,056 |
| Accrued expense | | 1,977,464 | 596,803 | 301,000 | 69,070 |
| | | 7,883,584 | 4,833,973 | 8,103,228 | 5,978,990 |
| | | 79,650,298 | 84,568,422 | 8,103,228 | 5,978,990 |

- (a) Retention sum relates to construction work-in-progress. Retention sum is unsecured, interest-free and is expected to be paid after 2 years. The retention sum which is payable upon the expiry of defect liability period is expected to be settled as follows:

| | Group | |
|------------------|-------------------|-------------------|
| | 30.06.2025 RM | 31.12.2023 RM |
| Within 1 year | 1,574,608 | 4,681,419 |
| More than 1 year | 15,436,068 | 6,252,833 |
| | 17,010,676 | 10,934,252 |

- (b) Amount due to subsidiaries are unsecured, non-interest bearing, repayable upon demand.
- (c) Amount due to directors are unsecured, non-interest bearing, repayable upon demand.

21. REVENUE

| | Group | | Company | |
|---|---|---|---|---|
| | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM |
| Revenue from contract customers: | | | | |
| - Sale of goods | 53,622,536 | 50,151,292 | - | - |
| - Construction contracts | 261,257,013 | 168,412,468 | - | - |
| Revenue from other source: | | | | |
| - Management fees | - | - | 3,394,080 | - |
| | 314,879,549 | 218,563,760 | 3,394,080 | - |

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

21. REVENUE (CONT'D)

(a) Disaggregation of revenue

For the purpose of disclosure for disaggregation of revenue, it disaggregates revenue into primary geographical markets, major products or services, timing and revenue recognition (i.e. goods transferred at a point in time or services transferred over time).

| | Group | | Company | |
|--|---|---|---|---|
| | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM |
| Primary geographical markets | | | | |
| - Malaysia | 294,866,902 | 199,041,825 | 3,394,080 | - |
| - Asia (excluding Malaysia) | 15,252,904 | 14,073,991 | - | - |
| - Australia | 2,107,104 | 2,928,446 | - | - |
| - United States of America | 400,075 | 756,576 | - | - |
| - Europe | 1,826,493 | 919,108 | - | - |
| - Other countries | 426,071 | 843,814 | - | - |
| | 314,879,549 | 218,563,760 | 3,394,080 | - |
| Major products and services lines | | | | |
| - Self-adhesive tapes | 39,702,153 | 32,504,183 | - | - |
| - Self-adhesive label stocks | 7,969,348 | 10,071,177 | - | - |
| - Trading goods | 5,951,035 | 7,575,932 | - | - |
| - Construction contracts | 261,257,013 | 168,412,468 | - | - |
| - Management fees | - | - | 3,394,080 | - |
| | 314,879,549 | 218,563,760 | 3,394,080 | - |
| Timing and revenue | | | | |
| - At a point in time | 53,622,536 | 50,151,292 | 3,394,080 | - |
| - Over time | 261,257,013 | 168,412,468 | - | - |
| | 314,879,549 | 218,563,760 | 3,394,080 | - |

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

21. REVENUE (CONT'D)

(b) Nature of goods and services

The following information reflects the typical transactions of the Group:

| Nature of goods or services | Timing of recognition or method used to recognise revenue | Significant payment terms | Variable element in consideration | Obligation for returns or refunds | Warranty |
|-----------------------------|--|--|--|---|--|
| Label stocks and tapes | Revenue is recognised when the control of the goods are transferred and accepted by the customers. | Credit period of 14 – 90 days from invoice date. | Discounts are given to customers where the customers pay within 30 days from invoice date. | The Group allows returns only for exchange with new goods (i.e. no cash refunds are offered). | Not applicable. |
| Construction contracts | Revenue is recognised over time using the cost incurred method. The construction is on land owned by the customer. | Based on agreed milestones, certified by architects. | Certain projects are embedded with sharing of base cost saving. | Not applicable. | Defect liability period of 2 years is given to the customer. |

(c) Transaction price allocated to the remaining performance obligations

The revenue from performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date is RM568,485,858 (31.12.2023: RM233,559,087). The Group expected to recognise the revenue progressively over 1 to 3 years (31.12.2023: 1 to 2 years) based on the progress of satisfaction of the performance obligation.

The Group applies the practical expedient in paragraph 121(a) of MFRS 15 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

| | 2026 RM | 2027 RM | 2028 RM | Total RM |
|------------------------|-------------|-------------|-------------|-------------|
| 30.06.2025 | | | | |
| Construction contracts | 236,908,786 | 199,855,859 | 131,721,213 | 568,485,858 |
| | | | | |
| | 2024 RM | 2025 RM | 2026 RM | Total RM |
| 31.12.2023 | | | | |
| Construction contracts | 171,821,708 | 61,737,379 | - | 233,559,087 |

The Group applies the following practical expedients:

- exemption on disclosure of information on remaining performance obligations that have original expected durations of one year or less.
- exemption not to adjust the promised amount of consideration for the effects of a significant financing component when the period between the transfer of a promised good or service to a customer and when the customer pays for that good or service is one year or less.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

22. FINANCE INCOME

| | Group | | Company | |
|-----------------------|---|---|---|---|
| | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM |
| Interest income from: | | | | |
| - Fixed deposits | 119,645 | 70 | 61,954 | - |
| - REPO | 151 | 47,556 | - | - |
| | 119,796 | 47,626 | 61,954 | - |

23. FINANCE COST

| | Group | | Company | |
|------------------------|---|---|---|---|
| | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM |
| Interest expense from: | | | | |
| - Revolving credit | - | 131,070 | - | - |
| - Bankers' acceptance | 975,459 | 230,531 | - | - |
| - Bank overdrafts | 1,261,493 | 13,102 | - | - |
| - Lease liabilities | 688,968 | 24,720 | - | - |
| -Term loan | 374,104 | - | - | - |
| | 3,300,024 | 399,423 | - | - |

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

24. PROFIT/(LOSS) BEFORE TAX

Other than disclosed elsewhere in the financial statements, the following items have been charged/(credited) in arriving at profit/(loss) before tax:

| | Group | | Company | |
|---|---|---|---|---|
| | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM |
| Auditors' remuneration | | | | |
| - statutory audit: | | | | |
| - Baker Tilly Monteiro Heng PLT | 366,000 | 303,500 | 65,000 | 46,000 |
| - Other auditors | 20,304 | 14,617 | - | - |
| Other services | | | | |
| - Baker Tilly Monteiro Heng PLT | 142,100 | 31,000 | 52,100 | 31,000 |
| - Member firms of Baker Tilly International | 75,407 | 25,000 | 16,400 | 2,500 |
| - Other auditors | 12,832 | 69,194 | - | 56,125 |
| Depreciation of: | | | | |
| - property, plant and equipment | 4,097,796 | 1,663,637 | 7,224 | 8,943 |
| - right-of-use assets | 600,568 | 424,465 | - | - |
| - investment properties | 25,349 | 16,899 | - | - |
| (Gain)/loss on disposal of property, plant and equipment | 56,392 | (395,720) | - | - |
| Property, plant and equipment written off | 236 | 4 | - | - |
| Expenses relating to: | | | | |
| - short term lease | 649,313 | 487,850 | 100,260 | 49,840 |
| - low value assets | 47,155 | 38,614 | 6,695 | 4,602 |
| Impairment loss on goodwill | 15,310,693 | - | - | - |
| Impairment loss in investment in a subsidiary | - | - | 146,000 | 3,138,085 |
| Impairment loss on financial assets and contract assets: | | | | |
| - trade receivables | 1,990,899 | 21,259,966 | - | - |
| - other receivables | - | 2,268,234 | - | - |
| - contract assets | - | 18,646,747 | - | - |
| Reversal of impairment loss on | | | | |
| - other receivables | (250,000) | - | - | - |
| - contract assets | (202,112) | - | - | - |
| Loss on termination of lease | 109,280 | - | - | - |
| Disposal of shares arising from internal restructuring | - | - | 685,915 | - |
| Fair value loss/(gain) on short term investment | 35,960 | (8,810) | - | - |
| Net realised foreign exchange loss | 80,644 | (7,853) | - | - |
| Net unrealised foreign exchange loss | (83,373) | (9,389) | - | - |

