



**CBH ENGINEERING  
HOLDING BERHAD**

Registration No.  
202301050313 (1544227-V)

# ASPIRE TO VALIANT ADVANCEMENT

ANNUAL REPORT 2024



# 1ST ANNUAL GENERAL MEETING NOTICE



Date  
**25 June 2025**



Time  
**10:00 AM**



Location  
**DoubleTree by Hilton  
Shah Alam**

Grand Ballroom  
i-City of Finance Avenue,  
i-City, 40000 Shah Alam,  
Selangor



Read the online version of CBH Engineering  
Holding Berhad Annual Report 2024 at  
<https://cbh.com.my>

## INSIDE THIS REPORT



### CORPORATE OVERVIEW

Who We Are	004
Vision, Mission & Core Values	005
Accreditations & Awards	006
Key Milestones	008
In the News	010
Corporate Information	012
Corporate Structure	013
Financial Highlights	014



### OUR LEADERSHIP

Profile of Board of Directors	016
Profile of Key Senior Management	024



### KEY MESSAGES

Chairwoman's Statement	028
Management Discussion & Analysis	032
Sustainability Statement	039



### GOVERNANCE

Corporate Governance Overview Statement	066
Audit Committee Report	081
Additional Compliance Information	086
Statement on Risk Management and Internal Control	088
Statement of Directors' Responsibility	097



### FINANCIAL STATEMENTS

Financial Statements	098
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### AGM NOTICE AND OTHER INFORMATION

Analysis of Shareholdings	154
Notice of First Annual General Meeting	156
Administrative Guide	163
Proxy Form	

# WHO WE ARE

Since our inception in 1990, CBH Engineering Holding Berhad and its subsidiaries ("the Group") is your reliable partner in Electrical, Mechanical, Civil and Structural Engineering. We initially focused on Electrical Engineering solutions before moving forward toward providing more integrated solutions in other engineering fields such as Mechanical, Civil and Structural engineering.

In strategizing our growth, there are three things that have always been and will always be more important to us: Being Competitive, Bold and Highly Reliable. These values are more than a slogan. They symbolize a way of life in our group and in every aspect of our firm and the way we do our business.

We rely on in-depth engineering solutions in every aspect of our projects to ensure performance, quality and timely delivery. Our strengths lie in the powerful synergy of our people, sub-contactors, partners, suppliers, our technology and our commitment to deliver the best result in everything we do.

Principal business activities  
**Mechanical and Electrical ("M&E") engineering services**

Business segments & range of M&E systems

### Electrical engineering services for power distribution systems

- Electricity supply distribution works at substations
- Electricity supply distribution works at end-user premises
- Low Voltage ("LV") electrical engineering works

### Mechanical engineering services for building systems

- Air Conditioning & Mechanical Ventilation ("ACMV") systems
- Fire protection systems
- Plumbing and sanitary systems
- Renewable energy system

Type of buildings



Substation Industrial Commercial Residential

Principal market  
**Malaysia**



INTRODUCTION

COMPANY OVERVIEW





# VISION, MISSION & CORE VALUES



## Our Vision

To be known as the most recommended and successful engineering solutions partner by being competitive, bold and highly reliable.



## Our Mission

- To make maximum long-term profit for the shareholders and be a good corporate citizen.
- To provide comprehensive engineering solutions that are innovative, competitive and lasting.



## Our Core Values

- Sustainability and transparency
- Innovativeness and entrepreneurship
- Unity & Teamwork through trust as one big family



## Our Tagline

“

**Your trusted engineering solutions partner.**

”

ACCREDITATIONS & AWARDS

SIRIM QAS INTERNATIONAL



ISO 9001:2015

Quality Management Systems Requirements

CIDB MALAYSIA



Certification

Government Work Procurement

CIDB MALAYSIA



Certification

Registration

IQNET



ISO 9001:2015

Quality Management Systems





## ACCREDITATIONS & AWARDS

### SURUHANJAYA TENAGA



#### Certification

Registration for Electric Contractor

### TENAGA NASIONAL



#### Certification

Registration for Electric Contractor



## KEY MILESTONES

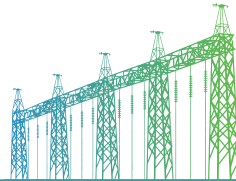
### 1990

- Our Group commenced business undertaking electrical engineering projects for industrial buildings



### 2000

- Electrical engineering for extension and retrofitting works at Kuala Lumpur



### 2002

- Electrical engineering works for new retail outlets at Selangor
- Electrical engineering works for a new home furnishing store at Selangor

### 2007

- Electrical engineering works for the renovation of a hypermarket at Selayang, Kuala Lumpur



### 2006

- Electrical engineering works for a new shopping complex at Kuala Lumpur



### 2005

- Electrical engineering works for a new shopping complex at Negeri Sembilan



### 2008

- Electrical engineering works for the renovation of a hypermarket at Johor
- 2 electrical engineering works for new retail outlets at Johor



### 2013

- Electrical engineering and telephone works for shopping mall in Perak
- Electrical engineering, telephone and ELV works for a factory at Sendayan Technology Valley, Negeri Sembilan

### 2009

- Electrical engineering works for a distribution centre at Selangor



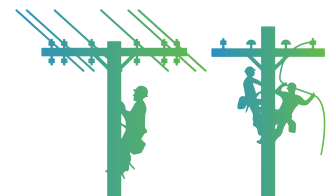
### 2010

- Electrical engineering works for new retail outlets at Pulau Pinang



### 2011

- Electrical engineering works for new retail outlets at Negeri Sembilan





## KEY MILESTONES

### 2014

- Electrical engineering works for a factory at Perak
- Electrical engineering works for a university in Selangor
- Electrical engineering works for a shopping mall in Perak

### 2016

- Electrical engineering works for a 275kV substation for an integrated steel mill at Malaysia–China Kuantan Industrial Park in Pahang
- Electrical engineering works for a hotel and service apartment at Melaka

### 2017

- Electrical engineering works for an integrated steel mill at Malaysia–China Kuantan Industrial Park in Pahang
- Electrical engineering and telephone works for 1 commercial building in Melaka and 1 shopping mall in Kuala Lumpur

### 2020

- Electrical engineering works for 275kV/33kV substation, switchyard and transmission system at Malaysia–China Kuantan Industrial Park in Pahang

### 2019

- Electrical engineering works for a mixed development property at Melaka
- Electrical engineering works for a home furnishing distribution centre at Selangor

### 2018

- Design and built of a 33kV substation for a battery factory at Pahang



### 2021

- Design and built of a 275kV substation and 33kV/11kV substation at Sedenak Industrial Park, Johor

### 2022

- 11kV/415V electrical engineering works at Sedenak Tech Park, Johor
- 11kV/415V electrical engineering works at Selangor

### 2024

- Electrical engineering works for a hotel at Kuala Lumpur
- Design and built of a 275kV substation for a data centre at PGB Tech Park, Johor
- Design and built of a 132kV substation for a data center at MRANTI Park, Kuala Lumpur

### 2023

- 3 design and built of 275kV substation for data centre at Sedenak Tech Park, Johor
- Design and built of a 132kV substation for a data centre at Sedenak Tech Park, Johor
- Electrical engineering work for a 132kV substation for a data centre at Johor
- 2 electrical engineering works for data centre projects, one in Johor and the other in Cyberjaya.

### 2025

- CBH Engineering Holding Berhad debuted on the ACE Market of the Bursa Malaysia Securities Berhad on 16 January 2025



IN THE NEWS



CBH Engineering to use listing funds to buy equipment

Friday, 12 Jul 2024 7:57 AM  
MYT in Corporate News

PETALING JAYA: ACE Market-bound CBH Engineering Holding Bhd will be utilising its listing proceeds for the procurement of equipment and components for mechanical and electrical (M&E) engineering works and to free up its internally generated funds.

In its draft prospectus on Bursa Malaysia, the electrical engineering service provider said as at May 31, it had 13 existing contracts with a total unbilled order book of RM207.04mil, comprising M&E engineering works.

CBH added the group intends to increase its market presence by tendering for projects with a higher contract value. As at May 31, the group had submitted six tenders with a total sum of RM496.09mil, which are still pending evaluation from the potential contract awardees.

Moreover, CBH has also earmarked a portion of the proceeds to be utilised for marginal deposits, which will be pledged with financial institutions to secure bank guarantees for its future projects. This is expected to improve the group's liquidity.

Some of the proceeds will be used for payment to sub-contractors for future projects and expand the group's workforce by hiring additional engineers and other personnel.

As at May 31, CBH said its project department comprises 76 personnel and it plans to expand its project team by recruiting an additional 10 engineers, comprising five project managers and five site supervisors.

The remaining funds are to defray listing expenses.

CBH's initial public offering (IPO) entails a public issue of 298 million new shares.

Some 94.05 million shares will be made available to the public while 28.4 million shares will be offered to its eligible directors, employees and individuals who have made contributions to its success, at a price to be determined later.

Meanwhile, 128.5 million shares will be sold to selected investors through private placement, while 47.02 million shares will be set aside for bumiputra investors who have received approval from the International Trade and Industry Ministry through private placements.

The existing shareholders of the company will also make an offer for sale of 188.09 million existing shares to selected bumiputra investors by way of private placement.

Mercury Securities Sdn Bhd is the principal adviser, sponsor, underwriter and placement agent for the IPO exercise.



CBH Engineering files for IPO to raise funds for expansion and equipment

Thursday, July 11th, 2024 at  
Business and News

CBH Engineering Holding Bhd, an electrical engineering service firm, has filed for an IPO on the ACE Market to raise funds for new equipment and working capital.

The IPO includes a public issue of 298 million new shares and an offer-for-sale of 188.09 million existing shares, offering investors up to a 26% stake in the company.

CBH plans to use the IPO proceeds to buy power cables, transformers, and other parts, and to free up funds for performance bonds for future projects.

The company has six project bids worth RM496.09 million and aims to increase its market presence by pursuing higher-value contracts.

CBH specializes in designing, installing, and maintaining electrical systems and also provides mechanical engineering services.

As of December 31, 2023, CBH had an unbilled order book of RM207.04 million and reported a net profit of RM33.05 million on revenue of RM207.95 million.

The IPO will allocate shares to the Malaysian public, eligible persons, Bumiputera investors, and select investors through private placement.

Proceeds will also be used to hire additional staff, including 10 engineers, and to pay subcontractors for future projects.

The offer-for-sale proceeds will go to CBH Equities Sdn Bhd, controlled by co-founder and managing director Cheah Boon Hwa and his siblings.

Mercury Securities is the IPO's principal adviser, sponsor, underwriter, and placement agent. –TMR



## IN THE NEWS

**CBH工程拟上市 发售  
2.98亿新股**

发布: 7:55pm 11/07/2024  
财经 | 焦点财经

(吉隆坡11日讯) 机电工程服务供应商——CBH工程控股有限公司计划在大马股票交易所创业板上市, 首次公开售股 (IPO) 将发售2亿9800万股新股及献售1亿8808万9700股现有股。

该公司今日发布草拟招股书, 公开发售的新股中, 9404万5000股供大马公众申购, 2841万5000股给合格董事、员工及对公司和子公司有贡献的人士认购, 4702万2500万股新股则通过私下配售方式。配售给贸工部批准的土著投资者, 1亿2851万7500股通过私下配售给指定投资者。

献售的部分全部将私下配售给贸工部批准的土著投资者。

根据草拟招股书, 该公司核心业务为电力工程服务供应, 专注于电力供应分配系统, 承接高压、中压、低压、特低压电力系统的设计、供应、调试和维护工作。

也承接建筑系统的机械工程工作, 包括空调与通风系统、消防系统、管道和卫生系统及再生能源系统的设计、供应、安装、测试、调试和维护。

根据草拟招股书, 该公司计划把上市筹得的资金, 用来采购机械与电力工程相关器材和配件、作为未来项目的保证金、付款给分包商、聘请工程师和其他人员及支付上市开销。

**Electrical services  
firm CBH Engineering  
files for ACE Market  
IPO**

11 Jul 2024, 07:12 pm

KUALA LUMPUR (July 11): CBH Engineering Holding Bhd, an electrical engineering service firm, filed for an initial public offering (IPO) on the ACE Market to raise funds for new equipment and to free up working capital.

The proposed IPO involves a public issue of 298 million new shares and an offer-for-sale of 188.09 million existing shares at a price to be determined later, according to the draft prospectus posted to Bursa Malaysia. All in all, the listing offers investors up to 26% stake in the company.

"As part of our future plans, we intend to increase our market presence by tendering for projects with higher contract value," CBH said. The company has submitted six bids worth RM496.09 million, and has earmarked a portion of the IPO proceeds to buy power cables and transformers among other parts.

CBH specialises in electricity supply distribution systems. The company designs, installs and maintains low- to high-voltage electrical systems. The company also provides mechanical engineering works for building systems, installing systems such as fire protection, plumbing, and renewable energy.

Total unbilled order book stood at RM207.04 million from 13 existing contracts comprising mechanical and electrical engineering works. In the financial year ended Dec 31, 2023, CBH made net profit of RM33.05 million on the back of RM207.95 million in revenue.

Under the public issue, CBH will allocate 94.05 million new shares to the Malaysian public and 28.42 million shares for eligible persons. The company will also set aside 47.02 million new shares to Bumiputera investors and 128.52 million shares to select investors through private placement.

Proceeds raised from the new share sale will also be used as marginal deposits to be pledged with financial institutions as performance bonds for future projects, freeing up internal funds. "We intend to pursue a larger-scale" mechanical and electrical engineering projects moving forward, CBH noted.

CBH also plans to increase its headcount by 14 people, including 10 engineers as well as other support staff, and has earmarked part of the proceeds as payment to subcontractors for future projects secured. The rest will be used to defray listing expenses.

Meanwhile, the offer-for-sale will be done through private placement to select Bumiputera investors and proceeds will accrue entirely to CBH Equities Sdn Bhd, controlled by co-founder and managing director Cheah Boon Hwa and his siblings.

Mercury Securities is the IPO's principal adviser, sponsor, underwriter and placement agent.

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Lim Bee Hua

Independent Non-Executive Chairwoman

### Ir. Cheah Boon Hwa

Managing Director

### Cheah Boon Huat

Non-Independent Executive Director

### Cheah Min Heng

Non-Independent Executive Director

### Chin Sin Peng

Independent Non-Executive Director

### Saw Bee Yee

Independent Non-Executive Director

### Tan Suat Hoon

Independent Non-Executive Director

## AUDIT COMMITTEE

<b>Chin Sin Peng</b>	Chairperson
<b>Saw Bee Yee</b>	Member
<b>Tan Suat Hoon</b>	Member

## SUSTAINABILITY AND RISK MANAGEMENT COMMITTEE

<b>Lim Bee Hua</b>	Chairperson
<b>Tan Suat Hoon</b>	Member
<b>Saw Bee Yee</b>	Member
<b>Chin Sin Peng</b>	Member

## REMUNERATION COMMITTEE

<b>Saw Bee Yee</b>	Chairperson
<b>Tan Suat Hoon</b>	Member
<b>Chin Sin Peng</b>	Member

## NOMINATING COMMITTEE

<b>Tan Suat Hoon</b>	Chairperson
<b>Saw Bee Yee</b>	Member
<b>Chin Sin Peng</b>	Member

## REGISTERED OFFICE

No. D-09-02, Level 9,  
EXSIM Tower, Millerz Square @ Old  
Klang Road, Megan Legasi,  
No. 357, Jalan Kelang Lama  
58000 Kuala Lumpur  
Wilayah Persekutuan  
Tel : 603-7971 8080  
E-mail : info@amerits.com.my

## HEAD OFFICE

12, 12A, 12B, 14, 14A & 14B  
Jalan Anggerik Vanilla AD 31/AD,  
Kota Kemuning, 40460 Shah Alam,  
Selangor Darul Ehsan  
Tel : 603-5122 9011  
603-5122 8055  
E-mail : info@cbh.com.my  
Website : www.cbh.com.my

## COMPANY SECRETARIES

### Teo Soon Mei

MAICSA 7018590  
SSM Practicing Certificate No.  
201908000235

### Lim Jia Huey

MAICSA 7073258  
SSM Practicing Certificate No.  
201908000929

## SPONSOR

### Mercury Securities Sdn Bhd

(Registration No. 198401000672  
(113193-W))  
L-7-2, No.2, Jalan Solaris  
Solaris Mont Kiara  
50480 Kuala Lumpur  
Wilayah Persekutuan  
Tel : 603-6203 7227

## SHARE REGISTRAR

### Tricor Investor & Issuing House Services Sdn Bhd

(Registration No. 197101000970  
(11324-H))  
Unit 32-01, Level 32, Tower A  
Vertical Business Suite Avenue 3,  
Bangsar South No. 8, Jalan  
Kerinci, 59200 Kuala Lumpur  
Wilayah Persekutuan  
Tel : 603-2783 9299  
E-mail : is.enquiry@vistra.com

## EXTERNAL AUDITORS

### TGS TW PLT

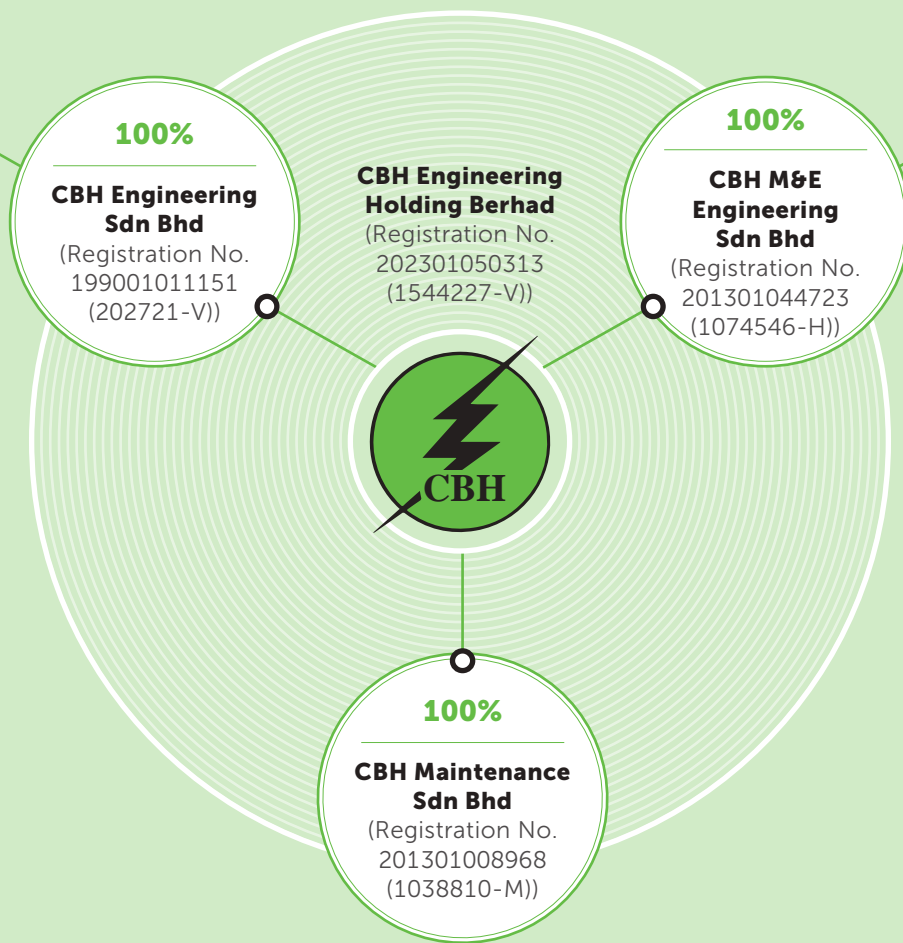
(Registration No. 202106000004)  
(LLP0026851-LCA) & AF002345  
Unit E-16-2B, Level 16,  
Icon Tower (East), No.1,  
Jalan 1/68F, Jalan Tun Razak,  
50400 Kuala Lumpur  
Wilayah Persekutuan  
Tel : 603-9771 4326

## STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia  
Securities Berhad  
Stock Name : CBHB  
Stock Code : 0339



# CORPORATE STRUCTURE



## FINANCIAL HIGHLIGHTS

FINANCIAL YEAR ENDED 31 DECEMBER	2021	2022	2023	2024
<b>Operating Results (RM'000)</b>				
Revenue	67,575	180,120	207,954	271,692
Gross Profit ("GP")	12,135	41,494	67,312	73,424
Profit Before Taxation ("PBT")	5,234	27,734	45,960	54,811
Profit After Taxation ("PAT")	3,581	20,045	33,048	41,749
<b>Key Financial Position Data (RM'000)</b>				
Total Assets	76,016	108,712	142,894	159,567
Total Borrowings	693	2,189	-	100
Shareholders' Equity	46,839	64,883	78,431	99,180
<b>Financial Ratios</b>				
GP Margin (%) <sup>(1)</sup>	17.96	23.04	32.37	27.02
PBT Margin (%) <sup>(2)</sup>	7.75	15.40	22.10	20.17
PAT Margin (%) <sup>(3)</sup>	5.30	11.13	15.89	15.37
Effective Tax Rate (%) <sup>(4)</sup>	31.58	27.72	28.09	23.83
Basic Earnings Per Share ("EPS") (sen) <sup>(5)</sup>	0.19	1.07	1.76	2.22

### Notes:

- (1) Calculated based on GP divided by revenue
- (2) Calculated based on PBT divided by revenue
- (3) Calculated based on PAT divided by revenue
- (4) Calculated based on tax expenses divided by the PBT.
- (5) Calculated based on PAT attributable to owners of the Company divided by the enlarged share capital of 1,880,896,393 Shares after the IPO





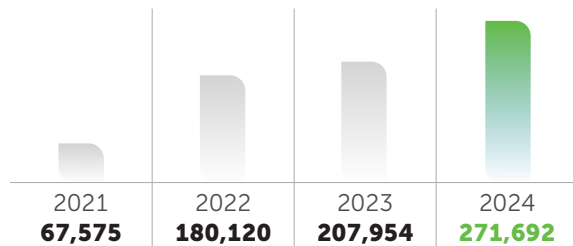
## FINANCIAL HIGHLIGHTS

### Revenue

(RM'000)

RM **271,692**

RM63,738 (30.7%) + increase from 2023

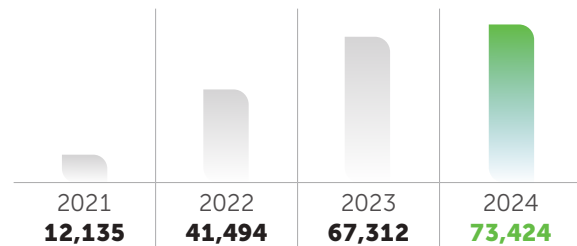


### Gross Profit

(RM'000)

RM **73,424**

RM6,112 (9.1%) + increase from 2023

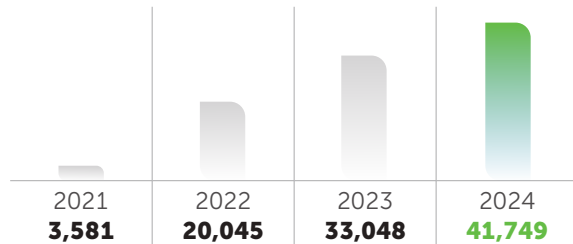


### Profit After Tax

(RM'000)

RM **41,749**

RM8,701 (26.3%) + increase from 2023

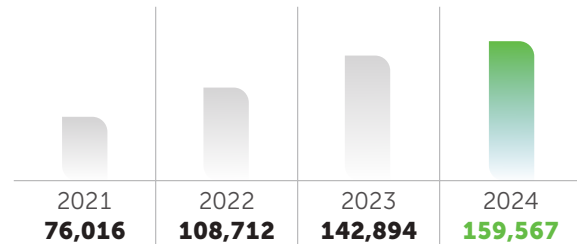


### Total Assets

(RM'000)

RM **159,567**

RM 16,673 (11.7%) + increase from 2023

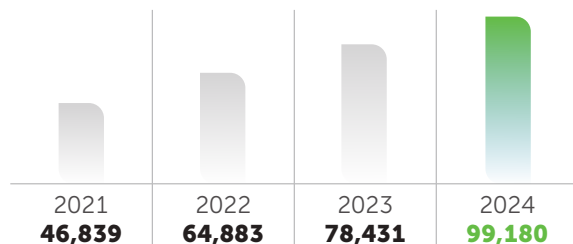


### Shareholders' Equity

(RM'000)

RM **99,180**

RM 20,749 (26.5%) + increase from 2023

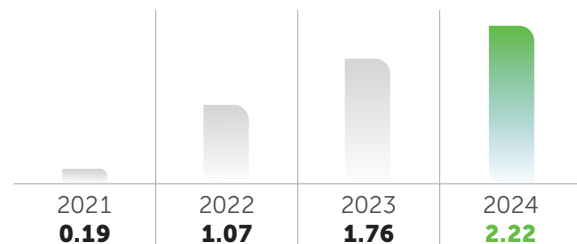


### Basic EPS


(sen)


**2.22** SEN

0.46 sen (26.1%) + increase from 2023




# PROFILE OF BOARD OF DIRECTORS







Age  
**51**



Gender  
**Female**



Nationality  
**Malaysian**



Meeting Attended  
**3/3**

**Lim Bee Hua**  
Independent Non-Executive Chairwoman

**Member of Committee**

- Sustainability and Risk Management Committee (Chairperson)

Lim Bee Hua, a Malaysian female, aged 51, is our Independent Non-Executive Chairwoman. She was appointed to our Board on 17 May 2024.

In 1999, she graduated with a Bachelor’s Degree (Honours) in Applied Science (Computer Aided Geometric Design and Computational Mathematics) from Universiti Sains Malaysia. She is a qualified software tester and was certified as a Certified Tester, Advanced Level Test Manager (CTAL-TM) by the International Software Testing Qualifications Boards (ISTQB) in 2009.

Upon graduation, she began her career in 1999 with Dalas Technologies Sdn Bhd as an Application Developer where she was tasked with developing and debugging quantity surveying software, system design, coding and testing, creating user manuals and training documents.

She resigned from Dalas Technologies Sdn Bhd in 2000 to join Bass Sdn Bhd as Software Engineer where she was responsible for designing, developing, evaluating and maintaining the performance of the maritime ERP solutions of the firm. She resigned from Bass Sdn Bhd in 2003.

In 2004, she joined IITC Sdn Bhd as Systems Analyst and was promoted to Assistant Manager – Quality Assurance in 2006, where she

supported the Quality Assurance Manager in developing quality control policies and managing a team of quality assurance analysts in ensuring the firm’s adherence to quality control policies.

She resigned from IITC Sdn Bhd in 2007 and joined Microlink Solutions Berhad, an information and communications technology firm that is listed on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Securities”), as Quality Control Manager. During her tenure in the company, she was involved in hardware and software manual and automation testing, solution demonstrations and proof-of-concept (POC) development for business development opportunities.

She resigned from Microlink Solutions Berhad in 2018 and joined Longbow Solutions Sdn Bhd as a Consultant in relation to software quality control and testing, business analysis and systems analysis. She continues to hold this position to date.



## PROFILE OF BOARD OF DIRECTORS

### Ir. Cheah Boon Hwa

Managing Director

#### Member of Committee

N/A

Ir. Cheah Boon Hwa, a Malaysian, aged 69, is our co-founder and Managing Director. He was the director in our Company since incorporation on 18 December 2023 and was subsequently appointed as the Managing Director on 17 May 2024. As Managing Director, he is primarily responsible for developing our Group's business model, strategic planning of our corporate direction as well as developing growth strategies and overseeing the daily operations of our Group.

He graduated with a Bachelor's Degree with Honours in Engineering specialising in Electrical Engineering from the University of Malaya in 1981. In 1999, he was registered as a Professional Engineer (Electrical) under the Board of Engineers Malaysia, and member of the Institution of Engineers Malaysia since 1999.

Upon graduation, he started his career in 1981 where he was briefly a Sales Engineer with Mecomb Malaysia Sdn Bhd, a subsidiary of Sime Darby Berhad. As Sales Engineer, he was responsible for the sales of the company's industrial instrumentation and controls solutions.

In October 1981, he resigned from Mecomb Malaysia Sdn Bhd and joined Perunding Hashim and Neh Sdn Bhd, a consulting engineering firm, as Consulting Engineer where he was responsible for electrical designs and consultancy as well as

developing electrical drawings.

He resigned from Perunding Hashim and Neh Sdn Bhd in 1984 and joined Ramusa Engineering Sdn Bhd, an electrical engineering company as Manager where he was responsible for managing the electrical engineering projects undertaken by the company.

In 1985, he left Ramusa Engineering Sdn Bhd and incorporated Syarikat Kejuruteraan Seah, a sole proprietorship, to undertake electrical engineering subcontracting works. Syarikat Kejuruteraan Seah was terminated on 15 July 1996.

Subsequently in 1990, he co-founded CBH Engineering Sdn Bhd ("CBH Engineering") together with his siblings, Cheah Boon Huat and Cheah Boon Kiat, and was concurrently appointed as a director. Under his leadership, CBH Engineering which commenced operations as an electrical engineering subcontractor has evolved into an M&E engineering firm with design and build capabilities.

He is the substantial shareholder of the Company via his interest in Quay Holdings Sdn Bhd (formerly known as CBH Equities Sdn Bhd) ("Quay Holdings"), the major shareholder of the Company. He is also a Director of Quay Holdings.



Age  
**69**



Gender  
**Male**





Nationality  
**Malaysian**




Meeting Attended  
**3/3**

# PROFILE OF BOARD OF DIRECTORS







Age  
**64**



Gender  
**Male**



Nationality  
**Malaysian**



Meeting Attended  
**3/3**

**Cheah Boon Huat**  
Non-Independent Executive Director

**Member of Committee**

N/A

Cheah Boon Huat, a Malaysian, aged 64, is our co-founder and Executive Director. He was appointed to our Board on 17 May 2024. He is responsible for planning, coordinating and managing the M&E engineering projects undertaken by our Group, including coordinating with site engineers, subcontractors and suppliers.

He graduated with a Bachelor's Degree in Applied Geology (Honours Class II Upper Division) from the University of Malaya in 1985.

Upon graduation, he began his career in sales where he was tasked to sell advertising space and directory placements in a construction trade directory, then known as Builders Directory.

In 1986, he resigned from his previous position and joined Ir. Cheah Boon Hwa in Syarikat Kejuruteraan Seah where he was tasked with managing project tendering, procurement, project and site management, submission of claims and variation orders and stakeholder management for electrical engineering subcontracting projects.

In 1988, he resigned from Syarikat Kejuruteraan Seah and briefly joined G.E.M. Exploration Sdn Bhd, a geotechnical, geological and geophysical engineering survey and consultancy services firm, as a Field Geologist. He was tasked with

site work coordination, rope and compass traversing to produce base map reconnaissance, geochemical sampling primarily focusing on gold, and field geological mapping to uncover gold deposits.

In November 1988, he resigned from G.E.M. Exploration Sdn Bhd and joined Exploration Logging Sdn Bhd, an oil and gas exploration company, as Field Geologist. During his tenure in the company, he was responsible for mud logging to monitor the percentage of gas released from oil and gas drilling activities, analysing soil samples and preparing daily reports for subsequent drilling planning.

Concurrently while he was still under employment with Exploration Logging Sdn Bhd, he co-founded CBH Engineering together with his siblings, Ir. Cheah Boon Hwa and Cheah Boon Kiat, and was concurrently appointed as a director in 1990.

In 1993, he resigned from Exploration Logging Sdn Bhd and became a full time executive director of CBH Engineering.



## PROFILE OF BOARD OF DIRECTORS

### Cheah Min Heng

Non-Independent Executive Director

#### Member of Committee

N/A

Cheah Min Heng, a Malaysian aged 38, is our Executive Director. He was appointed to our Board on 17 May 2024. He is responsible for managing the commercial, corporate as well as legal-related functions of our Group where his roles include leading business development activities, tendering exercises and overseeing corporate and legal matters in relation to our tendering exercises, projects and daily operations.

He graduated with a Bachelor of Laws from the Aberystwyth University, United Kingdom in 2009. He subsequently obtained his Master of Laws with merits in commercial and corporate laws in 2010 from the University of London, United Kingdom. In 2011, he obtained his Postgraduate Diploma in Professional Legal Skills from The City University London, United Kingdom and was qualified as a Barrister at Law and subsequently admitted to the Honorable Society of Middle Temple, United Kingdom. In 2012, he was admitted as an Advocate and Solicitor of the High Court of Malaya.

Upon graduation, he began his career in January 2012 as a Trainee Associate with Zaid Ibrahim & Co., a legal firm in Malaysia where he was a pupil and participated in legal research to formulate legal opinions and attended to court matters. He was promoted to the position of Associate in October 2012 where he began participating

in corporate exercises such as legal due diligence for initial public offering engagements and mergers and acquisitions. In 2015, he was promoted to the position of Senior Associate 2, where he drafted legal opinions, led corporate exercises and drafted commercial agreements. Subsequently in 2017, he was promoted to Senior Associate 1, where he was responsible for managing clients of the firm, coordinating and leading corporate exercises and drafting and negotiating corporate transaction agreements and commercial agreements on behalf of clients of the firm.

He resigned from Zaid Ibrahim & Co. in 2017 and joined CBH Engineering as Special Advisor and Group General Counsel to the then Chief Operating Officer. At that time, he was tasked to assist the then Chief Operating Officer in the management of our Group's daily operations and attending to legal-related matters. In 2019, he was redesignated as our Group's Group General Counsel and Business Development Manager.



Age  
**38**



Gender  
**Male**




Nationality  
**Malaysian**




Meeting Attended  
**3/3**




# PROFILE OF BOARD OF DIRECTORS







Age  
**35**



Gender  
**Female**



Nationality  
**Malaysian**



Meeting Attended  
**3/3**

**Chin Sin Peng**  
Independent Non-Executive Director

**Member of Committee**

- Audit Committee (Chairperson)
- Sustainability and Risk Management Committee (Member)
- Remuneration Committee (Member)
- Nominating Committee (Member)

Chin Sin Peng, a Malaysian female, aged 35, is our Independent Non-Executive Director. She was appointed to our Board on 17 May 2024.

In 2012, she graduated from the University of the West of England Bristol, United Kingdom with a Bachelor's Degree in Accounting and Finance with Honours. She completed her Association of Chartered Certified Accountants ("ACCA") qualification examination in 2013 at Kaplan Financial Manchester, United Kingdom. She has been a member of the Association of Chartered Certified Accountants and Malaysian Institute of Accountants ("MIA") since 2021.

Upon graduation, she began her career in 2014 with SJ Grant Thornton Malaysia PLT as Junior Associate and was promoted to Senior Audit Associate. In her last held position as Senior Audit Associate, she was tasked with executing audit plans and ensuring the timely completion of audit engagements.

In 2016, she resigned from SJ Grant Thornton Malaysia PLT and joined Baker Tilly Monteiro Heng PLT as a Senior Audit Associate where she was tasked with similar roles as when she was at her previous company.

In 2017, she resigned from Baker Tilly Monteiro Heng PLT and was appointed as a director of La Taverna Restaurant Sdn Bhd which owns

and operates a food and beverage outlet in Selangor. She concurrently co-founded Autograph Sdn Bhd which owns and operates a food and beverage outlet in Selangor. She is responsible for managing the back-end operations of the abovementioned companies which include managing the finances, payroll and administrative matters. She has resigned as a director of La Taverna Restaurant Sdn Bhd and Autograph Sdn Bhd on 30 September 2024.

In 2019, she was appointed as a partner of Sejati Makmur (Tawau), a company principally involved in building construction and general maintenance. She continues to hold the position to date.

In 2021, she was appointed as a director of Hanamega Sdn Bhd, a company which provides waste management and disposal services. She continues to hold the position to date.

In 2020, she founded and was appointed as a director of Buttermelts Sdn Bhd, a company that operates a food and beverage outlet in Kuala Lumpur. She is responsible for managing the back-end operations which include managing the finances, payroll and administrative matters.



## PROFILE OF BOARD OF DIRECTORS

### Saw Bee Yee

Independent Non-Executive Director

#### Member of Committee

- Remuneration Committee (Chairperson)
- Audit Committee (Member)
- Sustainability and Risk Management Committee (Member)
- Nominating Committee (Member)

Saw Bee Yee, a Malaysian female, aged 48, is our Independent Non-Executive Director. She was appointed to our Board on 17 May 2024.

In 2001, she graduated with a Bachelor's Degree in Business Administration with Honours from University of Malaya.

Upon graduation, she started her career as Demo Coordinator with Demo Power Sdn Bhd in 2001 where she was responsible for supervision of sampling projects in retail outlets. In 2002, she resigned from Demo Power Sdn Bhd and joined Lampe Berger Multilevel Marketing as Distributor where she was responsible for sales and recruitment of new distributors. In 2004, she resigned from Lampe Berger Multilevel Marketing and joined Yamato Transport (M) Sdn Bhd as Sales Executive in 2005 where she was responsible for promoting the company's freight forwarding services to potential new customers and manage client relationships and expectations.

She resigned from Yamato Transport (M) Sdn Bhd in 2006 to join Cartel Furnishings Sdn Bhd as Business Development Executive. She was responsible for the planning and management of online marketing content, overseas tradeshow and exhibitions as well as managing international customers.