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

24. PROFIT/(LOSS) BEFORE TAX (CONT'D)

Other than disclosed elsewhere in the financial statements, the following items have been charged/(credited) in arriving at profit/(loss) before tax: (Cont'd)

| | Group | | Company | |
|--|---|---|---|---|
| | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM |
| Employee benefits expense (excluding directors' emoluments) | - | 129,116 | - | - |
| - Wages, salaries and others | 13,313,974 | 9,241,317 | 486,639 | 272,428 |
| - Employees' Provident Fund contribution | 1,601,114 | 1,130,733 | 72,198 | 31,896 |
| - SOCSO | 197,615 | 141,940 | 2,815 | 1,470 |
| - Share grant scheme | - | 1,899,768 | - | 8,470 |

25. DIRECTORS REMUNERATION

| | Group | | Company | |
|------------------------------|---|---|---|---|
| | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM |
| Directors | | | | |
| - Fees | 311,769 | 199,477 | 311,769 | 199,477 |
| - Remuneration and others | 3,219,443 | 1,866,052 | 1,192,717 | 556,000 |
| - Defined contribution plans | 386,068 | 239,081 | 135,600 | 60,440 |
| - Share grant scheme | - | 1,635,859 | - | 1,528,807 |
| | 3,917,280 | 3,940,469 | 1,640,086 | 2,344,724 |

NOTES TO THE FINANCIAL STATEMENTS

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26. INCOME TAX EXPENSE

The major components of income tax expense for the financial period/year ended 30 June 2025 and 31 December 2023 are as follows:

| | Group | |
|---|---|---|
| | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM |
| Current tax expense | | |
| - Current year | 6,727,448 | 5,228,675 |
| - Prior year | 131,433 | (194,890) |
| | 6,858,881 | 5,033,785 |
| Deferred tax expense (Note 20) | | |
| - (Reversal)/Origination of temporary differences | (914,660) | (686,587) |
| - Prior year | (59,500) | 957,800 |
| | (974,160) | 271,213 |
| Total tax expense | 5,884,721 | 5,304,998 |

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% (31.12.2023: 24%) of the estimated assessable profit for the financial period.

The reconciliations from the tax amount at the statutory income tax rate to the Group's and the Company's tax expense are as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM | 01.01.2024 to 30.06.2025 (18 months) RM | 01.01.2023 to 31.12.2023 (12 months) RM |
| Profit/(Loss) before tax | 13,468,939 | (32,576,156) | (806,034) | (7,309,533) |
| Tax at Malaysian statutory income tax of 24% (31.12.2023: 24%) | 3,232,545 | (7,818,277) | (193,448) | (1,754,288) |
| Effect of lower tax rate in foreign jurisdiction | 3,353 | (7,429) | - | - |
| Non-deductible expenses | 4,842,418 | 12,069,410 | 193,448 | 1,754,288 |
| Income not subject to tax | (3,134,420) | (28,201) | - | - |
| Origination/(Utilisation) of deferred tax assets not recognised | 868,892 | 326,585 | - | - |
| Adjustment in respect of income tax of prior years | 131,433 | (194,890) | - | - |
| Adjustment in respect of deferred tax of prior years | (59,500) | 957,800 | - | - |
| Income tax expense | 5,884,721 | 5,304,998 | - | - |

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

27. EARNINGS/(LOSS) PER ORDINARY SHARE**Basic earnings/(loss) per ordinary share**

Basic earnings/(loss) per share are based on the profit/(loss) for the financial period attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial period, calculated as follows:

| | Group | |
|--|--------------------|--------------|
| | 30.06.2025 | 31.12.2023 |
| | RM | RM |
| Profit/(loss) attributable to owners of the Company | 7,584,218 | (42,060,869) |
| Number of ordinary shares as at beginning of the period/year | 156,090,470 | 119,033,564 |
| Weighted average number of ordinary shares | 209,750,231 | 37,056,906 |
| Share split completed on 8 March 2024 * | 550,556,655 | 550,556,655 |
| Weighted average number of ordinary shares for basic earnings/(loss) per share | 916,397,356 | 706,647,125 |
| Basic earnings/(loss) per ordinary share (sen) | 0.83 | (5.95) |

Diluted earnings/(loss) per ordinary share

Diluted earnings/(loss) per ordinary share are based on the earnings/(loss) for the financial period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period plus the weighted average number of ordinary shares that would be issued on conversion of the Warrants into ordinary shares, calculated as follows:

| | Group | |
|---|--------------------|--------------|
| | 30.06.2025 | 31.12.2023 |
| | RM | RM |
| Profit/(loss) attributable to owners of the Company | 7,584,218 | (42,060,869) |
| Weighted average number of ordinary shares for basic earnings/(loss) per share* | 916,397,356 | 706,647,125 |
| Effect of dilution from Warrants | 94,175 | 122,689 |
| | 916,491,531 | 706,769,814 |
| Diluted earning/(loss) per ordinary share (sen) | 0.83 | (5.95) |

* The weighted average number of ordinary shares has been restated for previous financial year arising from share split of the subdivision of every 1 CGB Share held by the Share Split Entitled Shareholders on the Share Split Entitlement Date, into 4 Split Shares, resulting in the number of shares from 156,090,470 to 706,647,125.

NOTES TO THE FINANCIAL STATEMENTS

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28. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned:

- (i) Amortised cost
- (ii) Fair value through profit or loss ("FVPL")

| Group | Carrying amount RM | Amortised cost RM | FVPL RM |
|-----------------------------------|--------------------------|-------------------------|---------------|
| 30.06.2025 | | | |
| Financial assets | | | |
| Trade and other receivables ^ | 123,427,706 | 123,427,706 | - |
| Fixed deposits with licensed bank | 6,400,465 | 6,400,465 | - |
| Cash and bank balances | 787,379 | 787,379 | - |
| | 130,615,550 | 130,615,550 | - |
| Financial liabilities | | | |
| Loans and borrowings | 150,642,559 | 150,642,559 | - |
| Trade and other payables | 79,650,298 | 79,650,298 | - |
| | 230,292,857 | 230,292,857 | - |
| 31.12.2023 | | | |
| Financial assets | | | |
| Trade and other receivables ^ | 157,408,650 | 157,408,650 | - |
| Short term investment | 35,960 | - | 35,960 |
| Fixed deposits with licensed bank | 3,776,241 | 3,776,241 | - |
| Cash and bank balances | 4,856,050 | 4,856,050 | - |
| | 166,076,901 | 166,040,941 | 35,960 |
| Financial liabilities | | | |
| Loans and borrowings | 36,105,898 | 36,105,898 | - |
| Trade and other payables | 84,568,422 | 84,568,422 | - |
| | 120,674,320 | 120,674,320 | - |

^ Exclude prepayment and advance payment to suppliers

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

28. FINANCIAL INSTRUMENTS (CONT'D)

(a) Categories of financial instruments (Cont'd)

| Company | Carrying amount RM | Amortised cost RM |
|-----------------------------------|--------------------------|-------------------------|
| 30.06.2025 | | |
| Financial assets | | |
| Trade and other receivables ^ | 48,595,349 | 48,595,349 |
| Fixed deposits with licensed bank | 1,861,954 | 1,861,954 |
| Cash and bank balances | 19,074 | 19,074 |
| | 50,476,377 | 50,476,377 |
| Financial liability | | |
| Trade and other payables | 8,103,228 | 8,103,228 |
| 31.12.2023 | | |
| Financial assets | | |
| Trade and other receivables ^ | 27,273,386 | 27,273,386 |
| Fixed deposits with licensed bank | 1,800,000 | 1,800,000 |
| Cash and bank balances | 391,763 | 391,763 |
| | 29,465,149 | 29,465,149 |
| Financial liability | | |
| Trade and other payables | 5,978,990 | 5,978,990 |

^ Exclude prepayment

(b) Financial risk management

The Group's and the Company's activities are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and foreign currency risk. The Group's and the Company's overall financial risk management objective is to optimise value for their shareholders. The Group and the Company use derivative financial instruments, such as, foreign exchange contracts to hedge certain exposures. The Group and the Company do not trade in financial instruments.