In 2007, she resigned from Cartel Furnishings Sdn Bhd to join Chemweb Sdn Bhd as Marketing Executive. She assisted the company's management in execution of marketing campaigns as well as the sales and marketing of the company's products. She was promoted to Product Manager in 2014. As Product Manager, she was responsible for sales development, market research and analysis, product launch and promotion, sales forecasting and pricing, product lifecycle management, and customer feedback analysis.

She left Chemweb Sdn Bhd in 2015 to join her husband's company, Towers Engineering Sdn Bhd, a company principally involved in the engineering of industrial automation products. She is the company director and is responsible for overseeing the administrative works, HR recruitment, payroll and finance of the company. She also assists in managing the daily operations of the company as well as the company's corporate direction and investment plans. She continues to hold the position to date.



Age  
**48**



Gender  
**Female**

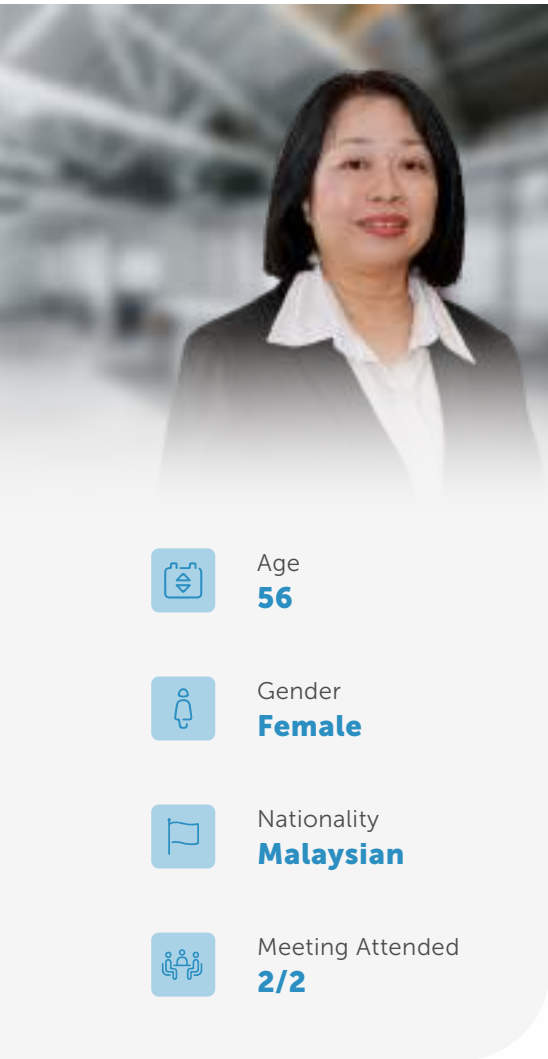


Nationality  
**Malaysian**



Meeting Attended  
**3/3**

# PROFILE OF BOARD OF DIRECTORS



## Tan Suat Hoon

Independent Non-Executive Director

### Member of Committee

- Nominating Committee (Chairperson)
- Remuneration Committee (Member)
- Audit Committee (Member)
- Sustainability and Risk Management Committee (Member)



Age  
**56**



Gender  
**Female**



Nationality  
**Malaysian**



Meeting Attended  
**2/2**

Tan Suat Hoon, a Malaysian female, aged 56, is our Independent Non-Executive Director. She was appointed to our Board on 24 June 2024.

She obtained her Diploma in Commerce (Management Accounting) from Tunku Abdul Rahman College, Kuala Lumpur in 1992. She was admitted as an Associate of the Chartered Institute of Management Accountants, United Kingdom ("CIMA") and the ACCA in 1996 and as Fellow in 2001 for both CIMA and ACCA. She has also been a Chartered Accountant with MIA since 1996. She is presently a member of CIMA and MIA.

She began her career as an Audit Assistant with KPMG Peat Marwick (now known as KPMG PLT) in 1992 and left as an Audit Senior in 1996 where she was involved in audit assignments of private and public listed companies in various industries.

She joined Malaysian International Merchant Bankers Berhad (which was taken over by Eon Bank Berhad and subsequently by Hong Leong Bank Berhad) in 1996 as an Executive in Corporate Finance and left in 2002 as a Manager. She then joined AmlInvestment Bank Berhad as a Manager, Corporate Finance in 2002 and left in 2017 as Senior Vice President, Corporate Finance. In 2017, she joined Pen Petroleum Sdn Bhd as

Group Senior Finance Manager responsible for the supervision of the finance department and left in 2018. She joined Kenanga Investment Bank Berhad as Senior Vice President, Corporate Finance in 2018 and left in 2021. She has accumulated more than 20 years of experience in corporate finance, advisory and debt capital market in the investment banking industry and was involved in initial public offerings, capital and fundraising exercises, corporate restructuring, mergers and acquisitions, privatisation and take-overs.

Subsequently, she joined Texchem Corporation Sdn Bhd, a subsidiary of Texchem Resources Bhd ("TRB"), in 2021 as Group Chief Financial Officer and was responsible for finance and treasury matters for TRB's group of companies. She was transferred to TRB as the Special Officer-Regulatory, Presidential Office in 2022 and subsequently left in 2022. She was responsible for ensuring compliance of TRB with the relevant regulatory requirements and to manage ad-hoc projects assigned by the Presidential Office.

She joined Northeast Precision Sdn Bhd, a subsidiary of Northeast Group Berhad as the Chief Financial Officer in 2022 responsible for the accounting, financial and corporate matters of the Northeast Group Berhad's group of companies and left in 2024. Presently, she is the Head of Finance of a private



## PROFILE OF BOARD OF DIRECTORS

### Tan Suat Hoon (cont'd)

company.

Currently, she is also as the Independent Non-Executive Director of Smart Asia Chemical Bhd and Elridge Energy Holdings Berhad.

### NOTES

#### Family Relationship with Director of the Company

- Mr. Cheah Boon Hwa is the brother of Cheah Boon Huat and father to Cheah Min Heng, our Executive Directors.
- Cheah Boon Huat is the brother of Mr. Cheah Boon Hwa and uncle of Cheah Min Heng, our Managing Director and Executive Director respectively.
- Cheah Min Heng is the son of Mr. Cheah Boon Hwa and nephew of Cheah Boon Huat, Managing Director and Executive Director respectively.
- Other than the disclosed above, none of the Directors have any family relationship with other Director of the Company.

#### Directorship in Other Public and/or Listed Companies

Save as disclosed, none of the Directors have any other directorship in public companies and listed corporations.

#### Conflict of Interest

None of the Directors has any conflict of interest or potential conflict of interest, including the interest in any competing business with Company and/or its subsidiaries with the Company.

#### Conviction for Offences

Other than traffic offences, if any, the Directors have not been convicted of any offences within the past five (5) years and have not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2024.

#### Attendance of Board Meetings

Details of the Directors' attendance at Board meetings are set out in the Corporate Governance Overview Statement on page 074 of this Annual Report.

# PROFILE OF KEY SENIOR MANAGEMENT



**Tang Wai Hoong**  
Chief Financial Officer



Age  
**43**



Nationality  
**Malaysian**



Gender  
**Male**

Tang Wai Hoong, a Malaysian, aged 43, is our Chief Financial Officer. He was appointed as Chief Financial Officer of our Group on 1st September 2023. He is responsible for overseeing the overall finance, accounting, human resource and administrative matters of our Group, including budget preparation, review of financial information, preparation of annual financial statements, cash flow and tax planning and corporate finance matters.

He graduated with a Diploma in Accounting from Stamford College Malaysia in 2002 and subsequently graduated with a Bachelor of Arts in Accountancy and Finance from the University of Abertay Dundee, United Kingdom in 2006. He has been a member of the ACCA and MIA since 2017.

In 2005, he began his career in Grant Thornton Malaysia, as an Audit Associate in the Audit and Assurance Department. He was subsequently promoted to the positions of Semi Senior Audit Associate in 2007, Senior Associate in 2008, Acting Supervisor in 2009, Supervisor in 2010 and Assistant Manager in the same year, all under the Audit and Assurance Department. In 2011, he briefly took a career break for several months prior to rejoining Grant Thornton Malaysia in the same year wherein he assumed the position of Manager in the Audit and Assurance Department. In 2013, he was promoted to the positions of Senior Manager and subsequently to the position of Principal in the Audit and Assurance Department in the same year. In 2017, he was promoted to the position of Director in the Audit and Assurance Department. During his tenure in Grant Thornton Malaysia, he was involved in various audit assignments of companies in the manufacturing, commercial, construction, trading and services industries as well as conducting financial due diligence review for corporate proposals. He was also part of the reporting accountant team that participated in initial public offering engagements and various secondary fundraising exercises in the capital market.

In 2019, he resigned from Grant Thornton Malaysia and joined Paragrene Land Sdn Bhd (subsequently converted to Paragrene Land Berhad) as Financial Controller, where he was responsible for overseeing the overall finance and accounting matters of the company.

In August 2023, he resigned from Paragrene Land Berhad and joined our Group as Chief Financial Officer on 1st September 2023.

He does not have any family relationship with the Directors and/or major shareholder of the Company.





## PROFILE OF KEY SENIOR MANAGEMENT

### Dr. Soon Fong Piew

Contract Director



Age  
**48**



Nationality  
**Malaysian**



Gender  
**Male**



Dr. Soon Fong Piew, a Malaysian, aged 48, is our Contract Director. He was appointed as Contract Director of our Group in 2024. He is responsible for overseeing the contracts and procurements functions of our Group, where this encompasses supplier selection and management, negotiating commercial terms and ensuring compliance with our Group's policies and procedures.

He graduated with a Bachelor of Engineering (Honours) in Electrical and Electronic Engineering from the University of Northumbria, United Kingdom in 2000. Subsequently in 2009, he obtained his Master of Business Administration from Multimedia University, Malaysia. Furthermore on 28th November 2024, he was awarded Doctor of Engineering from Universiti Teknologi Malaysia.

Upon graduation, he began his career in 2000 with Perunding Hashim and Neh Sdn Bhd, a consulting engineering firm, as an Electrical Engineer and subsequently promoted to the position of Resident Engineer in the same year. Subsequently in 2002 to the position of Project Manager. During his tenure with the firm, he was involved in electrical system design, project planning and management for commercial and residential projects.

In 2005, he resigned from Perunding Hashim and Neh Sdn Bhd and was appointed as a director of Coppertech Sdn Bhd where he was responsible for managing the switchboard manufacturing operations of the company.

In 2014, he resigned as a director of Coppertech Sdn Bhd and incorporated MBL Engineering Sdn Bhd as a shareholder and concurrently appointed as a director. As director, he was overseeing the daily operations of the company, including the electrical contracting work projects undertaken by the company.

In 2017, MBL Engineering Sdn Bhd ceased operations and he resigned as a director. He became a shareholder of CBH M&E in 2017 and was concurrently appointed as director where he oversaw the daily operations, sales and marketing of the company. He was subsequently promoted to the position of Contract Director on 1st January 2024, a position that he continues to hold to date.

He does not have any family relationship with the Directors and/or major shareholder of the Company.

As at 31 December 2024, he has direct interest of 13,301,600 ordinary shares of the Company.

# PROFILE OF KEY SENIOR MANAGEMENT



**Ir. Ling Yang Ming**  
Project and Engineering Director



Age  
**45**



Nationality  
**Malaysian**



Gender  
**Male**

Ir. Ling Yang Ming, a Malaysian, aged 45, is our Project and Engineering Director. He was appointed as Project and Engineering Director of our Group in 2024. He is mainly responsible for managing the project design and engineering functions of our Group, including product specification, compliance to local industry standards and regulations, project implementation and risk management as well as liaising with project stakeholders.

He graduated with a Bachelor of Engineering in Electrical and Electronic Engineering from the University of Wales, United Kingdom in 2003. Subsequently, he obtained his Master of Science in Electrical Power Engineering from University of Manchester Institute of Science and Technology, United Kingdom in 2004. He is registered as a professional engineer with the Board of Engineers Malaysia and also became a member of the Institution of Engineers, Malaysia since 2016. In 2018, he was conferred the status of Asean Chartered Professional Engineer after fulfilling the requirements by the Asean Chartered Professional Engineer Co-ordinating Committee.

Upon graduation, he commenced his career in 2005 in PBSI Limited, United Kingdom, as an Electrical Engineer where he participated in electricity supply projects undertaken by the firm. In 2007, he was promoted to the position of Power System Engineer where he began gaining exposure to power system studies and design, fault level analysis and relay coordination studies and testing, product development as well as preparing technical reports.

In 2010, he resigned from PBSI Limited and joined Ablecon Engineering Sdn Bhd as a Senior Engineer where he was responsible for conducting medium voltage product acceptance testing procedures, managing subcontractors, tender documentation preparation and management of site activities in relation to the installation of power transformers.

In 2011, he left Ablecon Engineering Sdn Bhd and joined KNM Renewables Energy Sdn Bhd, a subsidiary of KNM Group Berhad which is listed on the Main Market of Bursa Securities, as a Senior Electrical Engineer. During his tenure at KNM Renewables Energy Sdn Bhd, he was involved in managing waste to energy plant projects, encompassing design and build, preparation of tender documentation, subcontractor management and vendor evaluations.

He resigned from KNM Renewables Energy Sdn Bhd and joined Tebodin Malaysia Sdn Bhd in 2012 as an Electrical Design Engineer and was promoted to the position of Head of Department for Electrical, Control and Instrumentation in 2013 where he was responsible for providing electrical design consultancy services for industrial and petrochemical plants.

In 2015, he resigned from Tebodin Malaysia Sdn Bhd and joined KNM Renewables Energy Sdn Bhd as a Senior Electrical Engineer where he was responsible for system analysis and project cost management of the design and build of waste to energy plants.

In 2017, he resigned from KNM Renewables Energy Sdn Bhd and joined RCR Asia Sdn Bhd as a Lead Electrical Engineer, managing electrical equipment design and specifications, power system studies and system commissioning. He also led the design and build projects of combined cycle power plants undertaken by the company.

He resigned from RCR Asia Sdn Bhd in 2019 and joined our Group as Head of Operation. He was promoted to the position of General Manager in 2020. On 1st January 2024, he was subsequently promoted to the position of Project and Engineering Director, a position that he continues to hold to date.

He does not have any family relationship with the Directors and/or major shareholder of the Company.

# PROFILE OF KEY SENIOR MANAGEMENT

## NOTES

### **Directorship in Public Companies and Listed Issuers**

None of the key senior management has any directorship in public companies and listed issuers.

### **Conflict of Interest**

None of the key senior management has any conflict of interest or potential conflict of interest, including the interest in any competing business with Company and/or its subsidiaries with the Company.

### **Conviction for Offences**

Other than traffic offences, if any, the key senior management have not been convicted of any offences within the past five (5) years and have not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2024.



## CHAIRWOMAN'S STATEMENT



### **Dear Stakeholders,**

On behalf of the Board of Directors ("Board") of CBH Engineering Holding Berhad ("CBHB"), I am pleased to present our inaugural Annual Report for the year ended 31 December 2024, a year defined by remarkable growth and strategic advancements.

This report comes on the heels of a historic milestone – our debut on the ACE Market of Bursa Securities. This listing is a testament to the strength of our vision, the dedication of our team, and the enduring trust of our stakeholders.





# CHAIRWOMAN'S STATEMENT



## UNLOCKING GROWTH

The year 2024 has brought commendable economic growth to the nation at 5.00% in the fourth quarter of the year, spurring growth in the construction sector of up to 20.70%<sup>1</sup>. This paved the way for a healthy growth in the M&E engineering industry. The value of M&E engineering is projected to increase from RM7.30 billion in 2023 to RM10.60 billion in 2026, reflecting a compound annual growth rate ("CAGR") of 13.20%<sup>2</sup>. Of particular interest to us, is the rapidly rising potential in the Data Centre arena, particularly in Greater KL and Johor, a beneficiary of the spill over of Singapore's moratorium on Data Centre development. With over 3 GW in development and an additional 1.2 GW in the pipeline, the market is set to grow by nine times its current capacity<sup>3</sup> and we are gearing up to prepare our resources to capitalise on the tailwinds of the industry's trajectory.

Our Initial Public Offering ("IPO") in January 2025 garnered robust interest, achieving an oversubscription rate of 34.21 times, a testament to stakeholders' confidence in our business model and strategic vision.

Priced at RM0.28 per share, the IPO raised RM83.44 million, equipping us with the resources to pursue larger-scale projects, and reinforce our leadership in M&E services.

## CAPITALISING ON A BOOMING SECTOR

As the nation continues to grow, towards an advanced economy status, the Company has emerged as a front-runner in providing electrical supply distribution systems, with expertise spanning the design, installation, and maintenance of low- to high-voltage systems. Our portfolio also includes mechanical engineering services such as fire protection, plumbing, and renewable energy installations.

Additionally, the increasing emphasis on green technologies and Malaysia's infrastructure expansion present significant opportunities for CBHB. Our expertise in sustainable and energy-efficient systems aligns with the government's initiatives to build a greener economy and attract domestic and foreign investments. These trends, coupled with the rising demand for commercial and industrial developments, form a fertile ground for growth.



RM **10.60**

**Projected M&E Engineering Value in 2026 (RM bil.)**



**3 GW + 1.2 GW**

**Current and Future Capacity in Development**



**34.21 times**

**IPO Oversubscription Rate**

<sup>1</sup> <https://www.bnm.gov.my/-/quarterly-bulletin-4q-2024>

<sup>2</sup> Prospectus page 173

<sup>3</sup> <https://content.knightfrank.com/research/2643/documents/en/malaysia-data-centre-research-report-2023-10072.pdf>



# CHAIRWOMAN'S STATEMENT



## CAPITALISING ON A BOOMING SECTOR (CONT'D)

CBHB continues to demonstrate our resilience and capacity to deliver high-value projects, underscoring our commitment to growing our market presence and expertise in high-demand sectors. The proceeds from our IPO will be deployed strategically to capitalise on growth and market expansion, as well as freeing up internal funds to accelerate our strategic direction to pursue larger-scale M&E projects.

## ECONOMIC ENVIRONMENT AND BUSINESS PERFORMANCE

The year presented a dynamic economic landscape that influenced our performance. Increased consumer confidence catalysed higher demand for our services, achieving our aspirations. However, challenges such as rising price of copper and persistent supply chain disruptions tested our operational resilience. By deploying strategic cost management measures and enhancing operational efficiencies, we effectively mitigated these pressures. This adaptability enabled us to capitalise on growth

opportunities while maintaining robust financial performance.

In the financial year ended 31 December 2024 ("FYE2024"), the Group achieved a revenue of RM271.69 million, a commendable performance compared to RM207.95 million in financial year ended 31 December 2023 ("FYE2023"). Our profit after tax stood at RM41.75 million, reflecting strong operational efficiencies despite external headwinds. Gross profit margins remained robust at 27.02% (FYE2023: 32.37%), highlighting our focus on sustainable profitability.