The Board of Directors reviews and agrees to policies and procedures for the management of these risks, which are executed by the Group's senior management and executive directors. The audit committee provides independent oversight to the effectiveness of the risk management process.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

28. FINANCIAL INSTRUMENTS (CONT'D)**(b) Financial risk management (Cont'd)****(i) Credit risk**

Credit risk is the risk of financial loss to the Group and the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and the Company are exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Group and the Company have a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

The Group and the Company consider a financial asset to be in default when:

- the counterparty is unable to pay its credit obligations to the Group and the Company in full, without taking into account any credit enhancements held by the Group and the Company; or
- the contractual payment of the financial asset is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

At the end of the reporting period, the Group and the Company assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Those events evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the counterparty;
- a breach of contract, including a default event;
- a concession or restructuring of loans granted by the lender of the counterparty relating to the counterparty's financial difficulty; or
- it is probable that the counterparty will enter bankruptcy or other financial reorganisation.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedure for recovery of amounts due.

Trade receivables and contract assets

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets is represented by the carrying amounts in the statements of financial position.

The carrying amount of trade receivables and contract assets are not secured by any collateral or supported by any other credit enhancements. In determining the recoverability of these receivables, the Group considers any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. The Group has adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

28. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(i) Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

Credit risk concentration profile

The Group determines the credit risk concentration of its trade receivables and contract assets by geographical region. The credit risk concentration profile of the Group's trade receivables and contract assets at the reporting date are as follows:

| | Group | |
|---------------------------|--------------------|--------------------|
| | 30.06.2025 | 31.12.2023 |
| | RM | RM |
| Malaysia | 242,109,541 | 149,207,228 |
| Asia (excluding Malaysia) | 1,048,186 | 1,467,168 |
| Australia | - | 438,667 |
| United States of America | 704,423 | 122,967 |
| | 243,862,150 | 151,236,030 |

The Group applies the simplified approach to provide for impairment losses prescribed by MFRS 9, which permits the use of the lifetime expected credit losses provision for all trade receivables and contract assets. To measure the impairment losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The impairment losses also incorporate forward looking information.

For construction contracts, as there are only a few customers, the Group assessed the risk of loss of each customer individually based on their financial information, past trend of payments and external credit ratings, where applicable.

The information about the credit risk exposure on the Group's trade receivables and contract assets are as follows:

| | Gross carrying amount RM | Impairment loss RM | Net balance RM |
|----------------------------|-----------------------------------|--------------------------|----------------------|
| Group | | | |
| At 30 June 2025 | | | |
| Contract assets | 174,328,673 | (18,444,635) | 155,884,038 |
| Trade receivables | | | |
| Current (not past due) | 44,867,308 | - | 44,867,308 |
| 1 - 30 days past due | 8,135,536 | - | 8,135,536 |
| 31 - 60 days past due | 6,175,728 | - | 6,175,728 |
| 61 - 90 days past due | 904,522 | - | 904,522 |
| More than 90 days past due | 53,022,234 | (25,127,216) | 27,895,018 |
| | 113,105,328 | (25,127,216) | 87,978,112 |

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

28. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(i) Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

Credit risk concentration profile (Cont'd)

| | Gross carrying amount RM | Impairment loss RM | Net balance RM |
|----------------------------|-----------------------------------|--------------------------|----------------------|
| Group | | | |
| At 31 December 2023 | | | |
| Contract assets | 19,121,204 | (18,646,747) | 474,457 |
| Trade receivables | | | |
| Current (not past due) | 66,913,060 | - | 66,913,060 |
| 1 - 30 days past due | 38,225,072 | - | 38,225,072 |
| 31 - 60 days past due | 20,701,909 | - | 20,701,909 |
| 61 - 90 days past due | 22,033,254 | - | 22,033,254 |
| More than 90 days past due | 26,024,595 | (23,136,317) | 2,888,278 |
| | 173,897,890 | (23,136,317) | 150,761,573 |

The movement in allowance for impairment losses on trade receivables and contract assets are as follows:

| | Group | |
|--------------------------------------|------------------|------------------|
| | 30.06.2025 RM | 31.12.2023 RM |
| Credit impaired | | |
| At 1 January | 41,783,064 | 1,876,351 |
| Charge for the financial period/year | | |
| - Individually assessed | 1,990,899 | 39,906,713 |
| Reversal of impairment losses | (202,112) | - |
| At 30 June/31 December | 43,571,851 | 41,783,064 |

Other receivables and other financial assets

For other receivables and other financial assets (including investment securities, cash and cash equivalents and derivatives), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

28. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(i) Credit risk (Cont'd)

Other receivables and other financial assets (Cont'd)

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

Some intercompany loans between entities within the Group are repayable on demand. For loans that are repayable on demand, impairment losses are assessed based on the assumption that repayment of the loan is demanded at the reporting date. If the borrower does not have sufficient highly liquid resources when the loan is demanded, the Group and the Company will consider the expected manner of recovery and recovery period of the intercompany loan.

As at the end of the reporting date, the Group and the Company consider the other receivables and other financial assets as low credit risk and any loss allowance would be negligible.

Financial guarantee contracts

The maximum exposure to credit risk amounts to RM 54,527,797 (31.12.2023: RM36,607,352) where the financial guarantees of RM2,883,867 (31.12.2023: RM2,369,566) and RM51,643,930 (31.12.2023: RM34,237,786) are provided as credit enhancements to a subsidiary's secured contracts and a subsidiary's secured banking facilities respectively.

The Company is exposed to credit risk in relation to financial guarantees given to banks in respect of loans granted to certain subsidiaries. The Company monitors the results of the subsidiaries and their repayment on an on-going basis. The maximum exposure to credit risks representing the maximum amount the Company could pay if the guarantee is called on as disclosed in Note 29(b) (ii). As at the reporting date, there was no loss allowance for impairment as determined by the Company for the financial guarantee.

The financial guarantees have not been recognised since the fair value on initial recognition was not material as the guarantee is provided as credit enhancement to subsidiaries' secured borrowings.

(ii) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arise primarily from mismatches of the maturities between financial assets and liabilities. The Group's and the Company's exposure to liquidity risk arise principally from trade and other payables, loans and borrowings.

The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by facilities. The Group and the Company maintain sufficient liquidity and available funds to meet daily cash needs, while maintaining controls and security over cash movements. The Group and the Company use a series of processes to obtain maximum benefits from its flow of funds, such that they are efficiently managed to maximise income from investment and minimise cost on borrowed funds. The Group's and the Company's treasury department also ensure that there are sufficient unutilised stand-by facilities, funding and liquid assets available to meet both short-term and long-term funding requirements.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

28. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(ii) Liquidity risk (Cont'd)