External factors, including global supply chain disruptions and a tightening labour market, presented challenges during the year. Escalating supply chain costs and a shortage of skilled talent created complexities in scaling operations. In response, we implemented targeted strategies to strengthen talent acquisition and retention while optimising resource allocation. These proactive initiatives ensured the continuity of project delivery, steady growth momentum, and unwavering commitment to meeting our clients' expectations.



RM **271.69**

Revenue (RM mil.)



RM **41.75**

Profit After Tax (RM mil.)



**27.02%**

Gross Profit Margin

# CHAIRWOMAN'S STATEMENT



## ADVANCING OUR STRATEGIC VISION

Our strategic priorities in 2024 focused on expanding our market presence and elevating customer experiences. These efforts not only increased our market share but also improved client satisfaction, cementing our position as a trusted partner in M&E solutions. Looking ahead, we aim to become a global leader in sustainable engineering solutions. As part of this vision, we have committed to reducing our carbon emissions, currently recorded at 550.70 tonnes (t) of carbon dioxide (CO<sub>2</sub>) equivalent (e) ("tCO<sub>2</sub>e"), particularly through our renewable energy systems with the installation of 114kWp rooftop solar photovoltaic ("PV") at our Shah Alam premises. We are also striving to enhance operational efficiencies through digitalisation, track and manage greenhouse gas emissions, and implement waste reduction initiatives.

We are cognisant of the rapid transformation in the M&E engineering industry landscape, driven by digitalisation, sustainability imperatives, and evolving consumer expectations. These shifts present exciting opportunities for CBHB to expand into underserved markets and lead the charge in innovative and energy-efficient solutions. Our proactive approach to market trends ensures we remain ahead of the curve. We have accelerated the adoption of digital platforms, strengthened regulatory compliance frameworks, and collaborated with stakeholders to align with best practices. These initiatives position the Company as a forward-thinking organisation, ready to thrive in a dynamic landscape.

## ACKNOWLEDGEMENTS

On behalf of the Board, I extend my heartfelt gratitude to our shareholders, employees, clients, and partners for their unwavering support. I also express my deepest appreciation to the leadership team for their dedication and resilience during this pivotal year.

As we embark on the next chapter of our journey, I am confident that CBHB is well-prepared to achieve sustainable growth, deliver value to our stakeholders, and make a positive impact on the communities we serve. Together, we will continue to unlock the vast potential of Malaysia's thriving M&E sector.

**Lim Bee Hua**

**Independent Non-Executive Chairwoman**

# MANAGEMENT DISCUSSION AND ANALYSIS

## INTRODUCTION

CBHB is pleased to present our inaugural Annual Report for the year ended 31 December 2024, culminating our performance for the year prior to our successful listing on the ACE Market of Bursa Securities. Our listing is a testament to our evolution and growth into one of the nation's leading M&E engineering service providers. We are poised to leverage the public listing to deliver enhanced value to stakeholders and explore new opportunities in the dynamic M&E landscape.

## STRATEGIC DEPLOYMENT OF IPO PROCEEDS

CBHB debuted on the ACE Market in 16 January 2025 at an Initial Public Offer ("IPO") price of RM0.28 per share, raising total gross proceeds of RM83.44 million. The proceeds from this Public Issue will be utilised by our Group in the following manner:

Description of use	Amount of Proceeds		Estimated Timeframe for utilisation from date of Listing
	RM'000	%	
Business Expansion:			
i. Procurement of equipment and components for future projects	38,504	46.15	Within 3 years
ii. Payment to subcontractors for future projects	18,480	22.15	Within 1.5 years
iii. Bank guarantees for future projects	17,300	20.73	Within 3 years
iv. Recruitment of engineers and other personnel	3,456	4.14	Within 2 years
Estimated listing expenses	5,700	6.83	Within 1 month
<b>Total</b>	<b>83,440</b>		



A group of CBH Board and Key Senior Management outside of Bursa Securities after the listing on the ACE Market of Bursa Malaysia Securities Berhad.





# MANAGEMENT DISCUSSION AND ANALYSIS

## EVOLVING WITH THE M&E INDUSTRY

The Group was established in 1990 and has evolved to become a leading provider of M&E engineering services specialising in comprehensive solutions for electricity supply distribution systems. The Group's expertise encompasses the design, supply, installation, testing, commissioning, and maintenance of High Voltage ("HV"), Medium Voltage ("MV"), Low Voltage ("LV"), and Extra Low Voltage ("ELV") electrical systems. We also offer mechanical engineering services for building systems, covering air conditioning and mechanical ventilation ("ACMV") systems, fire protection systems, plumbing and sanitary systems, and renewable energy solutions.

The Group undertakes projects that integrate multiple M&E systems, particularly in design-and-build contracts. In such projects, the in-house Electrical Design team develops design drawings tailored to customer requirements, which are endorsed by appointed M&E consultants, then supplied and constructed according to the approved designs. For other projects, CBHB implements systems based on designs provided by customers or their consultants. Additionally, the Group undertakes civil and structural engineering works as part of the design-and-build offerings.

With a primary focus on the Malaysian market, our clientele includes project owners and main contractors, serving diverse infrastructure such as substations, industrial facilities, commercial complexes, and residential developments. Our operations are

segmented into two core business areas: electrical engineering services for power distribution systems and mechanical engineering services for building systems.

## OPERATIONS REVIEW

The Group's organisational strategy for the year was firmly rooted in driving sustainable growth through a focus on delivering comprehensive M&E engineering solutions. This strategy was shaped by evolving industry demands, shifting customer expectations, and the need to remain competitive in a dynamic business landscape. Throughout the year, CBHB achieved key milestones, including notable revenue growth driven by our expansion into new markets and enhanced project diversification. Additionally, we made significant strides in operational efficiency by streamlining processes and optimising resource utilisation. These achievements reinforce our position as a trusted engineering partner and lay a strong foundation for continued growth and long-term value creation.

### [Project Diversification](#)

CBHB delivers comprehensive engineering solutions tailored to the M&E requirements of projects across various categories, including substations, industrial, commercial, and residential developments. The revenue contribution from each category fluctuates based on the nature and scope of projects undertaken during the reporting period. The table below provides a detailed breakdown of revenue generated by each category over the past three years:



Project Category	FYE2022		FYE2023		FYE2024	
	RM'000	%	RM'000	%	RM'000	%
Substation	93,306	51.80	147,942	71.14	200,217	73.69
Industrial	68,429	37.99	38,037	18.29	64,719	23.82
Commercial	10,043	5.58	20,687	9.95	6,508	2.40
Residential	8,342	4.63	1,288	0.62	248	0.09

# MANAGEMENT DISCUSSION AND ANALYSIS

## OPERATIONS REVIEW (CONT'D)

### Achieving Operational Efficiency

CBHB has achieved operational efficiency by implementing a comprehensive approach encompassing key strategies:

				
<b>Resource Utilisation:</b> CBHB ensures optimal use of human, financial, and material resources by streamlining workflows, leveraging advanced tools, and maintaining effective resource allocation across all projects. This results in timely project delivery and cost efficiency.	<b>Employee Training:</b> During the financial year, CBHB invested RM94,186 in training and development programmes to equip our workforce with relevant skills and knowledge through continuous training programmes, enabling staff to adapt to evolving industry standards. By fostering a culture of accountability and encouraging idea-sharing, CBHB promotes innovation and process improvements.	<b>Cost Savings:</b> CBHB reduces waste and optimises processes by adopting lean operational methods, ensuring cost-effective project execution without compromising quality.	<b>Enhanced Competitiveness:</b> By maintaining efficient operations, CBHB adapts swiftly to market demands and stays ahead of competitors. Proactive innovation and strategic planning position the Group as a reliable leader in its industry.	<b>Sustainability:</b> CBHB integrates sustainable practices into its operations, including waste minimisation and energy optimisation. This aligns with its commitment to environmental stewardship, meeting both client and regulatory expectations.

Through these measures, CBHB delivers consistent value to stakeholders while maintaining high standards of efficiency and sustainability.

## FINANCIAL REVIEW

CBHB recorded a revenue growth of 30.65% to RM271.69 million for FYE2024 from RM207.95 million for FYE2023. The increased largely from the M&E Systems segment, while M&E Maintenance contributed 0.26% or RM708,000. We posted a gross profit of RM73.42 million, which represented an increase of 9.08% from RM67.31 million for FYE2023.

Despite the rise in administrative expenses, as well as registering an impairment loss on trade receivables, our profit after tax ("PAT") increased by 26.32% to RM41.75 million for FYE2024 from RM33.05 million in the preceding year.





# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW (CONT'D)

As a newly listed entity, we currently do not have a formal dividend policy. However, we are committed to distributing dividends to our shareholders in the future, contingent upon the company's performance and other factors that the Board deems pertinent.

### [Cash Position and Liquidity](#)

Cash and bank balances stood at RM23.97 million, supplemented by RM14.89 million in fixed deposits, bringing total cash reserves to RM38.86 million. After adjusting for pledged deposits of RM11.45 million, the net cash and cash equivalents amounted to RM27.41 million. The Group's cash flows from operating activities generated RM18.00 million, indicating a healthy cash inflow to sustain business operations.



**RM 38.86 mil.**

**Total Cash Reserves**



**RM 11.45 mil.**

**Pledged Deposits**



**RM 18.00 mil.**

**Group's Cash Flows**

### [Financial Stability](#)

Total equity increased to RM99.18 million, reflecting retained earnings growth and a strong financial position. Total liabilities stood at RM60.39 million, comprising mainly trade payables (RM37.62 million) and contract liabilities (RM3.41 million). Debt levels remain minimal, with RM100,000 in loans and borrowings.



**RM 99.18 mil.**

**Total Equity**



**RM 60.39 mil.**

**Total Liabilities**



**RM 100,000**

**Debt Levels**

## FORGING A LEGACY OF RESPONSIBILITY

At CBHB, sustainability is a core value that drives our operations and shapes our future. Through comprehensive Environmental, Social, and Governance ("ESG") practices, we aim to create a positive impact on the environment, foster inclusive growth, and maintain ethical business standards.

# MANAGEMENT DISCUSSION AND ANALYSIS

## FORGING A LEGACY OF RESPONSIBILITY (CONT'D)

We are deeply committed to environmental stewardship and work diligently to reduce the environmental impact of our operations. Energy efficiency is a key focus, with measures such as the installation of energy-saving Light-Emitting Diode ("LED") bulbs and motion sensors in office spaces aimed at conserving energy during office hours. Additionally, we have embraced renewable energy with the installation of rooftop solar PV system driving our aspirations to reduce our carbon footprint. We also track and monitor greenhouse gas ("GHG") emissions across Scope 1, 2, and 3, having recorded 550.70 tCO<sub>2</sub>e in FYE2024, and continue to strive for reductions through employee awareness and improved practices. Waste management is another priority, with initiatives to reuse and recycle materials such as steel, copper, and aluminium cables, as well as simple measures like two-sided printing and scrap paper recycling. Importantly, we maintained zero cases of environmental non-compliance or accidents in FYE2024 and consistently refine our risk management processes to ensure regulatory compliance and mitigate environmental risks.

CBHB's commitment to social responsibility is reflected in our focus on workplace safety, talent development, succession planning, and community engagement. The Company emphasises workplace health and safety with robust measures in place to prevent injuries and accident at work. Hiring and retaining high-potential employees is a priority and the Company invests in their professional growth through training and development programmes.

Governance excellence forms the foundation of our sustainability efforts, with transparency, accountability, and long-term value creation at the forefront. We integrate ESG principles into our strategic planning and decision-making processes, regularly updating our strategies and policies to align with evolving sustainability standards. With comprehensive compliance policies in place, we ensure adherence to data protection, employment, and anti-corruption laws.

At CBHB, sustainability is not just a goal, it is an ongoing journey of continuous improvement. By balancing environmental stewardship, social responsibility, and governance excellence, we are driving long-term growth and delivering value to our stakeholders. Further details of the Company's ESG practices and initiatives are outlined in the Sustainability Statement, pages 039 to 065.

## CAPITAL STRUCTURE, RESOURCES AND EXPENDITURE

The Company had on 24 May 2024 entered into 3 conditional Share Sale Agreements to acquire the entire equity interest of CBH Engineering Sdn Bhd, CBH Maintenance Sdn Bhd and CBH M&E Engineering Sdn Bhd for a total purchase consideration of RM57,142,553 to be satisfied by the issuance of 1,582,896,193 ordinary shares in the Company at an issue price of RM0.0361 per share to CBH Engineering Sdn Bhd, CBH Maintenance Sdn Bhd and CBH M&E Engineering Sdn Bhd. The acquisitions of CBH Engineering Sdn Bhd, CBH Maintenance Sdn Bhd and CBH M&E Engineering Sdn Bhd were all completed on 23 October 2024.

In conjunction with the listing of our Company on the ACE Market of Bursa Malaysia Securities Berhad on 16 January 2025, the Company had issued 298,000,000 new ordinary shares at RM0.28 per share which increased the Company's issued and paid-up share capital to RM140,582,573 comprising 1,880,896,393 ordinary shares in the Company.

Barring any unforeseen circumstances, we have adequate working capital to meet our budgeted requirements after taking into consideration our cash and cash equivalents of RM27.41 million as at 31 December 2024.

During FYE2024, the Group has allocated a total of RM2.34 million for capital expenditure, mainly related to the purchase of motor vehicles and office equipment as well as right-of-use assets.

As at 31 December 2024, the Group does not have any capital commitments.



# MANAGEMENT DISCUSSION AND ANALYSIS

## NAVIGATING RISKS FOR SUSTAINABLE GROWTH

CBHB remains steadfast in identifying and addressing potential risks to ensure sustained growth and operational excellence. Over the year, we implemented comprehensive strategies to mitigate the following key risks:

### Supply Chain Disruptions

The global supply chain environment faced heightened uncertainties due to shortages and logistical delays, posing a risk to project timelines and cost structures. We have implemented the following measures to fortify our supply chain resilience, ensuring consistent project delivery and operational continuity:

- o Diversified our supplier base to reduce dependency on single-source providers.
- o Invested in predictive analytics to enhance demand forecasting and improve procurement planning.
- o Built strategic reserves of critical materials to safeguard against unexpected disruptions.

### Cybersecurity Threats

The increasing digitisation of operations has amplified cybersecurity risks, making data protection a top priority. The following efforts position us to effectively manage evolving cyber threats while maintaining stakeholder trust.

- o Enhanced IT infrastructure with robust data protection protocols to safeguard sensitive information.
- o Conducted regular security audits to identify and rectify vulnerabilities proactively.
- o Implemented staff training programmes to build awareness and promote adherence to best practices in cybersecurity.

### Regulatory Compliance Challenges

Regulatory changes in the mechanical and electrical engineering sector require constant vigilance and adaptability. To navigate these challenges, we:

- o Expanded our compliance team to monitor and respond swiftly to evolving regulations.
- o Updated internal policies and procedures to align with new requirements and industry standards.
- o Engaged in continuous stakeholder dialogue to stay ahead of potential regulatory shifts. These proactive steps have ensured our full compliance with applicable laws and regulations, mitigating potential operational or reputational risks.

By adopting these risk mitigation strategies, CBHB is well-prepared to address emerging challenges, support sustainable growth, and deliver consistent value to our stakeholders.

## FUTURE OUTLOOK

CBHB is well-positioned to capitalise on the robust growth in Malaysia's M&E engineering industry, which has demonstrated a compound annual growth rate ("CAGR") of 17.00%, expanding from RM3.90 billion in 2019 to RM7.30 billion in 2023. Notably, electrical engineering works grew at a CAGR of 19.70%, from RM1.80 billion to RM3.70 billion, while mechanical engineering works grew at a CAGR of 14.40%, from RM2.10 billion to RM3.60 billion.<sup>1</sup> This growth underscores the significant opportunities available within the sector and aligns with our strategic objectives to expand our market presence and scale our operations.

Additionally, CBHB recognises the growth potential in Malaysia's data centre sector, which is expected to expand rapidly with a 42.00% CAGR, growing from 128 MW in 2020 to 750 MW by 2025<sup>2</sup>. This growth is driven by favourable electricity tariffs, government support, and strong economic policies. CBHB aims to capitalise on this opportunity by providing essential M&E engineering services to support the development of data centres, positioning itself for continued growth and competitiveness.

# MANAGEMENT DISCUSSION AND ANALYSIS



## FUTURE OUTLOOK (CONT'D)

To strengthen our position and capture a larger share of this growing market, we are committed to building our internal workforce by recruiting skilled professionals and technical personnel. By enhancing our in-house capacity, we aim to reduce reliance on subcontractors, improve operational efficiency, and better manage multiple large-scale projects simultaneously. This will allow us to uphold the quality and reliability of our projects while enabling us to take on more substantial contracts, further boosting our revenue potential.

Financial resources will also play a critical role in our growth strategy. With a portion of the proceeds from our IPO allocated to working capital requirements, we are well-equipped to manage performance bond obligations, address cash flow timing gaps, and support our participation in larger tenders. These resources will provide us with the flexibility to expand our portfolio and enhance our competitiveness.

Looking ahead, our focus remains on replenishing and expanding our order book to sustain revenue

growth and market share. With the M&E engineering industry poised for continued expansion, we are confident in our ability to leverage our expertise, resources, and strategic initiatives to deliver long-term value to our stakeholders. CBHB remains committed to driving growth through operational excellence, financial strength, and a proactive approach to market opportunities.

## DIVIDEND

Currently, the Company does not have a formal dividend policy in place. While it is our intension to pay dividends to shareholders in future, any declaration or recommendation of dividends will be at the Board's discretion subject to the requirements in accordance to the Companies Act, 2016, various factors including financial performance, capital expenditure, overall financial condition and any other factors considered relevant by the Board.

<sup>1</sup> Prospectus page 173

<sup>2</sup> <https://theedgemalaysia.com/node/717281>

# SUSTAINABILITY STATEMENT

As CBHB continues to take firm steps towards the future of engineering, our focus has been to build on our strengths, drive sustainable growth and be ever ready for opportunities. We are committed to integrating sustainability in our journey, staying agile and forward-looking to deliver greater value for our customers, employees, the community, and our shareholders. As a newly listed entity on the ACE Market of Bursa Malaysia, we recognise our responsibility to balance business growth with environmental stewardship, social impact, and robust governance.

This Sustainability Statement should be read alongside the Management Discussion and Analysis, Statement on Risk Management and Internal Control, and Corporate Governance Report.

## Reporting Framework

This Statement was prepared according to the ACE Market Listing Requirements ("AMLR"), Sustainability Reporting Guide ("SRG") 3rd Edition issued by Bursa Securities, with reference to the Global Reporting Initiative ("GRI") Standards and in alignment with the United Nations Sustainable Development Goals ("UN SDG").

## Support for United Nations Sustainable Development Goals

We recognise the importance of addressing systemic social and environmental challenges. This is why we have aligned our sustainability strategy with the United Nations (UN) Global Sustainable Development Agenda.

The United Nations Sustainable Development Goals ("SDGs") provide a globally recognised framework aimed at fostering economic growth, social inclusion, and environmental protection, all in an effort to eradicate poverty and promote peace and freedom.

The SDGs consist of 17 goals and 169 specific targets. Both businesses and governments are encouraged to take action in support of these goals, with the aim of achieving the framework's ambitious objectives by 2030. We have considered all 17 SDGs in our approach and strategy, where applicable, ensuring that our efforts align with the broader global sustainability agenda.



## Reporting Period and Cycle

This Statement covers the Group's sustainability initiatives for the financial period of 1 January 2024 to 31 December 2024 ("FYE2024").

## Statement of Use

This Report has been reviewed and approved for use by the Board. It provides a comprehensive overview of the company's ESG performance, aligning with recognised frameworks and best practices.

## Reporting Scope and Boundaries

This Statement focuses on ESG performance and initiatives for our Malaysian operations and wholly owned subsidiaries as listed below:

- CBH Engineering Sdn Bhd
- CBH Maintenance Sdn Bhd
- CBH M&E Engineering Sdn Bhd



# SUSTAINABILITY STATEMENT

## Reporting Scope and Boundaries (cont'd)

Unless specified, this report excludes outsourced activities and joint ventures. It addresses qualitative and quantitative results for all indicators presented, impacts, risks, and opportunities related to key stakeholders while aligning with recognised frameworks. The report highlights CBHB's commitment to managing ESG impacts across the value chain to create long-term value.



## Assurance

This Sustainability Report has been prepared in alignment with recognised sustainability frameworks, reflecting our ESG performance for the reporting period. All sustainability data in this report has been sourced internally from division heads and data owners, with accuracy ensured through robust internal validation processes. CBHB remains committed to continuously enhancing its data collection and analysis methodologies to further improve the quality and reliability of our disclosures. To ensure accuracy, reliability, and completeness, the information and data presented in this report have been subject to internal review processes. Financial data disclosed in this Statement is obtained from the Financial Statements section of this Annual Report, which has been audited and assured by an external auditor. The non-financial data and information presented have not been externally assured.

## Limitations

While CBHB has made all efforts to collect and present accurate, relevant, and meaningful qualitative and quantitative data sourced from official company sources and records, we are cognisant of the existing gaps in data availability for certain indicators. We are currently working on a more comprehensive data gathering and tracking mechanism to enhance our reporting in future editions of the Annual Report.

## Forward-looking Statements

This Statement may contain forward-looking statements on the Group's targets, plans, operations, and performance based on current business trajectories. The Group's business is subject to risks and unforeseen events beyond our control, as such, we advise readers not to rely solely on these statements, as actual results may differ.

## Feedback and Comments

The Annual Report containing this Statement is available to the public on our website <https://cbh.com.my>. The Group welcomes stakeholders' feedback and suggestions to enable continuous improvement to our disclosures. Our e-mail are [info@cbh.com.my](mailto:info@cbh.com.my).

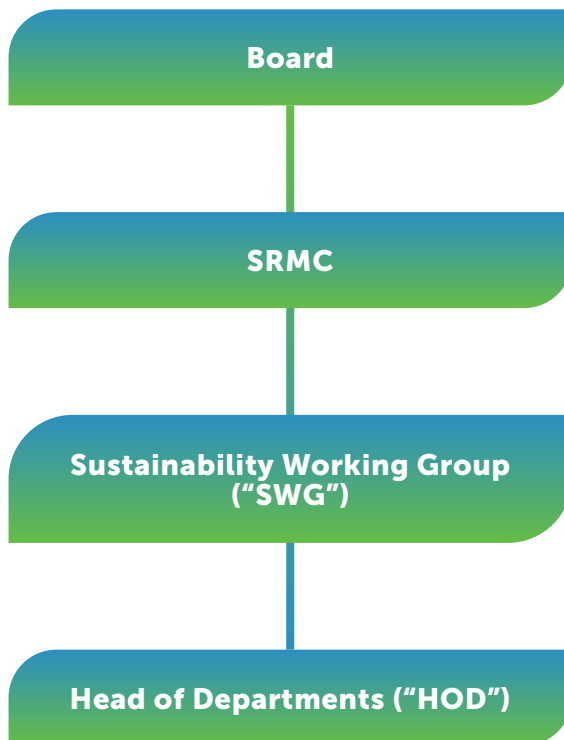


# SUSTAINABILITY STATEMENT

## SUSTAINABILITY GOVERNANCE

CBHB's sustainability governance is guided by the Board, which ensures sustainability initiatives are aligned with corporate objectives and stakeholder expectations. To enhance oversight and ensure compliance with local and international regulations, CBHB established a dedicated Sustainability and Risk Management Committee ("SRMC") in FYE2024. This Committee oversees the implementation of sustainability initiatives and monitors progress. CBHB's sustainability governance structure is as below:

### SUSTAINABILITY GOVERNANCE STRUCTURE



Sustainability Working Group:

- |                       |                   |
|-----------------------|-------------------|
| 1. Ir. Cheah Boon Hwa | 3. Cheah Min Heng |
| 2. Cheah Boon Huat    | 4. Tang Wai Hoong |

The Board oversees the Group's sustainability agenda, providing strategic guidance and supervision for sustainability reporting. It approves the Group's integrated sustainability objectives and strategies while identifying and setting relevant goals in alignment with standards such as GRI, UN SDGs, or other applicable frameworks mandated by current laws and regulations. The Board establishes both long-term and short-term sustainability targets, ensuring a comprehensive approach to ESG integration.

Assisting the Board, the SRMC oversees the implementation of CBHB's sustainability initiatives. The SRMC ensures compliance with relevant sustainability laws and regulations and evaluates ESG risks in line with the objectives set by the Board. It also manages stakeholder engagement, conducts materiality assessments, and tracks the progress of sustainability initiatives. Reports from the SRMC are regularly submitted to the Board, addressing issues and providing updates on key sustainability matters.

At the operational level, HOD in each department are responsible for the day-to-day execution of sustainability initiatives. Their role includes compiling and coordinating disclosure information, tracking sustainability metrics, and ensuring timely updates on the progress of reporting initiatives. Together, this governance structure enables CBHB to embed sustainability at all levels of the organisation effectively.

## Our Strategic Sustainability Approach

### ESG Supporting Framework








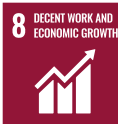





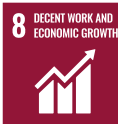




Our Group's sustainability policy focuses on four key pillars: **Economic, Environmental, Social Responsibility, and Governance**.



# SUSTAINABILITY STATEMENT

## Our Strategic Sustainability Approach (cont'd)

### ESG Supporting Framework (cont'd)

Our Sustainability Framework							
Our Goals	GOAL 1		GOAL 2		GOAL 3		GOAL 4
	Enhance long-term financial performance through diversified revenue streams		Reducing energy consumption and emissions, through sustainable and resilient renewable energy systems		Empowering our people and striving to maintain a safe, healthy and inclusive workplace		Upholding regulatory compliance and transparency
Our Sustainability Matters	Economic		Environmental		Social Responsibility		Governance
	2. Economic and business 3. Customer satisfactions'		7. Environmental Compliance 9. Waste Management 11. GHG Emissions 12. Energy Consumption		1. Health and Safety 10. Diversity and Inclusion 8. Training and Development 13. Community Engagement		4. Anti-corruption 5. Ethical Conduct 6. Data Security and Protection
Stakeholders							
	Investors/ Shareholders		Government and Regulatory Authorities		Customers		Suppliers and Vendors
Our Alignments with UN SDG							
	Senior Management Team		Employees		Local Communities		
Our Alignments with UN SDG							
							
Our Alignments with UN SDG							



# SUSTAINABILITY STATEMENT

## Our Strategic Sustainability Approach (cont'd)

### Materiality Assessment

In FY2024, CBHB conducted a comprehensive materiality assessment to identify and prioritise key sustainability topics. This process incorporated input from a diverse range of stakeholders, including internal and external stakeholders. The goal was to identify the most significant Economic, Environmental, Social, and Governance ("EESG") matters that align with our business objectives and stakeholder priorities. The process began with gathering insights from internal and external stakeholders to gain a holistic understanding of the topics most relevant to our operations and their impacts. These insights were analysed and prioritised to determine the material topics that form the foundation of CBHB's sustainability strategy.

This approach allows us to focus our efforts on areas where we can maximise positive contributions and effectively address potential negative impacts, ensuring our sustainability initiatives remain impactful and aligned with stakeholder expectations.

### Materiality Assessment Process:



## STAKEHOLDERS ENGAGEMENT

At CBHB, we identify our key stakeholders by assessing the material impact of various issues on our operations and their relevance to our business objectives. To foster meaningful engagement, we utilise diverse approaches that provide stakeholders with insights into our operations while gathering their feedback and perspectives on matters that are significant to them. This two-way interaction ensures alignment between our business strategies and stakeholder expectations, strengthening our commitment to sustainability and shared value creation.

Stakeholders	Area of interests	Engagement Methods	Frequency of Engagement
Shareholders/ Investors	<ul style="list-style-type: none"> <li>Financial sustainability and returns</li> <li>Business prospects</li> </ul>	<ul style="list-style-type: none"> <li>Annual/extraordinary general meetings</li> <li>Financial results briefings</li> <li>Bursa Securities announcements</li> <li>Corporate website</li> <li>Social Media</li> <li>Press releases</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Quarterly</li> </ul>
Customers	<ul style="list-style-type: none"> <li>Products and services reliability / quality</li> <li>New technologies</li> <li>Customer support</li> </ul>	<ul style="list-style-type: none"> <li>Customer Satisfaction Survey</li> <li>Meetings and briefings</li> <li>Company's website</li> <li>Site visits</li> </ul>	<ul style="list-style-type: none"> <li>As and when required</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Collaboration for business opportunities</li> <li>Contract negotiation</li> <li>Procurement processes</li> <li>Fraud and bribery awareness</li> <li>New business opportunities and future development</li> <li>Regulatory and operational compliance</li> </ul>	<ul style="list-style-type: none"> <li>Engagement with suppliers</li> <li>Factory visit and meetings</li> </ul>	<ul style="list-style-type: none"> <li>Periodically</li> <li>As and when required</li> </ul>
Local Authorities / Regulators / Government Agencies	<ul style="list-style-type: none"> <li>Changes in the regulatory framework and electricity industry</li> <li>Environmental, health and safety management</li> </ul>	<ul style="list-style-type: none"> <li>Meetings and briefings</li> <li>Site visits</li> </ul>	<ul style="list-style-type: none"> <li>Based on Local Authorities</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Employee benefits</li> <li>Well-being and workplace culture</li> <li>Health and safety of employees</li> <li>Talent and skills development</li> <li>Employee satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>Meetings and briefings</li> <li>Newsletters</li> <li>Social media</li> <li>Sporting events and activities</li> <li>Training sessions</li> <li>Webinars</li> <li>Employee performance appraisal</li> </ul>	<ul style="list-style-type: none"> <li>Periodically</li> <li>As and when required</li> </ul>
Local Communities	<ul style="list-style-type: none"> <li>Contribution for victims of natural disasters</li> <li>Contribution to community development</li> </ul>	<ul style="list-style-type: none"> <li>Participation in community projects and activities</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> </ul>

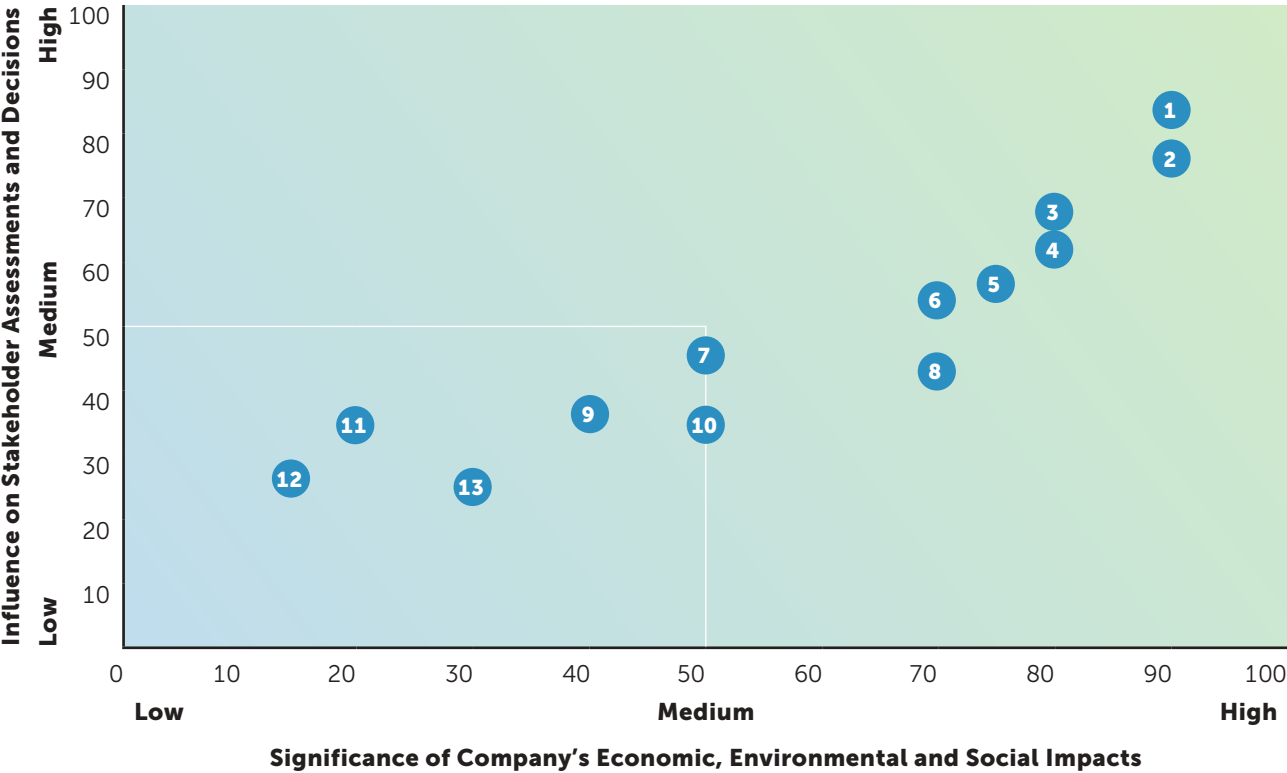
# SUSTAINABILITY STATEMENT

## STAKEHOLDERS ENGAGEMENT (CONT'D)

In FY2024, CBHB conducted a comprehensive materiality assessment to identify the most critical sustainability topics for the Group. This process involved benchmarking against industry peers, analysing emerging trends, and aligning with Bursa Securities’ sustainability reporting requirements. By prioritising topics most relevant to our business and stakeholders, we ensured a focused and impactful approach to addressing key sustainability issues.

The assessment resulted in the materiality matrix below, which highlights 13 priority sustainability matters for CBHB in FY2024. We remain committed to regularly reviewing these topics to ensure their continued relevance and to refining our strategies in response to evolving business and stakeholder needs.

MATERIALITY MATRIX



- |                           |                                |                         |
|---------------------------|--------------------------------|-------------------------|
| 1 Health and Safety       | 6 Data Security and Protection | 11 GHG Emissions        |
| 2 Economic and business   | 7 Environmental Compliance     | 12 Energy Consumption   |
| 3 Customers' satisfaction | 8 Training and Development     | 13 Community Engagement |
| 4 Anti-corruption         | 9 Waste Management             |                         |
| 5 Ethical Conduct         | 10 Diversity and inclusion     |                         |

### Insights from the Matrix

The materiality matrix visualises our materiality assessment findings, capturing the most critical material issues by considering stakeholder expectations, business contexts and evolving sustainability trends. Based on the outcome of the materiality assessment, **Health and Safety**, **Economic and Business** and **Customers' Satisfaction** were ranked as the top three material sustainability matters for FYE2024.



# SUSTAINABILITY STATEMENT

## SUSTAINABILITY RISKS AND OPPORTUNITIES

In an ever-evolving global landscape marked by challenges such as climate change, resource scarcity, and emerging technological risks, CBHB recognises the imperative to address sustainability risks proactively. These challenges demand innovative strategies and comprehensive planning to ensure the sustained growth and progress of our business while contributing positively to the communities and environments in which we operate.

Our commitment to sustainability is deeply embedded in our operations, guiding our approach to managing risks and identifying opportunities. We systematically identify and prioritise key sustainability issues that are critical to our stakeholders and the organisation's long-term success.