Maturity analysis

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date based on contractual undiscounted repayment obligations are as follows:

| Group | Contractual cash flows | | | | Total RM |
|----------------------------|--------------------------|--|-----------------------------------|----------------------------|--------------------|
| | Carrying amount RM | On demand or within 1 year RM | Between 1 and 5 years RM | More than 5 years RM | |
| At 30 June 2025 | | | | | |
| Trade and other payables | 79,650,298 | 79,650,298 | - | - | 79,650,298 |
| Lease liabilities | 267,985 | 271,438 | - | - | 271,438 |
| Hire purchase payable | 8,285,640 | 2,782,180 | 6,374,983 | - | 9,157,163 |
| Term loan | 60,309,385 | 2,508,220 | 40,539,310 | 24,833,938 | 67,881,468 |
| Bankers' acceptance | 48,346,663 | 48,346,663 | - | - | 48,346,663 |
| Bank overdrafts | 33,432,886 | 33,432,886 | - | - | 33,432,886 |
| | 230,292,857 | 166,991,685 | 46,914,293 | 24,833,938 | 238,739,916 |
| At 31 December 2023 | | | | | |
| Trade and other payables | 84,568,422 | 84,568,422 | - | - | 84,568,422 |
| Lease liabilities | 303,287 | 254,245 | 58,970 | - | 313,215 |
| Hire purchase payable | 5,786,242 | 1,491,536 | 5,058,650 | - | 6,550,186 |
| Term loan | 22,538,332 | - | 23,700,340 | - | 23,700,340 |
| Bankers' acceptance | 4,296,282 | 4,296,282 | - | - | 4,296,282 |
| Bank overdrafts | 181,755 | 181,755 | - | - | 181,755 |
| Revolving credit | 3,000,000 | 3,000,000 | - | - | 3,000,000 |
| | 120,674,320 | 93,792,240 | 28,817,960 | - | 122,610,200 |

| | Contractual cash flows | | |
|-------------------------------|--------------------------|--|-------------------|
| | Carrying amount RM | On demand or within 1 year RM | Total RM |
| Company | | | |
| At 30 June 2025 | | | |
| Trade and other payables | 8,103,228 | 8,103,228 | 8,103,228 |
| Financial guarantee contracts | - | 54,527,797 | 54,527,797 |
| | 8,103,228 | 62,631,025 | 62,631,025 |
| At 31 December 2023 | | | |
| Trade and other payables | 5,978,990 | 5,978,990 | 5,978,990 |
| Financial guarantee contracts | - | 36,607,352 | 36,607,352 |
| | 5,978,990 | 42,586,342 | 42,586,342 |

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

28. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(iii) Foreign currency risk

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as a result of changes in foreign exchange rates. The Group's and the Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's and the Company's operating activities (when sales and purchases that are denominated in a foreign currency) and the Group's net investments in foreign subsidiaries.

Management has set up a policy that requires all companies within the Group and the Company to manage their treasury activities and exposures. The Group's and the Company's policy is to hedge all material foreign currency exposures arising from its transactions and balances using derivative instruments that have maturity periods that match the corresponding maturity periods of the hedged items. In addition, the Group and the Company also takes advantage of any natural effects of its foreign currencies revenues and expenses by maintaining current accounts in foreign currencies.

The Group's unhedged financial assets and liabilities that are not denominated in their functional currencies are as follows:

| | Group | |
|---|--------------------|------------------|
| | 30.06.2025 | 31.12.2023 |
| | RM | RM |
| Financial assets and (liabilities) not held in functional currencies | | |
| <u>Trade and other receivables</u> | | |
| United States Dollar ("USD") | 511,785 | 1,031,844 |
| Chinese Yuan ("CNY") | - | 311,648 |
| Singapore Dollar ("SGD") | 1,345,023 | 1,277,116 |
| | 1,856,808 | 2,620,608 |
| <u>Cash and cash equivalents</u> | | |
| United States Dollar ("USD") | 335,623 | 1,610,244 |
| Singapore Dollar ("SGD") | 75,886 | 555,384 |
| | 411,509 | 2,165,628 |
| <u>Trade and other payables</u> | | |
| United States Dollar ("USD") | (1,093,913) | (305,592) |
| Chinese Yuan ("CNY") | - | (1,832) |
| Singapore Dollar ("SGD") | (119,953) | (156,927) |
| Japanese Yen ("JPY") | - | (20,823) |
| | (1,213,866) | (485,174) |

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

28. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(iii) Foreign currency risk (Cont'd)

Sensitivity analysis for foreign currency risk

The Group's principal foreign currency exposure relates mainly to USD, CNY, SGD and JPY.

The following table demonstrates the sensitivity to a reasonably possible change in the USD, CNY, SGD and JPY, with all other variables held constant on the Group's and the Company's total equity and profit for the financial year.

| | Change in rate % | Effect on profit for the financial year/equity RM |
|-------------------------|------------------------|---|
| Group | | |
| 30 June 2025 | | |
| - USD | + 10% | (18,734) |
| | - 10% | 18,734 |
| - SGD | + 10% | 98,873 |
| | - 10% | (98,873) |
| <hr/> | | |
| Group | | |
| 31 December 2023 | | |
| - USD | + 10% | 177,574 |
| | - 10% | (177,574) |
| - CNY | + 10% | 23,546 |
| | - 10% | (23,546) |
| - SGD | + 10% | 127,344 |
| | - 10% | (127,344) |
| - JPY | + 10% | (1,583) |
| | - 10% | 1,583 |
| <hr/> | | |

(c) Fair value measurement

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

There were no transfers in either directions during the financial period (31.12.2023: no transfer in either directions).

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

29. RELATED PARTIES

(a) Identify of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Group include:

- (i) Subsidiaries;
- (ii) Entities in which directors have substantial financial interests; and
- (iii) Key management personnel of the Group and the Company, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

(b) Significant related party transactions

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

| | Company | |
|--------------------------------|--------------------|--------------------|
| | 01.01.2024 | 01.01.2023 |
| | to | to |
| | 30.06.2025 | 31.12.2023 |
| | (18 months) | (12 months) |
| | RM | RM |
| Rental expense | | |
| Subsidiary | 100,260 | 49,840 |
| Management fee received | | |
| Subsidiary | (3,394,080) | - |

Significant outstanding balances with related parties at the end of the reporting period are as disclosed in Note 12 and Note 20.

The Company provides secured corporate guarantees to banks in respect of banking facilities granted to the subsidiaries as disclosed in Note 18.

(c) Compensation of key management personnel

Key management personnel includes all the Directors of the Group.

| | Group | | Company | |
|-----------------------------|--------------------|--------------------|--------------------|--------------------|
| | 01.01.2024 | 01.01.2023 | 01.01.2024 | 01.01.2023 |
| | to | to | to | to |
| | 30.06.2025 | 31.12.2023 | 30.06.2025 | 31.12.2023 |
| | (18 months) | (12 months) | (18 months) | (12 months) |
| | RM | RM | RM | RM |
| Short term employee benefit | 3,315,765 | 2,150,256 | 1,649,040 | 831,851 |
| Defined contribution plan | 367,139 | 238,736 | 159,871 | 68,448 |
| Share grant scheme | - | 1,635,859 | - | 1,528,807 |
| | 3,682,902 | 4,024,851 | 1,805,911 | 2,429,106 |

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

30. CAPITAL MANAGEMENT

The primary objective of the Group's and the Company's capital management is to ensure that they maintain a strong credit rating and healthy capital ratio in order to support their business and maximise shareholder value. The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies and processes during the financial period/year ended 30 June 2025 and 31 December 2023.

The Group and the Company monitor capital using debt to equity ratio. The debt to equity ratio is calculated as total debts divided by total equity. The debt to equity ratio at 30 June 2025 and 31 December 2023 are as follows:

| | Group | | Company | |
|--|--------------------|------------------|--------------------|------------------|
| | 30.06.2025 RM | 31.12.2023 RM | 30.06.2025 RM | 31.12.2023 RM |
| Total loan and borrowings | 150,642,559 | 36,105,898 | - | - |
| Less: Cash and bank balances | (787,379) | (4,856,050) | (19,074) | (391,763) |
| Less: Fixed deposits with licensed banks | (6,400,465) | (3,776,241) | (1,861,954) | (1,800,000) |
| Net cash | 143,454,715 | 27,473,607 | (1,881,028) | (2,191,763) |
| Total equity | 112,380,998 | 85,931,009 | 153,855,653 | 135,720,178 |
| Debt-to-equity ratio | 127.65% | 31.97% | NA | NA |

There were no changes in the Group's and the Company's approach to capital management during the financial period.

31. SEGMENT INFORMATION

The Group prepared the following segment information in accordance with MFRS 8 Operating Segments based on the internal reports of the Group's strategic business units which are regularly reviewed by the Chief Operating Decision Maker ("CODM") (i.e. Managing Director of respective business units) for the purpose of making decisions about resource allocation and performance assessment.

The reportable operating segments are as follows:

| Segments | Products and services |
|---------------------------|---|
| Manufacturing and trading | Manufacturing and trading of self-adhesive label stocks, tapes and related products |
| Construction contracts | Construction of residential buildings and public infrastructure. |
| Others | Investment holding. |

Intersegment pricing is determined based on negotiated terms.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

31. SEGMENT INFORMATION (CONT'D)

Segments profit

Segment performance is used to measure performance as CODM believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Performance is evaluated based on operating profit or loss which is measured differently from operating profit or loss in the consolidated financial statements.

Segments assets

The total of segment assets is measured on all assets (including goodwill) of a segment, as included in the internal management reports that are reviewed by the CODM. Segment total assets are used to measure the return on assets of each segment.

Segments liabilities

Segment liabilities information is neither included in the internal reports that are reviewed by the Group's CODM. Hence, no disclosure is made on segment liability.

Segments capital expenditure

Segment capital expenditure is the total cost incurred during the financial period to acquire property, plant and equipment, investment properties and intangible assets other than goodwill.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

31. SEGMENT INFORMATION (CONT'D)

| Revenue | Note | Manufacturing and trading | | Construction contracts | | Others | | Eliminations | | Consolidated | |
|--|------|---------------------------|--------------------|------------------------|---------------------|--------------------|--------------------|----------------------|----------------------|--------------------|---------------------|
| | | 30.06.2025 | 31.12.2023 | 30.06.2025 | 31.12.2023 | 30.06.2025 | 31.12.2023 | 30.06.2025 | 31.12.2023 | 30.06.2025 | 31.12.2023 |
| | | RM | RM | RM | RM | RM | RM | RM | RM | RM | RM |
| Revenue from external customers | | 53,622,536 | 50,151,292 | 261,257,013 | 168,412,468 | - | - | - | - | 314,879,549 | 218,563,760 |
| Inter-segment revenue | A | 4,009,752 | 3,766,434 | 19,821,853 | 24,803,159 | 4,922,100 | - | (28,753,705) | (28,569,593) | - | - |
| | | 57,632,288 | 53,917,726 | 281,078,866 | 193,215,627 | 4,922,100 | - | (28,753,705) | (28,569,593) | 314,879,549 | 218,563,760 |
| Results | | | | | | | | | | | |
| Included in measure of segment profit/(loss) are: | | | | | | | | | | | |
| Depreciation of: | | | | | | | | | | | |
| - Property, plant and equipment | | (1,720,757) | (837,654) | (2,166,648) | (783,661) | (160,322) | (8,943) | (50,069) | (93,379) | (4,097,796) | (1,663,637) |
| - Right-of-use assets | | (491,374) | (306,966) | (109,194) | (119,309) | - | - | - | 1,810 | (600,568) | (424,465) |
| - Investment properties | | (75,418) | (50,278) | - | - | - | - | 50,069 | 33,379 | (25,349) | (16,899) |
| Net reversal/(impairment loss) on financial instruments and contract assets | | - | - | (1,538,787) | (42,174,947) | - | - | - | - | (1,538,787) | (42,174,947) |
| Finance income | | 56,116 | 128,445 | 41,789 | 21,010 | 61,954 | - | (40,063) | (101,829) | 119,796 | 47,626 |
| Finance costs | | (863,440) | (388,521) | (2,436,578) | (112,731) | (40,069) | - | 40,063 | 101,829 | (3,300,024) | (399,423) |
| Segment profit/ (loss) | | (6,269,662) | (3,853,089) | 27,019,272 | (24,470,392) | 8,809,200 | (8,153,825) | (16,089,871) | 3,901,150 | 13,468,939 | (32,576,156) |
| Included in the measure of segment assets are: | | | | | | | | | | | |
| Additions to non-current assets other than financial instruments and deferred tax assets | | 17,768,884 | 35,524,818 | 25,442,000 | 3,457,225 | 3,449 | 462 | (7,175,162) | (22,076,066) | 36,039,171 | 16,906,439 |
| Segment assets | | 95,228,475 | 85,389,639 | 296,786,571 | 234,255,352 | 269,424,403 | 143,206,341 | (293,742,507) | (225,724,439) | 367,696,942 | 237,126,893 |

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

31. SEGMENT INFORMATION (CONT'D)

A Inter-segment revenue

Inter-segment revenues are eliminated on consolidation.

Geographical information

Revenue and non-current assets information based on the geographical location of customers are as follows:

| | Revenue RM | Non-current assets RM |
|---------------------------|--------------------|-----------------------------|
| 30.06.2025 | | |
| Malaysia | 294,866,901 | 65,395,143 |
| Asia (excluding Malaysia) | 15,252,904 | 259,382 |
| Australia | 2,107,104 | - |
| United States of America | 400,075 | - |
| Europe | 1,826,493 | - |
| Others | 426,072 | - |
| | 314,879,549 | 65,654,525 |
| 31.12.2023 | | |
| Malaysia | 199,041,825 | 49,923,735 |
| Asia (excluding Malaysia) | 14,073,991 | 112,872 |
| Australia | 2,928,446 | - |
| United States of America | 756,576 | - |
| Europe | 919,108 | - |
| Others | 843,814 | - |
| | 218,563,760 | 50,036,607 |

Information about major customers

For construction segment, revenue from two (31.12.2023: one) customer represented RM223,475,699 (31.12.2023: RM138,177,358) for the Group's total revenue.

32. SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD

Share split

On 8 March 2024, the Company had completed a subdivision of every one (1) existing ordinary share into four (4) new ordinary shares in the Company ("share split").

33. CAPITAL COMMITMENT

The Group have made commitments for the following capital expenditures:

| | Group | |
|--------------------------------------|------------------|------------------|
| | 30.06.2025 RM | 31.12.2023 RM |
| Inventories | | |
| - Land held for property development | 3,303,000 | - |

STATEMENT BY DIRECTORS

(PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016)

We, **CHEW HIAN TAT** and **LEE CHEE VUI**, being two of the directors of Central Global Berhad, do hereby state that in the opinion of the directors, the accompanying financial statements set out on pages 79 to 138 are drawn up in accordance with the 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 2025 and of their financial performance and cash flows for the financial period then ended.

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

CHEW HIAN TAT
Director

LEE CHEE VUI
Director

Kuala Lumpur

Date: 31 October 2025

STATUTORY DECLARATION

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

I, **YAP YIK YONG**, being the officer primarily responsible for the financial management of Central Global Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements set out on pages 79 to 138 are correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

YAP YIK YONG

(MIA membership no: CA32423)

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 31 October 2025.

Before me,

Rosli Bin Saad
License No. W904
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CENTRAL GLOBAL BERHAD
(INCORPORATED IN MALAYSIA)

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of Central Global Berhad, which comprise the statements of financial position as at 30 June 2025 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial period then ended and notes to the financial statements, including material accounting policy information, as set out on pages 79 to 138.

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 2025, and of their financial performance and their cash flows for the financial period then ended in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis of Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

Key audit matters are those matters that, in our professional 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.

Group

Trade receivables and contract assets (Notes 4(a), 11 and 12 to the financial statements)

The Group has significant trade receivables and contract assets as at 30 June 2025 which include certain amounts which are long outstanding. We focused on this area because the Group made significant judgements over assumptions about risk of default. In making the assumptions, the Group selected inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of the reporting period.

Our audit response:

Our audit procedures included, among others:

- understanding the design and implementation of controls associated with monitoring of outstanding receivables and contract assets and impairment calculation;
- understanding of significant credit exposures which were significantly overdue or deemed to be in default through analysis of ageing reports and other collection or legal reports prepared by management;
- obtaining confirmation of balances from selected receivables; and
- checking subsequent receipts, customer correspondence, and considering level of activity with the customer and management explanation on recoverability with significantly past due balances.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CENTRAL GLOBAL BERHAD
(INCORPORATED IN MALAYSIA)
(cont'd)

Key Audit Matters (Cont'd)

Group (Cont'd)

Inventories (Notes 4(b) and 10 to the financial statements)

As at 30 June 2025, the carrying amount of inventories held by the Group amounting to RM9,467,629. We focused on this area because the computation of the Group on the cost allocation process involves multiple inputs and significant judgment is required to estimate the cost of manufactured goods and work-in-progress. The review of valuation of these inventories at lower of cost and net realisable value by the Group are major source of estimation uncertainty.