Focus Areas	Risks	Opportunities
<b>Economic Performance</b>	<ul style="list-style-type: none"><li>Challenges in securing projects</li></ul>	<ul style="list-style-type: none"><li>Cost savings initiative</li></ul>
Our Actions: <ul style="list-style-type: none"><li>Enhance bidding strategies by adopting competitive pricing and innovative solutions.</li><li>Strengthen client relationships through regular engagement and tailored services.</li><li>Implement efficient resource management and operational optimisation.</li></ul>		
<b>Anti-Bribery and Anti-Corruption</b>	<ul style="list-style-type: none"><li>Integrity Risk</li></ul>	<ul style="list-style-type: none"><li>Enhanced compliance with governance standards</li></ul>
Our Actions: <ul style="list-style-type: none"><li>Regularly conduct anti-corruption training for employees and suppliers.</li><li>Establish whistleblowing channels for reporting of unethical practices.</li><li>Perform periodic audits to identify and mitigate integrity risks.</li></ul>		
<b>Corporate Governance</b>	<ul style="list-style-type: none"><li>Failure to adhere to business operating rules and regulations</li></ul>	<ul style="list-style-type: none"><li>Enhanced transparency and increased stakeholders' confidence</li></ul>
Our Actions: <ul style="list-style-type: none"><li>Publish comprehensive and transparent annual reports.</li><li>Conduct internal audits and training programmes to ensure regulatory adherence.</li><li>Establish accountability mechanisms for oversight.</li></ul>		
<b>Data Security &amp; Protection</b>	<ul style="list-style-type: none"><li>Cybersecurity threat</li></ul>	<ul style="list-style-type: none"><li>Growth in cybersecurity awareness and compliance</li></ul>
Our Actions: <ul style="list-style-type: none"><li>Implement advanced security measures, including firewalls and encryption.</li><li>Conduct regular cybersecurity audits and risk assessments.</li></ul>		
<b>Supply Chain Management</b>	<ul style="list-style-type: none"><li>Disruption in the supply chain leading to delays</li><li>Quality issues</li><li>Increased costs</li></ul>	<ul style="list-style-type: none"><li>Strengthening supplier relationships</li><li>Identifying alternative suppliers</li></ul>
Our Actions: <ul style="list-style-type: none"><li>Diversify supply sources to mitigate dependency on single suppliers.</li><li>Conduct regular supplier evaluations to ensure quality.</li></ul>		

# SUSTAINABILITY STATEMENT

## SUSTAINABILITY RISKS AND OPPORTUNITIES (CONT'D)

Focus Areas	Risks	Opportunities
Environmental Compliance	<ul style="list-style-type: none"> <li>Violation of business operating rules and regulations</li> </ul>	<ul style="list-style-type: none"> <li>Cost savings initiatives</li> </ul>
Our Actions: <ul style="list-style-type: none"> <li>Regularly monitor compliance with environmental laws and regulations</li> <li>Adopt energy-efficient technologies and sustainable materials.</li> </ul>		
Diversity and Equal Opportunity	<ul style="list-style-type: none"> <li>Legal risks</li> <li>Loss of key staff</li> </ul>	<ul style="list-style-type: none"> <li>Enhancement of reputation</li> </ul>
Our Actions: <ul style="list-style-type: none"> <li>Establish clear diversity and inclusion policies.</li> <li>Create a safe and inclusive workplace environment.</li> </ul>		
Employment	<ul style="list-style-type: none"> <li>Loss of key staff</li> </ul>	<ul style="list-style-type: none"> <li>Increased productivity</li> </ul>
Our Actions: <ul style="list-style-type: none"> <li>Develop career progression plans to retain talent.</li> <li>Foster a positive work environment to boost morale.</li> <li>Encourage work-life balance initiatives.</li> </ul>		
Health and Safety	<ul style="list-style-type: none"> <li>Non-compliance to business operating rules and regulations</li> </ul>	<ul style="list-style-type: none"> <li>Increased efficiency</li> </ul>
Our Actions: <ul style="list-style-type: none"> <li>Conduct regular workplace safety audits and training sessions.</li> <li>Provide employees with necessary safety equipment</li> <li>Reduce workplace incidents to minimise downtime.</li> <li>Promote a safety-first culture to enhance productivity.</li> </ul>		
Training and Development	<ul style="list-style-type: none"> <li>Loss of key staff</li> </ul>	<ul style="list-style-type: none"> <li>Increased efficiency</li> </ul>
Our Actions: <ul style="list-style-type: none"> <li>Identify and mentor high-potential employees.</li> <li>Provide clear career progression path.</li> </ul>		
Local Community Engagement	<ul style="list-style-type: none"> <li>Community dissatisfaction</li> <li>Negative impact on reputation</li> </ul>	<ul style="list-style-type: none"> <li>Enhanced image,</li> <li>Expanded community support</li> </ul>
Our Actions: <ul style="list-style-type: none"> <li>Address concerns through transparent communication and feedback loops.</li> <li>Implement community development programmes aligned with local needs.</li> </ul>		





# SUSTAINABILITY STATEMENT

## SUSTAINABILITY RISKS AND OPPORTUNITIES (CONT'D)

### 1. ECONOMIC

#### i. Economic and business

CBHB's key financial data below reflects demonstrates our commitment to sustainable economic impact and stakeholder value creation in generating value in FY2024.

	FY2024 (RM million)	FY2023 (RM million)
<b>(I) Direct Economic Value Generated</b>	<b>271.69</b>	207.95
<b>Economic Value Distributed:</b>		
Operating Costs	<b>192.94</b>	135.81
Employee Wages & Benefits	<b>24.88</b>	15.40
Payment to Providers of Capital	<b>21.00</b>	12.12
Payment to government	<b>15.08</b>	11.71
Community Investments	<b>0.07</b>	0.04
<b>(II)</b>	<b>253.97</b>	175.07
<b>Economic Value Retained (I) -(II)</b>	<b>17.72</b>	32.88

#### ii. Customers' satisfaction

Ensuring positive customer experiences is essential for sustaining operations, securing new and recurring business, and fostering long-term economic prosperity. We recognise that satisfied customers lead to stronger relationships and increased market confidence, all of which contribute to our sustained growth. Therefore, we are committed to understanding, meeting, and exceeding customer expectations through continuous improvement initiatives.

We measure our performance regularly through customer satisfaction surveys to gather insights enhance service quality, and implement the necessary improvements. This proactive approach allows us to refine our offerings, strengthen customer trust, and drive economic value in a highly competitive marketplace. This exercise also allows us to identify drivers of satisfaction and gaps for improvement.

During the review period, CBHB conducted a survey on seven customers achieving an Overall Customer Satisfaction Score of 67.86% and an average score of 70.63%. The areas surveyed include Technical Service, Compliance, and Professionalism. Based on the survey results, CBHB's scored highest in areas of Technical Knowledge and Competency, and intends to focus on improving on our delivery efficiency and health, safety and environment factors.

Category	Score (%)
Advice & Proposal Meets Requirements	71.43%
Technical Knowledge & Competency	78.57%
Quality of Workmanship	60.71%
On-Time Delivery	57.14%
Compliance with Electrical Standards	85.71%
Health, Safety & Environment	78.57%
Response to Service Requests	60.71%
Professionalism in Handling Issues	75.00%
Overall Satisfaction	67.86%
<b>Total Average Score</b>	<b>70.63%</b>

# SUSTAINABILITY STATEMENT



## SUSTAINABILITY RISKS AND OPPORTUNITIES (CONT'D)

### 2. ENVIRONMENT

At CBHB, reducing our carbon footprint is a key priority. We continually assess our operations to identify opportunities for minimising carbon emissions and reducing our overall environmental impact. By integrating green technologies and improving operational efficiency, we aim to lower emissions and adopt more sustainable practices throughout our organisation. These initiatives include:

- Installation of energy-saving LED bulbs for office lighting
- Installation of motion sensors in common areas to automatically reduce energy consumption and lower operational costs
- Encourage responsible energy use by ensuring that lights and office equipment are turned off during lunch hours and at the end of each day.

In addition to these measures, CBHB is constantly exploring innovative methods to further conserve energy, reduce our carbon footprint, and improve overall energy efficiency across all aspects of our operations. These ongoing efforts reflect our dedication to sustainability and our goal of minimising environmental impact.

#### i. Energy Consumption

As part of our efforts to combat climate change and reduce our environmental footprint, CBHB has taken proactive steps to optimise energy usage and enhance efficiency. During FY2024, the total energy consumed within our premises, sourced from the national grid, amounted to 80,962 kWh. This highlights the critical need to scale up energy efficiency initiatives as we work towards lowering our carbon footprint. During the year, we conducted a change-out of lighting to energy-saving LED bulbs, while

motion sensors were installed in common areas at our office to ensure energy savings when the space is not in use. Similarly, we also conducted awareness programmes on energy conservation by communicating to our employees the need to be conscious of their energy use and methods to conserve energy such as switching off lights and air-conditioning during lunch time.

To demonstrate our commitment to driving sustainable green initiatives, CBHB installed a 114kWp rooftop solar PV system at our head office in Shah Alam under the Net Energy Metering 3.0 programme. This renewable energy initiative reinforces our focus on sustainability, and underscores our aspiration to achieve energy offsets in our electricity usage. During the review period, CBHB achieved electricity savings of RM6,321.09, effectively offsetting our TNB bill. This reflects an estimated 12,440 kWh of clean energy generated through our renewable energy initiative.

Energy consumption for site operations remains under the purview of the respective site owners. The variance in energy consumption compared to FY2023, were largely driven by the increased activities during the year, reinforcing the importance of continuous optimisation. Moving forward, CBHB aims to implement strategies that enhance energy efficiency and align with our aspirations to achieve a lower carbon footprint.

Electricity usage (kWh)	
FY2024	65,454
FY2023	25,449
Variance	40,005



# SUSTAINABILITY STATEMENT

## SUSTAINABILITY RISKS AND OPPORTUNITIES (CONT'D)

### 2. ENVIRONMENT (CONT'D)

#### ii. GHG Emissions

In FY2024, CBHB recorded its total GHG emissions at 550.70 tCO<sub>2</sub>e. This marks our first year of reporting GHG emissions following our listing, and we are committed to establishing a solid baseline for future improvements. Recognising the impact of our operations as a contributor to climate change, we have taken initial steps to capture emissions across Scopes 1, 2, and 3.

Our emission calculation methodology adheres to the GHG Emissions Calculator version 01.3, published by the UNFCCC Secretariat in May 2021, and ICAO's Carbon Offset guidelines. While our data capture is currently at a basic stage, it has undergone internal review, and we plan to seek independent assurance for Scope 1, 2, and 3 data in future reporting cycles.

To better manage emissions, CBHB is focused on raising awareness among employees about reducing their carbon footprint, as individual and collective efforts are among the most effective ways to drive change. We aspire to enhance the sophistication of our data collection and monitoring processes, integrating more advanced methodologies as we mature in our reporting practices.

We embarked to track and monitor the emissions based on the following scopes:

- Scope 1 – Direct emissions from running the generator set.
- Scope 2 – Indirect emissions from the use of electricity e.g., purchased electricity.
- Scope 3 – Other indirect emissions from sources not controlled by the company e.g., business travel and employees' commute.

During the review period, the total emissions attributed to each category of emissions is as follows:

Emission Category	Total Emissions (tCO <sub>2</sub> e)
Scope 1	285.63
Scope 2	110.98
Scope 3	154.09

#### iii. Waste Management

Responsible waste management positively impacts the communities where CBHB operates. It reduces pollution, conserves resources, and contributes to a healthier environment for local residents. Our waste management strategy focuses on reducing, reusing, and recycling materials to achieve sustainable practices and lessen our environmental impact. Efficient waste management practices lead to better resource utilisation, reducing costs associated with raw materials and waste disposal. This enhances the overall operational efficiency and profitability of the Company.

Waste generated from the Company's operations is managed by a third-party contractor who regularly collects it for disposal or recycling. Our operations generate various types of waste, including:

- i. Cables: Copper and aluminium cables  
CBHB ensure all surplus cables from the project site are brought back to the office and reused for subsequent projects.
- ii. General Waste - non-contaminated plastic/paper  
We engage the services of third-party contractor who places a Rorobin at our premises. These are then towed away for disposal.

Waste generated from on-site projects are also disposed via third-party contractors. We strive to minimise waste by prioritising reuse and recycling wherever feasible. Initiatives such as promoting two-sided printing and recycling scrap paper reflect our commitment to sustainable practices. CBHB remains dedicated to continuous improvement, consistently refining our processes to reduce waste and further lessen our environmental impact. As such, we will step-up on initiatives to track waste directed to and diverted from disposal.

# SUSTAINABILITY STATEMENT

## SUSTAINABILITY RISKS AND OPPORTUNITIES (CONT'D)

### 2. ENVIRONMENT (CONT'D)

#### iv. Environmental Compliance

CBHB is committed to environmental sustainability, recognising that preserving the environment is essential to our business success and customer satisfaction. We strive for continuous improvement across our operations, aiming to minimise our environmental impact while consistently meeting or exceeding regulatory requirements.

In FY2024, we achieved full compliance with environmental regulations across all areas of our operations, including those of our subcontractors and vendors. Notably, we recorded zero cases of regulatory non-compliance and zero environmental incidents during the year. CBHB remains steadfast in managing environmental risks to acceptable levels, applying these standards rigorously across all aspects of our operations in a structured and responsible manner.

	FY2024	FY2023
Non-compliance with environment regulation	Nil	Nil
Environmental Accidents	Nil	Nil

### 3. SOCIAL

At CBHB, we recognise that our people are the foundation of our success. Our social sustainability initiatives focus on developing programmes and processes that foster social interaction, cultural enrichment, and inclusivity. By prioritising our relationships with employees, communities, and society at large, social responsibility has become an integral part of our core business strategy.

Our approach to social sustainability is centred on placing people at the heart of development processes. This commitment promotes social inclusion and wider participation by empowering individuals and building cohesive, resilient communities both within and beyond our organisation. We emphasise protecting the vulnerable, respecting social diversity, and ensuring the prioritisation of social capital across all aspects of our operations. CBHB's objectives under social sustainability include maintaining a safe and healthy workforce, attracting and retaining high-performing talent, and investing in training to shape culture and behaviour. We are committed to fostering racial harmony, preventing discrimination and violence, and supporting professional and personal development. As a responsible corporate citizen, we align charitable initiatives with our business activities, engage positively with stakeholders, and support community development to build a lasting, positive impact.

Through these efforts, CBHB continues to champion inclusivity, resilience, and a people-first approach, ensuring sustainable growth for our organisation and the communities we serve.



CBH Annual Dinner 2025



# SUSTAINABILITY STATEMENT

## SUSTAINABILITY RISKS AND OPPORTUNITIES (CONT'D)

### 3. SOCIAL (CONT'D)

#### i. Health and Safety

Workplace health and safety are essential for the well-being of both employees and employers, as the loss of human life is immeasurable and unacceptable. We believe occupational health and safety is a shared responsibility that should be ingrained as a core value and daily habit. By taking care of their welfare and well-being, we can foster high morale workplaces that promote long-term employee retention, while empowering our employees to produce their best work. Maintaining a strong record in occupational safety and health also minimises our risk of suffering reputational or financial damage as a result of any workplace accidents, enhances our operational efficiencies, and places us in a strong position to build trusting customer relationships and achieve our business growth objectives. In FY2024, we continued to maintain zero workplace incidents, continuing a clean record of no accidents major or minor for the past two consecutive years. We continued implementing safety precautions to prevent work-related injuries and illnesses. CBHB's Safety and Health departments continue to promote awareness and structured training at workplace to embed occupational health and safety considerations into business decision making at all levels.

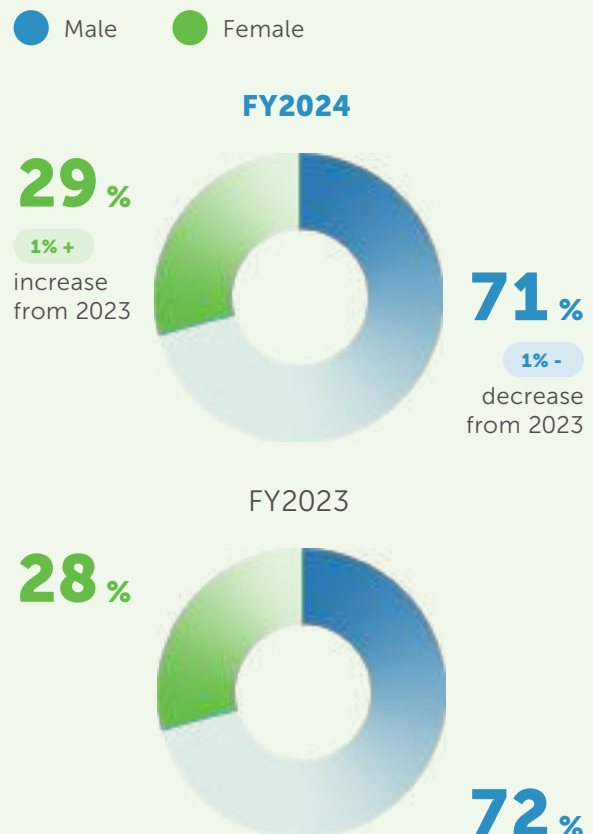
	FY2024	FY2023
<b>Number of Fatalities</b>	0	0
<b>Number of Major Accidents</b> Accidents that cause employees to be on medical leave for more than 2 calendar days	0	0
<b>Number of Minor Accidents</b> Accidents that cause employees to be on medical leave for 2 calendar days and below	0	0

#### ii. Diversity and Inclusion

At CBHB, we believe that a truly diverse workplace is one where every individual, regardless of background, feels valued, respected, and empowered to reach their full potential. By embracing diversity across gender, generations, and cultures, we foster an environment of innovation, engagement, and shared success.

Our commitment to diversity and inclusion is embedded in our labour practices, which uphold high standards of fairness, safety, and ethics. We strive to cultivate a culture that prioritises equity and inclusivity, building long-term, trusted relationships with our employees. By promoting gender and cultural diversity at all levels, including our Board and workforce, CBHB continues to create a vibrant, inclusive workplace that drives sustainable growth and mutual respect.

#### Number of Employees by Gender (% of total workforces)





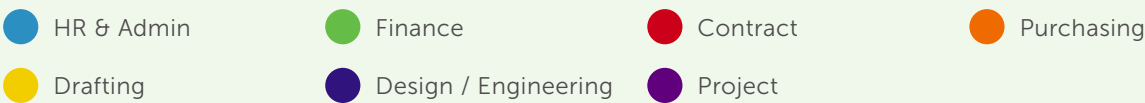
# SUSTAINABILITY STATEMENT

## SUSTAINABILITY RISKS AND OPPORTUNITIES (CONT'D)

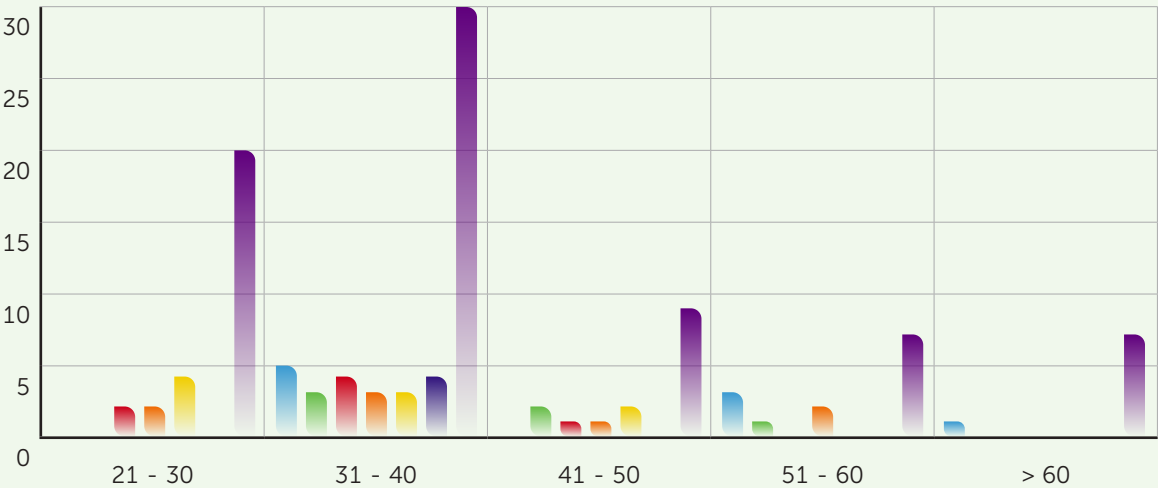
### 3. SOCIAL (CONT'D)