Our audit response:

Our audit procedures included, among others:

- obtaining an understanding of the inventories policy and its related processes in allocating, recording and computing the cost of inventories;
- observing year end physical inventory count to examine physical existence and condition of the inventories and evaluating the design and implementation of controls during the count;
- checking subsequent sales and evaluating Group's assessment on estimated net realisable value on selected inventory items; and
- discussing with the Directors whether the inventories have been written down to their net realisable value for inventory items with net realisable value lower than their cost.

Revenue recognition for construction activities (Notes 4(c) and 21 to the financial statements)

The amount of revenue of the Group's construction activities is recognised over the period of contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of performance obligation is determined by reference to proportion of construction costs incurred for works performed to date bear to the estimated total costs for each project (input method). We focused on this area because significant Group's judgement is required, in particular with regards to determining the progress towards satisfaction of a performance obligation, the extent of the construction costs incurred, the estimated total construction contracts revenue and costs, as well as the recoverability of the construction contracts projects. The estimated total revenue and costs are affected by a variety of uncertainties that depend on the outcome of future events.

Our audit response:

Our audit procedures included, among others:

- understanding the Group's process in preparing project budget and the calculation of the progress towards anticipated satisfaction of a performance obligation;
- comparing the Group's major assumptions to contractual terms, our understanding gathered from the analysis of changes in the assumptions from previous financial year and discussing with project manager; and
- checking the mathematical computation of recognised revenue for the projects during the financial year.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF CENTRAL GLOBAL BERHAD
(INCORPORATED IN MALAYSIA)
(cont'd)

Key Audit Matters (Cont'd)**Group (Cont'd)**

Goodwill on consolidation (Notes 4(d) and 8 to the financial statements)

The Group has significant balances of goodwill arising from the acquisition of RYRT International Sdn. Bhd. The goodwill is tested for impairment annually. We focused on this area because this assessment requires significant judgements by the Group on the discount rates applied in the recoverable amount calculation and assumptions supporting the underlying cash flow projections, including inflation rates and gross profit margin.

Our audit response:

Our audit procedures included, among others:

- comparing the Group's key assumptions which include consideration of the current economic and business environment, to externally derived data, in relation to key inputs such as discount rates, forecast growth rates, inflation rates and gross profit margin;
- testing the mathematical accuracy of the impairment assessment; and
- discussing with the Directors on the sensitivity of key assumptions by assessing the impacts of these key assumptions and inputs that are expected to be most sensitive to the recoverable amount.

Company

Investment in a subsidiary (Notes 4(e) and 9 to the financial statements)

The Company has significant balance of investment in a subsidiary, namely CIC Construction Sdn. Bhd.. At the end of the financial period, the Company determined whether there is any indication of impairment in investment in a subsidiary. We focused on this area because the Company's assessment of the recoverable amount involved significant judgement. The recoverable amount of investment in the subsidiary was determined based on value-in-use which includes the discount rate applied in the recoverable amount calculation and the assumption supporting the underlying cash flow projections which include gross profit margin and operating expenses.

Our audit response:

Our audit procedures included, among others:

- comparing the actual results with previous budget to assess the performance of the business and reliability of the forecasting process;
- testing the mathematical accuracy of the impairment assessment; and
- discussing with the Directors on the sensitivity of key assumptions by assessing the impacts of these key assumptions and inputs that are expected to be most sensitive to the recoverable amount.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CENTRAL GLOBAL BERHAD
(INCORPORATED IN MALAYSIA)
(cont'd)

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group 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 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.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF CENTRAL GLOBAL BERHAD
(INCORPORATED IN MALAYSIA)
(cont'd)

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

- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current 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 report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 9 to the financial statements.

Other Matters

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 contents of this report.

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

Ong Teng Yan
No. 03076/07/2027 J
Chartered Accountant

Kuala Lumpur

Date: 31 October 2025

LIST OF PROPERTIES

| Registered Owner/Location | Description And Existing Use | Land/ Built Up Area (sq ft) | Tenure | Approximate Age of Building | Net Book Value as at 30.06.2025 (RM) |
|--|--|-----------------------------|----------------------------------|-----------------------------|--------------------------------------|
| Central Industrial Corporation Berhad Lot 77 & 78, Persiaran 11, Kawasan Perusahaan Bakar Arang, 08000 Sungai Petani, Kedah Darul Aman, Malaysia. | Industrial land with factory, warehouse and office | 409,027/ 124,901 | Leasehold (Expire: Year 2050) | 34 years | 19,807,429 |
| Central Industrial Corporation Berhad No. 5-13.1, 5-13.2, 5-14.1,5-14.2, 5-15.1,5-15.2, 5-16.1, 5-16.2, 5-17.1, 5-17.2 and 5-18 Block A, Plaza Dwitasik, Phase 1, Bandar Sri Permaisuri, Off Jalan Permaisuri, Cheras, 56000, Kuala Lumpur Malaysia. | Office building | N/A/11,368 | Leasehold (Expire: Year 2095) | 26 years | 1,615,065 |
| RYRT International Sdn. Bhd. Lot 12, SEDCO Industrial Estate, Lorong Tomato, Kolombong, 88450 Kota Kinabalu, Sabah, Malaysia. | Office building | N/A/55,442 | Leasehold (Expire: Year 2072) | 13 years | 19,429,468 |

ANALYSIS OF SHAREHOLDINGS

AS PER RECORD OF DEPOSITORS AS AT 30 SEPTEMBER 2025

| | | |
|-------------------------------|---|-----------------------------|
| Total number of issued shares | : | 835,284,187 ordinary shares |
| Class of shares | : | Ordinary Shares |
| Voting rights | : | One vote per ordinary share |

SHAREHOLDINGS DISTRIBUTION

| Size of Holdings | No. of Holders | Total Holdings | % |
|--|----------------|--------------------|---------------|
| Less than 100 shares | 504 | 9,972 | 0.00 |
| 100 - 1,000 shares | 219 | 107,880 | 0.01 |
| 1,001 - 10,000 shares | 347 | 1,830,936 | 0.22 |
| 10,001 - 100,000 shares | 421 | 15,233,616 | 1.83 |
| 100,001 to less than 5% of issued shares | 267 | 660,044,115 | 79.02 |
| 5% and above of issued shares | 2 | 158,057,668 | 18.92 |
| Total | 1,760 | 835,284,187 | 100.00 |

DIRECTORS' SHAREHOLDINGS

| No. | Name | Direct Interest | | Deemed Interest | |
|-----|---|-----------------|-------|---------------------------|-------|
| | | Shares | % | Shares | % |
| 1. | DATO' FAISAL ZELMAN BIN DATUK ABDUL MALIK | - | - | - | - |
| 2. | CHEW HIAN TAT | 208,988,268 | 25.02 | ⁽¹⁾ 53,515,000 | 6.41 |
| 3. | LEE CHEE VUI | 12,418,720 | 1.49 | ⁽²⁾ 93,252,967 | 11.16 |
| 4. | LEE SWEE MENG | 853,500 | 0.10 | - | - |
| 5. | TEOH SAW SIN @ JUDY TEOH | - | - | - | - |
| 6. | WONG POOI SEEN | - | - | - | - |

Note:-

- ⁽¹⁾ Deemed interested by virtue of his interest in HJT International Group (M) Sdn. Bhd. and HJT Technology (M) Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016
- ⁽²⁾ Deemed interested by virtue of his interest in RYRT Holdings Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

| No. | Name | Direct Interest | | Deemed Interest | |
|-----|-------------------------|-----------------|-------|---------------------------|-------|
| | | Shares | % | Shares | % |
| 1. | CHEW HIAN TAT | 208,988,268 | 25.02 | ⁽¹⁾ 53,515,000 | 6.41 |
| 2. | RYRT HOLDINGS SDN. BHD. | 93,252,967 | 11.16 | - | - |
| 3. | LEE CHEE VUI | 12,418,720 | 1.49 | ⁽²⁾ 93,252,967 | 11.16 |
| 4. | SOO YU CHAI | 782,668 | 0.09 | ⁽²⁾ 93,252,967 | 11.16 |

Note:-

- ⁽¹⁾ Deemed interested by virtue of his interest in HJT International Group (M) Sdn. Bhd. and HJT Technology (M) Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016
- ⁽²⁾ Deemed interested by virtue of their interests in RYRT Holdings Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016

ANALYSIS OF SHAREHOLDINGS

AS PER RECORD OF DEPOSITORS AS AT 30 SEPTEMBER 2025

(cont'd)

THIRTY (30) LARGEST SHAREHOLDERS/DEPOSITORS

(without aggregating the securities from different securities accounts belonging to the same person)

| No. | Names | No. of Shares held | % |
|-----|--|-----------------------|-------|
| 1. | MBSB INVESTMENT NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR CHEW HIAN TAT (MGN-CHT0002M) | 108,382,068 | 12.98 |
| 2. | MAYBANK NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR CHEW HIAN TAT | 49,675,600 | 5.95 |
| 3. | AMANAH RAYA BERHAD - KUMPULAN WANG BERSAMA SYARIAH | 39,000,000 | 4.67 |
| 4. | MAYBANK NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR RYRT HOLDINGS SDN. BHD. | 33,800,000 | 4.05 |
| 5. | ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR HJT INTERNATIONAL GROUP (M) SDN. BHD. (7002971) | 32,607,000 | 3.90 |
| 6. | CITIGROUP NOMINEES (ASING) SDN. BHD. - EXEMPT AN FOR UBS SWITZERLAND AG (CLIENTS ASSETS) | 32,400,000 | 3.88 |
| 7. | PERTUBUHAN KESELAMATAN SOSIAL - PKSACT41969 P3 (SYARIAH) | 30,656,200 | 3.67 |
| 8. | KENANGA INVESTMENT BANK BERHAD - IVT NAGA 8 | 21,697,200 | 2.60 |
| 9. | HSBC NOMINEES (ASING) SDN. BHD. - SOCIETE GENERALE PARIS | 19,894,200 | 2.38 |
| 10. | MAYBANK INVESTMENT BANK BERHAD - IVT (18) ECD D1-H | 16,275,454 | 1.95 |
| 11. | MAYBANK NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR WONG WAI FOO | 15,959,600 | 1.91 |
| 12. | MAYBANK INVESTMENT BANK BERHAD - IVT (15) ECD D1-H | 14,403,000 | 1.72 |
| 13. | MERSEC NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR RYRT HOLDINGS SDN. BHD. | 12,660,000 | 1.52 |
| 14. | CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR CHEW HIAN TAT (MY3742) | 12,596,200 | 1.51 |
| 15. | MAYBANK NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR LEE CHEE VUI | 12,418,720 | 1.49 |
| 16. | YONG KUEN SEONG | 11,493,000 | 1.38 |
| 17. | BIMSEC NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR RYRT HOLDINGS SDN. BHD. (MGNM88006) | 10,470,000 | 1.25 |
| 18. | RYRT HOLDINGS SDN. BHD. | 10,215,467 | 1.22 |
| 19. | AMSEC NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR CHEW HIAN TAT (SMART) | 10,033,000 | 1.20 |
| 20. | MBSB INVESTMENT NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR HJT TECHNOLOGY (M) SDN. BHD. (MGN-HJT0001M) | 8,834,000 | 1.06 |

ANALYSIS OF SHAREHOLDINGS

AS PER RECORD OF DEPOSITORS AS AT 30 SEPTEMBER 2025
(cont'd)

THIRTY (30) LARGEST SHAREHOLDERS/DEPOSITORS (CONT'D)
(without aggregating the securities from different securities accounts belonging to the same person)

| No. | Names | No. of Shares held | % |
|-----|---|-----------------------|------|
| 21. | BIMSEC NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR PEMBINAAN URUSMESRA SDN. BHD. (MGNM88010) | 8,220,000 | 0.98 |
| 22. | AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR RYRT HOLDINGS SDN. BHD. | 8,000,000 | 0.96 |
| 23. | PHILLIP NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR RYRT HOLDINGS SDN. BHD. | 8,000,000 | 0.96 |
| 24. | YUNUS GUL BIN ALIF GUL | 7,619,000 | 0.91 |
| 25. | AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR CHEW HIAN TAT | 7,342,000 | 0.88 |
| 26. | KENANGA NOMINEES (ASING) SDN. BHD. - EXEMPT AN FOR PHILLIP SECURITIES PTE LTD (CLIENT ACCOUNT) | 6,677,000 | 0.80 |
| 27. | PEMBINAAN URUSMESRA SDN. BHD. | 6,392,300 | 0.77 |
| 28. | KENANGA NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR CHEW HIAN TAT | 6,216,000 | 0.74 |
| 29. | AMSEC NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR ONG PUI SHAN | 6,030,400 | 0.72 |
| 30. | KENANGA NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR RYRT HOLDINGS SDN. BHD. | 6,000,000 | 0.72 |

ANALYSIS OF WARRANT B HOLDINGS

AS PER RECORD OF DEPOSITORS AS AT 30 SEPTEMBER 2025

| | | |
|-------------------------------|---|---|
| Number of Warrants B in issue | : | 230,392,011 units |
| Exercise price | : | RM0.75 per warrant for 1 new ordinary share |
| Expiry date of Warrants B | : | 12 March 2027 |

DISTRIBUTION OF WARRANT B HOLDINGS

| Size of Holdings | No. of Warrant Holders | Total Holdings | % |
|--|------------------------------|--------------------|---------------|
| Less than 100 shares | 493 | 10,420 | 0.00 |
| 100 - 1,000 shares | 188 | 63,232 | 0.03 |
| 1,001 - 10,000 shares | 329 | 1,549,640 | 0.67 |
| 10,001 - 100,000 shares | 255 | 9,282,056 | 4.03 |
| 100,001 to less than 5% of Warrants in issue | 167 | 149,687,494 | 64.97 |
| 5% and above of Warrants in issue | 3 | 69,799,169 | 30.30 |
| Total | 1,435 | 230,392,011 | 100.00 |

DIRECTORS' WARRANT B HOLDINGS

| No. | Name | Direct Interest | | Deemed Interest | |
|-----|--|-----------------|-------|---------------------------|------|
| | | Shares | % | Shares | % |
| 1. | DATO' FAISAL ZELMAN BIN DATUK ABDUL MALIK | - | - | - | - |
| 2. | CHEW HIAN TAT | 66,564,568 | 28.89 | ⁽¹⁾ 13,774,999 | 5.98 |
| 3. | LEE CHEE VUI | - | - | ⁽²⁾ 22,990,807 | 9.98 |
| 4. | LEE SWEE MENG | 185,733 | 0.08 | - | - |
| 5. | TEOH SAW SIN @ JUDY TEOH | - | - | - | - |
| 6. | WONG POOI SEEN | - | - | - | - |

Note:-

- ⁽¹⁾ Deemed interested by virtue of his interest in HJT International Group (M) Sdn. Bhd. and HJT Technology (M) Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016
- ⁽²⁾ Deemed interested by virtue of his interest in RYRT Holdings Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016

ANALYSIS OF WARRANT B HOLDINGS

AS PER RECORD OF DEPOSITORS AS AT 30 SEPTEMBER 2025
(cont'd)