#### ii. Diversity and Inclusion (cont'd)

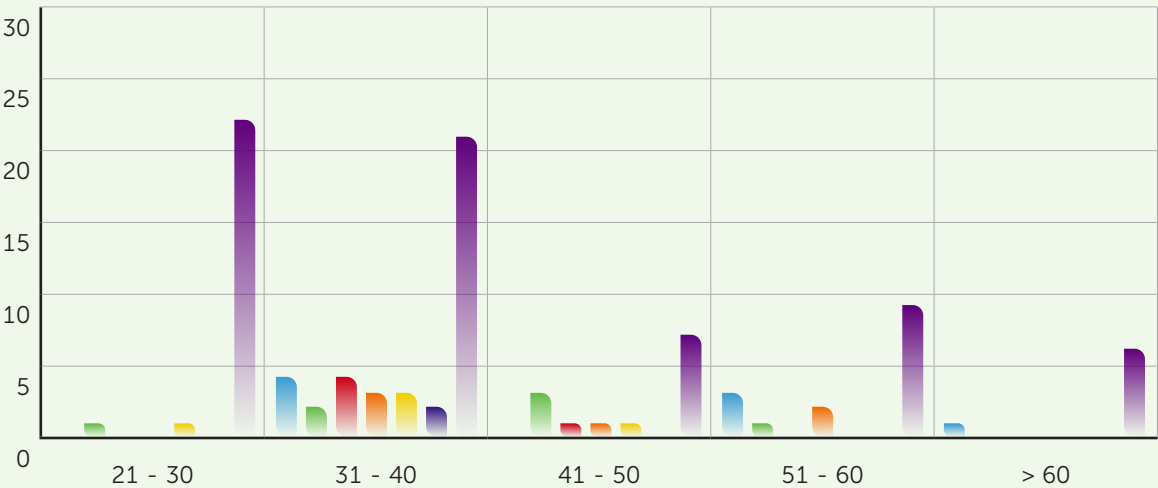
**Number of Employees by Age and Employment Category**  
(Number of people)



FY2024



FY2023





# SUSTAINABILITY STATEMENT

## SUSTAINABILITY RISKS AND OPPORTUNITIES (CONT'D)

### 3. SOCIAL (CONT'D)

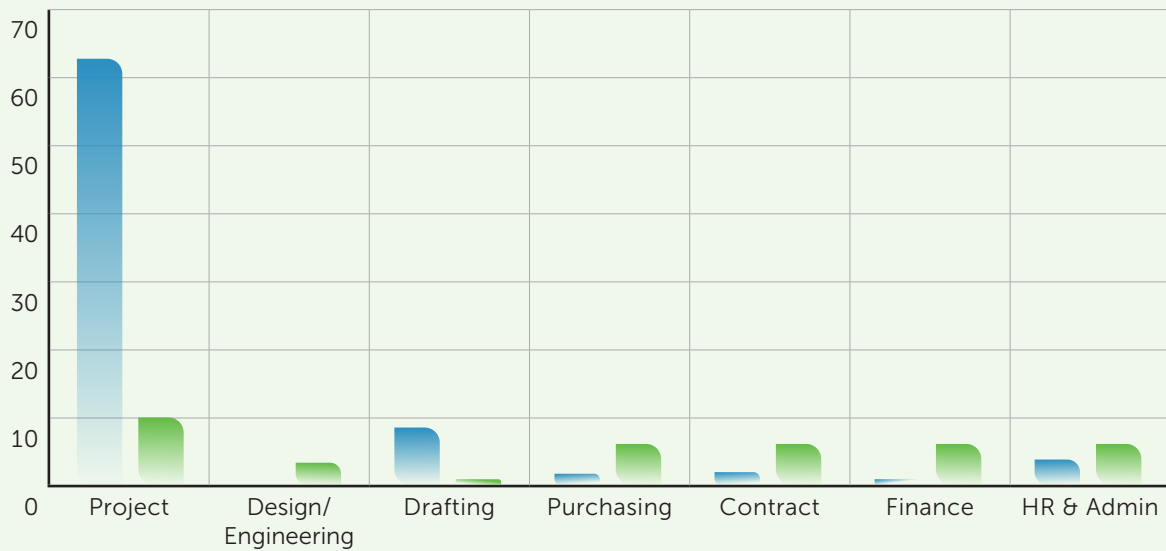
#### ii. Diversity and Inclusion (cont'd)

#### Number of Employees by Gender and Employment Category

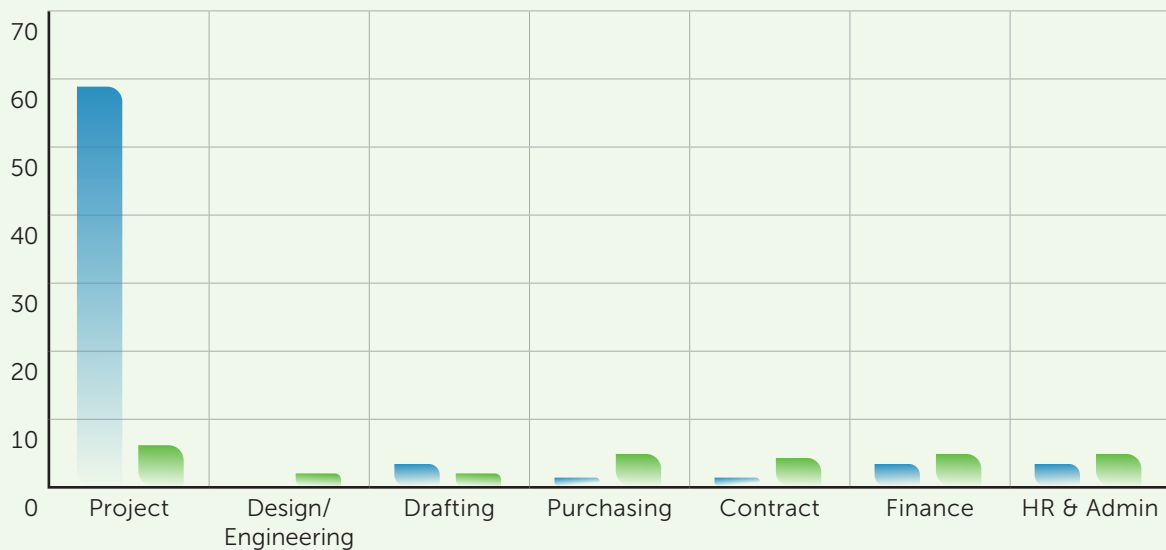
(Number of people)

● Male ● Female

FY2024



FY2023



# SUSTAINABILITY STATEMENT

## SUSTAINABILITY RISKS AND OPPORTUNITIES (CONT'D)

### 3. SOCIAL (CONT'D)

#### ii. Diversity and Inclusion (cont'd)

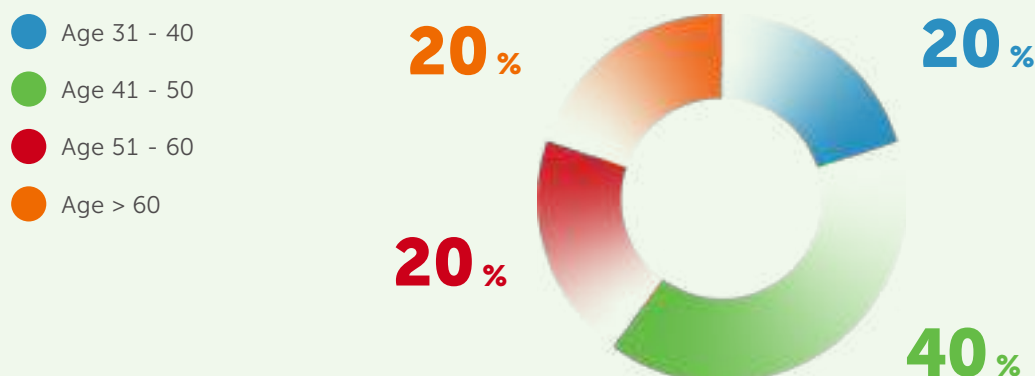
Breakdown of Board and Key Senior Management by gender and age:

In FY2024, CBHB's Board comprised four female and three male members, while the Key Senior Management team consisted of three male members.

The following show the representation of Directors and Key Senior Management at CBHB for FY2024 by age:

#### Directors & Key Senior Management

(% of total directors and key senior management combined)



New employees hired by age and gender in FY2024 and FY2023:

	FY2024					FY2023				
Department	By Gender		By Age			By Gender		By Age		
	Male	Female	<30	31-50	>50	Male	Female	<30	31-50	>50
Employee New Hirer	33	20	21	25	7	33	5	14	14	10

Numbers of employees turnover by age and gender in FY2024 and FY2023:

	FY2024					FY2023				
Department	By Gender		By Age			By Gender		By Age		
	Male	Female	<30	31-50	>50	Male	Female	<30	31-50	>50
Employee Turnover	6	7	6	6	1	10	8	2	10	6



# SUSTAINABILITY STATEMENT

## SUSTAINABILITY RISKS AND OPPORTUNITIES (CONT'D)

### 3. SOCIAL (CONT'D)

#### ii. Diversity and Inclusion (cont'd)

##### Key Initiatives and Policies to Support Diversity and Inclusivity at the Workplace:

- **Inclusive Work Culture:** We promote an open and inclusive environment through proactive policies and practices.
- **Merit-Based Advancement:** Promotions and pay raises are grounded in objective performance appraisals.
- **Career Development:** Our commitment to growth includes training and structured advancement programmes.
- **Commitment to Fairness:** We address any form of discrimination or misconduct through rigorous investigations and corrective actions, supported by robust reporting mechanisms and full regulatory compliance.
- **Gender Equity:** We actively encourage female representation, including on-site roles, ensuring all job advertisements are gender-neutral and promote gender pay parity at every employment level.

Through these initiatives, CBHB is committed to creating an equitable workplace where all employees feel empowered to contribute to our collective success.

#### iii. Employee Wellbeing

CBHB is dedicated to supporting the wellbeing of our employees and fostering a work environment where open communication, growth, and motivation thrive. Our commitment to employee wellbeing is reflected in a wide range of benefits tailored to meet diverse needs, helping ensure that each employee feels valued and supported. Through internal opportunities and structured development initiatives, we aim to empower employees with the tools and encouragement needed to excel in their careers, creating a workplace that promotes both individual fulfilment and collective success.

#### a. Benefits

The Company provides the following benefits to all our employees:

- Leaves provided: annual leave, medical leave, marriage leave, congratulatory leave, compassionate leave and exam leave
- Insurance/Medical benefits
- Provision for uniform
- Recreation and sports
- Meal allowance
- Long service award
- Funeral expenses

#### b. Parental Leave

	FY2024	FY2023
<b>Male</b>		
Parental Leave Entitlement (Male)	7 Days	7 Days
Parental Leave Taken	7 Days	7 Days
Returned to Work after Parental Leave	1	1
Returned to Work and Still Employed After 12 Months	1	1
<b>Female</b>		
Maternity Leave Entitlement (Female)	98 Days	98 Days
Maternity Leave Taken	98 Days	0
Returned to Work after Maternity Leave	1	0
Returned to Work and Still Employed After 12 Months	1	0

CBHB offers 98 days of maternity leave and 7 days of paternity leave in compliance with the Employment Act 1955. During the review period, 1 female employee and 1 male employee fully utilised the leave allocation provided. Our employees returned to work after their parental leave and continue their employment with us for at least 12 months thereafter.

# SUSTAINABILITY STATEMENT

## SUSTAINABILITY RISKS AND OPPORTUNITIES (CONT'D)

### 3. SOCIAL (CONT'D)

#### iii. Employee Wellbeing (cont'd)

##### Human Rights and Employee Wellbeing

CBHB is committed to upholding high labour standards that promote a safe, fair, and ethical work environment for all employees. Through stringent labour practices, we prevent modern slavery, foster workforce empowerment, and nurture a culture of diversity and equity that creates a safe, inclusive workplace. This commitment to excellence helps build trusted, long-term relationships with our employees, which are essential to our sustainable growth.

##### Supporting Policies and Employee Wellbeing Initiatives

CBHB is guided by the Code of Conduct and Ethics which provides clear guidelines on respectful treatment for employees, peers, and customers. In compliance with recent Employment Act updates on sexual harassment, the Company has reinforced professional behaviour standards through Memos, Meetings and Town Halls, to ensure compliance with laws and best practices. We proactively mitigate human rights risks by implementing processes to identify and address any potential issues, including mandatory training and regular communication on our policies.

##### Compliance with Labour Laws

CBHB fully complies with all relevant labour laws, including providing salaries above the minimum wage of RM2,000 and adhering to stipulated overtime guidelines. We prioritise creating a safe, comfortable, and conducive workplace environment, ensuring fair treatment and well-being for all employees.

Our approach to Employee Well-being:

- Support employee well-being through mental and physical health initiatives including health screenings for employees aged 40 and above. Provision of medical and health facilities for all employees as well.
- Address grievances through established mechanisms, with disciplinary actions

taken when standards are breached.

- Strengthen career development pathways with performance management frameworks, talent identification, and leadership programmes.
- Provide examination/study leave for eligible employees (subject to approval) to support continuous learning endeavours
- Foster a culture of inclusion by organising events for diverse celebrations, including Lunar New Year and Hari Raya, promoting a strong sense of belonging.



CBHB Staffs Meeting



CBHB Staffs Hiking at Belum Rainforest

Through a culture of excellence, accountability, and career fulfilment, the Company attracts, retains, and develops top talent, creating a highly engaged, future-ready workforce that is crucial to achieving our strategic goals.



# SUSTAINABILITY STATEMENT

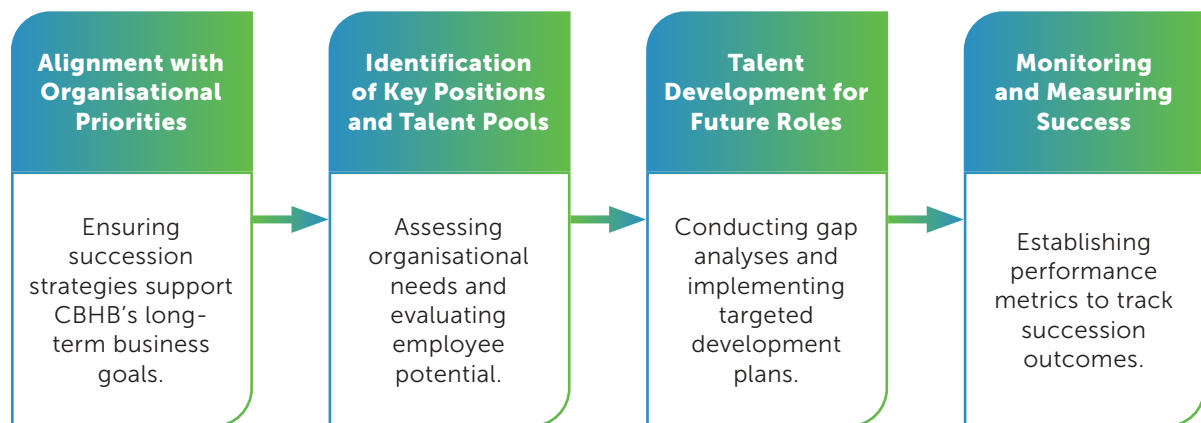
## SUSTAINABILITY RISKS AND OPPORTUNITIES (CONT'D)

### 3. SOCIAL (CONT'D)

#### iv. Succession Planning

CBHB is committed to ensuring that CBHB remains well-prepared for leadership transitions, fostering long-term sustainability and business resilience. To ensure leadership continuity and organisational stability, the company has established a Succession Planning Framework designed to identify and prepare suitable candidates to ensure business continuity.

The Succession Planning Framework is structured into four key phases:



#### v. Training and Development

We are cognisant of the importance of training and development for re-skilling and up-skilling of our employees, enabling them to stay ahead of market developments and meet evolving industry demands. Our initiatives focus on building skills and competencies to create a strong, motivated workforce equipped to drive organisational success.

Through strategic investments in talent development, we aim to cultivate a high-performing and engaged workforce by aligning learning experiences with business goals. Training needs are assessed annually as part of our performance evaluation process, ensuring that employees receive opportunities to enhance their skills and grow professionally.

In FY2024, CBHB invested RM94,186 in training and development programmes, totalling 723 hours.

	<b>FY2024</b>	<b>FY2023</b>
Training Hours	<b>723</b>	778
Training Spent	<b>RM 94,186</b>	RM69,086
No. of Employees Trained	<b>67</b>	34

# SUSTAINABILITY STATEMENT

## SUSTAINABILITY RISKS AND OPPORTUNITIES (CONT'D)

### 3. SOCIAL (CONT'D)

#### v. Training and development (cont'd)

Training programmes during the year comprised:

Training Name	Total Hours	Total Cost (RM)
INFO-TECH YEAR-END SEMINAR	16	1,398
PLANT & CONSTRUCTION MACHINERIES INSPECTION COURSE (EARTHMOVER - BACKHOE/FRONT/BACKDOZER/DUMPTRUCK/ TELEHANDLER)	48	3,240
MALAYSIAN IMPORT & EXPORT AND DOCUMENTATION, PROCEDURE AND COMPLIANCE	16	2,089
SEDA MALAYSIA GRID-CONNECTED PHOTOVOLTAIC PV SYSTEM DESIGN COURSE	32	864
KLINIK COACHING SCORE ANJURAN CIDB WPKL	8	150
TAKLIMAT PEMATUHAN AKTA 520	8	100
BASIC COURSE IN SUBSTATION CONTROL SYSTEMS (SCS)	16	380
INTEGRATED SOLAR PV SYSTEMS	16	1,944
(MC) CERTIFIED DATA CENTRE PROFESSIONAL (CDCP)	16	3,672
MALAYSIAN IMPORT & EXPORT AND DOCUMENTATION,PROCEDURE AND COMPLIANCE	16	2,089
BENGKEL TANGGUNGJAWAB MAJIKAN TERHADAP PEKERJA	16	1,200
(MC) MICROSOFT PROJECT - PROFESSIONAL SCHEDULING TRAINING	48	7,128
INTERMEDIATE SCAFFOLD INSPECTOR	16	864
BASIC SCAFFOLD INSPECTOR	16	810
INTERNATIONAL WOMEN`S CONFERENCE	32	2,000
NATIONAL SEMINAR	16	572
DESIGNING GRID-CONNECTED PV SYSTEMS USING PVSYST	16	3,780
UNDERSTANDING OF E-INVOICING	57	0
MODULE - P1 BASIC PROTECTION OF MEDIUM VOLTAGE POWER SYSTEMS	18	735



# SUSTAINABILITY STATEMENT

## SUSTAINABILITY RISKS AND OPPORTUNITIES (CONT'D)

### 3. SOCIAL (CONT'D)

#### v. Training and development (cont'd)

Training programmes during the year comprised: (cont'd)

Training Name	Total Hours	Total Cost (RM)
4TH ADVANCE RESEARCH ON OCCUPATIONAL SAFETY, HEALTH AND ENVIRONMENT	16	400
MBAM ANNUAL SAFETY & HEALTH CONFERENCE 2024	16	950
SEMINAR HARI KKP DAN PEKERJA SEDUNIA 2024: HAK PEKERJA DAN IMPAK PERUBAHAN IKLIM KEPADA KKP	8	150
MS PROJECT FOR PROJECT MANAGEMENT PROGRAM	16	400
IR 4.0 & E-INVOICING 2024	48	18,000
BASIC OCCUPATIONAL FIRST AID, CPR & AED TRAINING	32	1,134
NIOSH - TENAGA SAFETY PASSPORT LEADER	8	265
MICROSOFT EXCEL INTERMEDIATE	32	1,081
1 DAY TEAM BUILDING PROGRAM	8	18,000
MANDATORY ACCREDITATION PROGRAMME PART-PART I	112	20,790

#### vi. Community Engagement

At CBHB, social responsibility is an integral part of our values, driving our efforts to create meaningful change within the communities we serve. In FY2024, we actively engaged in initiatives aimed at supporting underprivileged groups and fostering inclusive, cohesive communities.