THIRTY (30) LARGEST WARRANT B HOLDERS/DEPOSITORS (without aggregating the securities from different securities accounts belonging to the same person)

| No. | Names | No. of Warrants held | % |
|-----|--|-------------------------|-------|
| 1. | MBSB INVESTMENT NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR CHEW HIAN TAT (MGN-CHT0002M) | 36,667,570 | 15.91 |
| 2. | MAYBANK NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR CHEW HIAN TAT | 19,798,266 | 8.59 |
| 3. | GENEVA INSURANCE GROUP (BARBADOS) INC | 13,333,333 | 5.79 |
| 4. | SIEW WAI HONG | 8,222,663 | 3.57 |
| 5. | MERCSEC NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR RYRT HOLDINGS SDN. BHD. | 6,286,666 | 2.73 |
| 6. | APEX NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR HJT INTERNATIONAL GROUP (M) SDN. BHD. (MARGIN) | 5,645,333 | 2.45 |
| 7. | RYRT HOLDINGS SDN. BHD. | 5,599,999 | 2.43 |
| 8. | MAYBANK NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR WONG WAI FOO | 5,319,866 | 2.31 |
| 9. | ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR HJT INTERNATIONAL GROUP (M) SDN. BHD. (7002971) | 5,185,000 | 2.25 |
| 10. | MAYBANK NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR TING ING HOCK | 5,150,000 | 2.24 |
| 11. | KENANGA NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR CHEW HIAN TAT | 4,338,666 | 1.88 |
| 12. | RYRT HOLDINGS SDN. BHD. | 3,770,810 | 1.64 |
| 13. | KENANGA NOMINEES (TEMPATAN) SDN. BHD. - RAKUTEN TRADE SDN. BHD. FOR YUNUS GUL BIN ALIF GUL | 3,096,000 | 1.34 |
| 14. | YUNUS GUL BIN ALIF GUL | 3,045,666 | 1.32 |
| 15. | BIMSEC NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR CHEW HIAN TAT (MGNM88018) | 3,000,000 | 1.30 |
| 16. | MBSB INVESTMENT NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR HJT TECHNOLOGY (M) SDN. BHD. (MGN-HJT0001M) | 2,944,666 | 1.28 |
| 17. | AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR RYRT HOLDINGS SDN. BHD. | 2,666,666 | 1.16 |
| 18. | PHILLIP NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR RYRT HOLDINGS SDN. BHD. | 2,666,666 | 1.16 |
| 19. | ANANTAMAYA SDN. BHD | 2,606,948 | 1.13 |
| 20. | KENANGA NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR RAZ UTAMA SDN. BHD. | 2,477,332 | 1.08 |
| 21. | AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR SHIN KAM SUN | 2,292,633 | 1.00 |
| 22. | YEOH WENG HONG | 2,275,498 | 0.99 |
| 23. | RAZ UTAMA SDN. BHD. | 2,184,299 | 0.95 |
| 24. | KENANGA NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR RYRT HOLDINGS SDN. BHD. | 2,000,000 | 0.87 |
| 25. | TA NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR WONG WAI FOO | 1,945,333 | 0.84 |
| 26. | PEMBINAAN URUSMESRA SDN. BHD. | 1,885,133 | 0.82 |
| 27. | LEE HAN MING | 1,884,000 | 0.82 |
| 28. | ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR AN SIEW CHONG (7001941) | 1,826,766 | 0.79 |
| 29. | CITIGROUP NOMINEES (ASING) SDN. BHD. - UBS AG | 1,623,532 | 0.70 |
| 30. | LIEW HUI TONG | 1,617,066 | 0.70 |

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PROXY FORM

CENTRAL GLOBAL BERHAD
(Registration No. 201801036114 (1298143-T))

| | |
|---------------------|--|
| No. of Shares Held: | |
| CDS Account No.: | |

I/We _____ NRICNo./PassportNo./RegistrationNo. _____
(Full name in block letters)

of _____
(Full address)

being a member/members of **CENTRAL GLOBAL BERHAD** hereby appoint the following person(s):-

| Full Name (in Block) | NRIC/Passport No. | Proportion in Shareholdings | |
|----------------------|-------------------|-----------------------------|---|
| | | No. of Shares | % |
| Address: | | | |
| Email Address: | | | |
| Mobile Phone No.: | | | |

and/or*

| Full Name (in Block) | NRIC/Passport No. | Proportion in Shareholdings | |
|----------------------|-------------------|-----------------------------|---|
| | | No. of Shares | % |
| Address: | | | |
| Email Address: | | | |
| Mobile Phone No.: | | | |

or failing him/her, the Chairman of the Meeting as *my/our proxy/proxies to attend and vote for *me/us and on my/our behalf at the Sixth Annual General Meeting of the Company to be held at Timpohon & Laban Rata Room, Level 3, Le Meridien Kota Kinabalu, Jalan Tun Fuad Stephens, Sinsuran, 88000 Kota Kinabalu, Sabah on Thursday, 18 December 2025 at 10:00 a.m. and at every adjournment thereof.

My/our proxy/proxies is(are) to vote as indicated below:-

| Ordinary Resolutions | | First Proxy | | Second Proxy | |
|----------------------|--|-------------|---------|--------------|---------|
| | | For | Against | For | Against |
| 1 | Payment of Non-Executive Directors' fees and benefits up to RM450,000 from 1 October 2025 until the next Annual General Meeting of the Company | | | | |
| 2 | Re-election of Director, Mr. Lee Chee Vui | | | | |
| 3 | Re-election of Director, Ms Wong Pooi Seen | | | | |
| 4 | Re-election of Director, Ms Teoh Saw Sin @ Judy Teoh | | | | |
| 5 | Re-election of Director, Datuk Wira Shahrlul Nazri bin Abdul Rahim | | | | |
| 6 | Re-appointment of the retiring auditors, Messrs Baker Tilly Monteiro Heng PLT | | | | |
| 7 | Authority to allot shares and waiver of pre-emptive rights | | | | |

(Please indicate with an "x" in the space provided above on how you wish your vote to be cast. If you do not indicate how you wish to vote on any resolutions, the proxy(ies) will vote or abstain from voting at his/her/their discretion(s)).

As witness my hand this day of 2025

.....
Signature/Common Seal

*** Strike out whichever is not desired.**

Notes:

- (i) For the purpose of determining a member who shall be entitled to attend, speak and vote at the Annual General Meeting, the Company shall be requesting the Record of Depositors as at 11 December 2025. Only a depositor whose name appears on the Record of Depositors as at 11 December 2025 shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote on his/her stead.
- (ii) A member shall be entitled to appoint up to two (2) proxies to attend and vote in his place. Where a member appoints two (2) proxies, he shall specify the proportion of his holdings to be represented by each proxy. All voting will be conducted by way of poll.
- (iii) (a) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
(b) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (iv) If the appointer is a corporation, the proxy form must be executed under its Common Seal or under the hand of its attorney.
- (v) The instrument appointing a proxy and the power of attorney, if any, under which it is signed or a certified copy thereof must be deposited at the Company's registered office at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur or email to mega-sharereg@megacorp.com.my not less than forty-eight (48) hours before the time set for holding the Meeting or any adjournment thereof. For those who have emailed the proxy form, please submit the original at any time before the time appointed for the meeting or to the registration staff on the meeting day for the Company's record.
- (vi) **PERSONAL DATA NOTICE**
By submitting the duly executed Proxy Form, a member and his/her proxy consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein accordance with the Personal Data Protection Act 2010 for the purpose of this meeting and at any adjournment thereof.

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Affix
Stamp Here

The Company Secretary

CENTRAL GLOBAL BERHAD

Registration No. 201801036114 (1298143-T)

c/o **Mega Corporate Services Sdn. Bhd.**

Level 15-2, Bangunan Faber Imperial Court,
Jalan Sultan Ismail,
50250 Kuala Lumpur, Malaysia.

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CENTRAL GLOBAL BERHAD

201801036114 (1298143-T)

A5-06 Block A Plaza Dwi Tasik,
Jalan 5/106 Bandar Sri Permaisuri,
56000 Kuala Lumpur, Malaysia.

Tel : 603-9171 8966

Fax : 603-9171 8922

www.cgbgroup.com.my