SUSTAINABILITY STATEMENT

SUSTAINABILITY RISKS AND OPPORTUNITIES (CONT'D)

3. SOCIAL (CONT'D)

vi. Community Engagement (cont'd)

Our Corporate Social Responsibility activities included donation drives and support to Non-governmental organizations, providing assistance to those in need regardless of age, race, or religion. We contributed to literacy and education by supporting schools, enhanced health and well-being through donation drives to provide food and supplies, and provided aid to flood victims facing hardship.

Throughout the year, we contributed RM66,473 toward charitable causes, benefiting numerous individuals. Our employees also dedicated 504 hours teaching and guiding needful students, in a bid to improve their academic status. By partnering with stakeholders and participating in local events and projects, we reinforced our commitment to improving lives and building sustainable communities. CBHB remains dedicated to giving back to society, promoting sustainable living, and contributing to the well-being and progress of the communities in which we operate.

Activity	Amount Invested (RM)	Time Spent
Contribution of teaching students	-	504 Hours
Solar Installation Kampung Kedled, Perak	40,000	1 Day
Nalanda - Contribution Donation	13,000	0
Lembaga Pengelola SMJK Chung Hwa Klang	10,000	0
Pertubuhan Raleigh International Kuala Lumpur	1,416	0
Mr Village Sdn Bhd	2,057	0
Total Investment	66,473	



Installation of the solar panels at Kampung Kedled, Perak



Distribution of school bags and clothes at Nepal



# SUSTAINABILITY STATEMENT

## SUSTAINABILITY RISKS AND OPPORTUNITIES (CONT'D)

### 4. GOVERNANCE

#### i. Code of Conduct and Ethics

CBHB has established a formal Code of Conduct and Ethics outlining the fundamental principles and guidelines for all employees to maintain high ethical business standards. These values are to be applied in all aspects of the Group's business and interactions with stakeholders. Upon recruitment, all employees are informed of the core values in the Code of Conduct and Ethics and are required to sign a pledge confirming their adherence to it. The Code of Ethical Conduct is available on our company's website at [www.cbh.com.my](http://www.cbh.com.my).

#### ii. Anti-Bribery and Corruption Policy ("ABC Policy")

CBHB's Anti-Bribery and Corruption Policy ("ABC Policy"), Guidelines, and Procedures ("ABAC") reinforce our commitment to conducting business ethically and with the utmost integrity in all our operations, both locally and internationally. The ABAC, which is accessible on our company's website at [www.cbh.com.my](http://www.cbh.com.my), reflects CBHB's zero-tolerance stance on all forms of bribery and corruption. It outlines policies, guidelines, and procedures addressing improper solicitation, bribery, and other corrupt activities that may arise within the organisation. The ABAC details the dos, don'ts, and limitations regarding entertainment and corporate hospitality, restricted gifts, corporate contributions, political contributions, and interactions with public officials and third parties, among other areas where bribery or corruption might occur.

Employees are reminded that the ABAC is not exhaustive. If they encounter any situation that might lead to a violation of the ABAC or involve allegations of bribery or corruption, they must report it to the company's Compliance Officer as soon as possible. Mandatory online training and assessment on the ABAC are provided to employees, with annual refresher training sessions.

The Company also offers mechanisms for directors, management staff, employees, vendors of CBHB and its subsidiaries, as well as members of the public, to confidentially report any concerns related to the code of business conduct and ethics, legal issues, and accounting or audit matters through a dedicated whistleblowing channel.

During the financial year, there were zero reported cases of proven bribery or corruption, and no whistleblowing cases related to ethical business practices or suspicious corruption or unethical behaviour.

	FY2024
Number of bribery or corruption cases	Nil
Number of whistleblowing cases	Nil

#### Whistleblowing Reporting Procedures

CBHB is committed to promoting integrity, transparency, and accountability within the organisation. As such, we have outlined a Whistleblowing Policy to provide a structured and confidential process for employees to report concerns regarding misconduct, unethical behaviour, or illegal activities. Whenever possible, concerns should be raised through normal reporting lines and procedures. However, if the concern cannot be resolved through normal channels, or involves senior management, the whistleblower should use the whistleblowing channels outlined below.

#### Whistleblowing Channels

Employees can report concerns to:

- Immediate Supervisor (where appropriate)
- A Designated Party, such as:
  - A Member or Chairperson of the Audit Committee
  - A Senior Independent Director
  - The Head of a dedicated department handling investigations, with a direct reporting line to independent directors



# SUSTAINABILITY STATEMENT

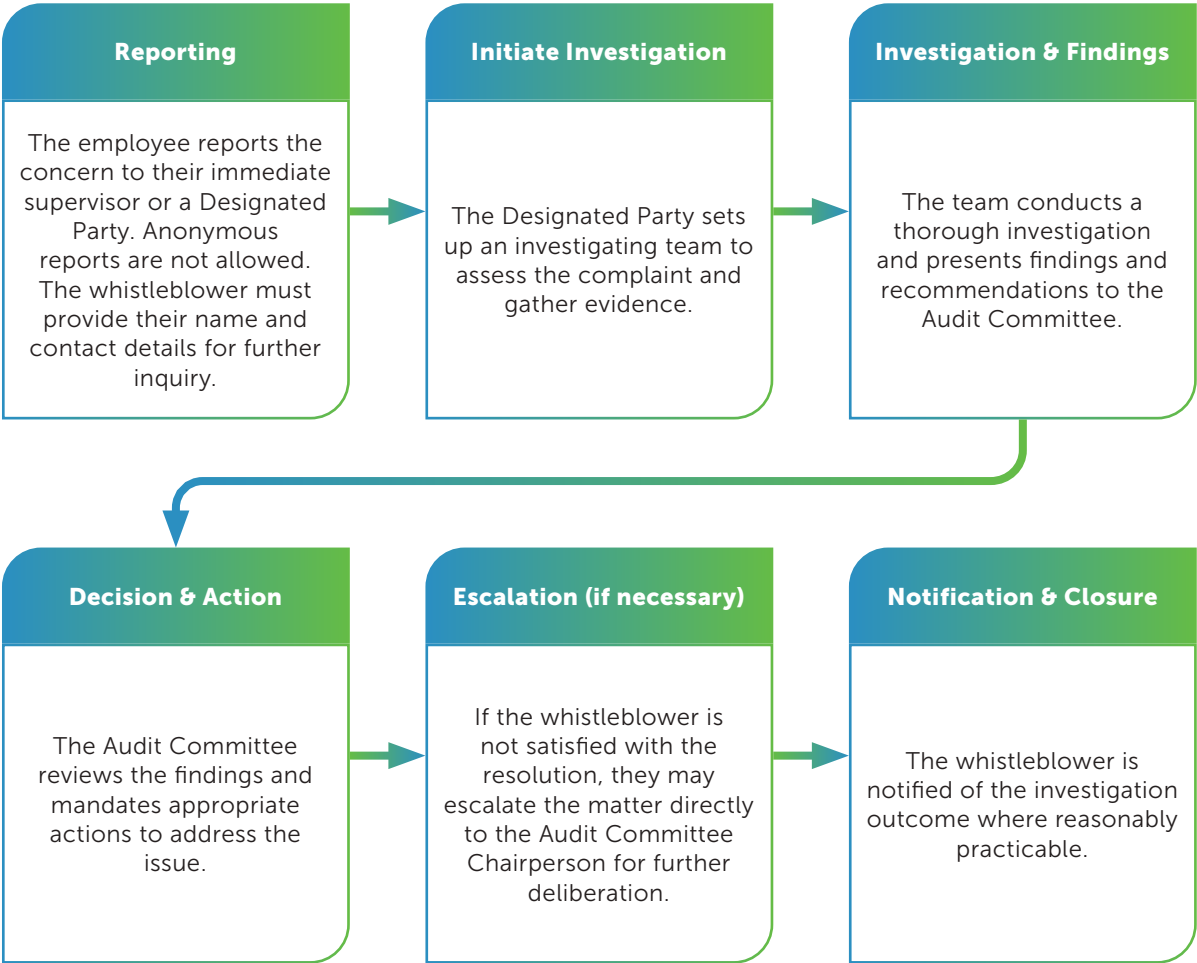
## SUSTAINABILITY RISKS AND OPPORTUNITIES (CONT'D)

### 4. GOVERNANCE (CONT'D)

#### ii. ABC Policy (cont'd)

##### Whistleblowing Procedure

The whistleblowing process follows a structured investigation and resolution approach:



##### Confidentiality & Protection

The identity of the whistleblower shall remain confidential, except where required by law or consent is given. Only individuals involved in handling the complaint (investigation and deliberation) will have access to the identity of the whistleblower on a strict need-to-know basis.

A whistleblower who reports a concern in good faith shall be protected from any form of reprisal, including:

- Termination, demotion, suspension
- Threats, harassment, or discrimination
- Retaliatory actions affecting employment or contracts



# SUSTAINABILITY STATEMENT

## SUSTAINABILITY RISKS AND OPPORTUNITIES (CONT'D)

### 4. GOVERNANCE (CONT'D)

#### ii. ABC Policy (cont'd)

##### Confidentiality & Protection (cont'd)

Whistleblowers are protected under the Whistleblower Protection Act 2010 if they make a disclosure in good faith to an enforcement agency.

CBHB upholds the highest ethical standards and encourages employees to speak up without fear of retaliation. This Whistleblowing Policy ensures that all concerns are handled professionally, confidentially, and with integrity.

#### iii. No Child Labour Policy

The Company strives to create a conducive working environment characterised by equality and mutual respect. We will not tolerate the use of child or forced labour, nor the exploitation of children, in any of our operations in Malaysia, strictly prohibiting child labour and adhering to all minimum employment age laws.

# SUSTAINABILITY STATEMENT

## PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2024
<b>Bursa (Anti-corruption)</b>		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	0.00
Executive	Percentage	0.00
Non-executive/Technical Staff	Percentage	0.00
General Workers	Percentage	0.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Disclosure of number of staff disciplined or dismissed due to non-compliance with anti-corruption policy/policies	Number	0
<b>Bursa (Community/Society)</b>		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	66,472.61
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	6
<b>Bursa (Diversity)</b>		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	0.00
Management Between 30-50	Percentage	3.00
Management Above 50	Percentage	2.00
Executive Under 30	Percentage	7.00
Executive Between 30-50	Percentage	20.00
Executive Above 50	Percentage	5.00
Non-executive/Technical Staff Under 30	Percentage	17.00
Non-executive/Technical Staff Between 30-50	Percentage	32.00
Non-executive/Technical Staff Above 50	Percentage	11.00
General Workers Under 30	Percentage	0.00
General Workers Between 30-50	Percentage	2.00
General Workers Above 50	Percentage	1.00
Gender Group by Employee Category		
Management Male	Percentage	5.00
Management Female	Percentage	0.00
Executive Male	Percentage	12.00
Executive Female	Percentage	21.00
Non-executive/Technical Staff Male	Percentage	52.00
Non-executive/Technical Staff Female	Percentage	8.00
General Workers Male	Percentage	2.00
General Workers Female	Percentage	0.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	43.00
Female	Percentage	57.00
Under 30	Percentage	0.00
Between 30-50	Percentage	57.00
Above 50	Percentage	43.00

Internal assurance

External assurance

No assurance

(\*) Restated



# SUSTAINABILITY STATEMENT

## PERFORMANCE DATA TABLE (CONT'D)

Indicator	Measurement Unit	2024
<b>Bursa (Diversity)</b>		
Number of Board Directors	Number	7
Number of independent Directors on the board	Number	4
Number of women on the board	Number	4
Percentage of women on the Executive committee or equivalent.	Percentage	0.00
<b>Bursa (Energy management)</b>		
Bursa C4(a) Total energy consumption	Megawatt	146.42
<b>Bursa (Health and safety)</b>		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	3
Number of work-related employee fatalities, over last 3 years	Number	0
<b>Talent Attraction and Development</b>		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	144
Executive	Hours	265
Non-executive/Technical Staff	Hours	314
General Workers	Hours	0
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	0
Executive	Number	6
Non-executive/Technical Staff	Number	25
General Workers	Number	0
<b>Bursa (Labour practices and standards)</b>		
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
<b>Bursa (Supply chain management)</b>		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	99.00
<b>Bursa (Data privacy and security)</b>		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
<b>Bursa (Water)</b>		
Bursa C9(a) Total volume of water used	Megalitres	0.449000
<b>Bursa (Waste management)</b>		
Bursa C10(a) Total waste generated	Metric tonnes	0.00
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	0.00
<b>Bursa (Emissions management)</b>		
Bursa C11(a) Scope 1 emissions in tonnes of CO <sub>2</sub> e	Metric tonnes	285.63
Bursa C11(b) Scope 2 emissions in tonnes of CO <sub>2</sub> e	Metric tonnes	110.98
Bursa C11(c) Scope 3 emissions in tonnes of CO <sub>2</sub> e (at least for the categories of business travel and employee commuting)	Metric tonnes	154.09

Internal assurance

External assurance

No assurance

(\*)Restated

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Corporate Governance Overview Statement is supplemented by a Corporate Governance Report based on a prescribed format as tallied in Rule 15.25(1) of the ACE Market Listing Requirements ("**AMLR**") of Bursa Securities to provide a detailed articulation on the application of CBHB and its subsidiary corporate governance practices vis-à-vis the Malaysian Code on Corporate Governance ("**MCCG**").

The Board of CBHB is committed to ensuring good corporate governance practices are implemented and maintained throughout the Group as a fundamental part of discharging its duties to enhance shareholders' values consistent with the principles and recommendations for best practices set out in the MCCG and the Listing Requirements of Bursa Securities.

This Corporate Governance Statement ("**Statement**") should also be read together with the Company's Corporate Governance Report for the FYE2024 which is available on the Company's website at [www.cbh.com.my](http://www.cbh.com.my), as well as via an announcement on the website of Bursa Securities at [www.bursamalaysia.com](http://www.bursamalaysia.com).

This Statement gives the shareholders an overview of the corporate governance practices of the Company for the FYE2024.

This Corporate Governance Overview Statement makes reference to the following three (3) key principles of the MCCG:-

- a) Principal A: Board leadership and effectiveness;
- b) Principal B: Effective audit and risk management; and
- c) Principal C: Integrity in corporate reporting and meaningful relationship with stakeholders.

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS

### PART I – BOARD RESPONSIBILITIES

#### 1.1 Board Roles and Responsibilities

The Board is accountable for the Group's overall performance and management of its business affairs, emphasising exemplary governance to ensure the Group's long-term success and deliver lasting value to stakeholders. With guidance from an experienced and proactive team, the Company benefits from a balanced Board composition, which includes effective Independent Directors. The Board steers the Group's strategic direction and operational activities, ultimately aiming to enhance shareholder value.

In discharging its fiduciary duties and responsibilities, the Board is guided by its Board Charter which outlines the duties and responsibilities of the Board. While the Board as a whole assumes the ultimate oversight responsibility, it has delegated certain authorities and responsibilities to the following Board Committees to assist the Board in fulfilling and discharging its function effectively:-

- a. Audit Committee ("**AC**");
- b. Nominating Committee ("**NC**");
- c. Remuneration Committee ("**RC**"); and
- d. SRMC;

Each Committee execute their scope of duties in accordance with the Terms of Reference ("**TOR**") adopted by the Company. These Committees are authorised by the Board to deal with and to deliberate on matters delegated to them within their respective TOR and report to the Board on their proceedings and deliberation together with its recommendations to the Board for approval.





# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART I – BOARD RESPONSIBILITIES (CONT'D)

#### 1.1 Board Roles and Responsibilities (cont'd)

The Board Charter and TOR would be reviewed periodically by the Board and the respective Board Committee and as needed, to ensure consistency with its objectives, responsibilities and any new regulations or changes that may impact the discharge of the Board's responsibilities. The Board Charter and TOR of the respective committees are available on the Company's website at [www.cbh.com.my](http://www.cbh.com.my).

#### 1.2 The Chairwoman of the Board

The Chairwoman of the Board, Lim Bee Hua, holds an Independent Non-Executive position and she is responsible for leading the Board to ensure its effectiveness and integrity and the entrenchment of good corporate governance practices within the Group.

In adherence to MCCG guidelines, the Chairwoman of the Board does not sit on AC, NC and RC ensuring the maintenance of checks and balances as well as the preservation of objectivity as recommended under Practice 1.4 of the MCCG. This structure also safeguards the independence and objectivity during the Board and Board Committees' meetings.

#### 1.3 The Chairwoman and Managing Director

In line with good corporate practices, there is a clear distinction between the role of the Chairwoman of the Board and the Managing Director. This is to ensure that there is a balance of power and authority to promote accountability and unfettered powers in decision-making.

The Chairwoman of the Board is responsible for ensuring the orderly conduct and effectiveness of the Board, as well as facilitating constructive deliberations on matters in hand. Meanwhile, the Managing Director leads the management of the Company, overseeing operating units, and ensuring the implementation of the Board's policies and decisions.

#### 1.4 Qualified and Competent Company Secretaries

The Board is supported by two (2) suitably qualified Company Secretaries, namely Ms. Teo Soon Mei and Ms. Lim Jia Huey, both of whom are Fellow and Associate members of The Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA") and qualified to act as Company Secretaries under Section 235(2)(a) of the Companies Act 2016. All Directors have access to the advice and services of the Company Secretaries.

The Company Secretaries consistently participate in relevant training programmes, conferences, or seminars organised by authorities and professional bodies. This ensures they stay updated on corporate governance developments and regulatory changes pertinent to their role, enabling them to provide valuable advisory services to the Board.

The Board acknowledges that the Company Secretaries play an important role and will ensure that the Company Secretaries fulfil the functions for which they have been appointed.

During the FYE2024, all Board meetings were properly convened, accurate and proper records of the proceedings and resolutions passed were taken and maintained in the statutory records of the Company. The Company Secretaries committed their time in attending all the Board and Board Committee meetings held during FYE2024 and ensuring the meeting procedures are in place including disseminating complete and accurate meeting materials in a timely manner.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART I – BOARD RESPONSIBILITIES (CONT'D)

#### 1.4 Qualified and Competent Company Secretaries (cont'd)

Overall, the Board is satisfied with the performance and support rendered by the Company Secretaries and their team to the Board in the discharge of her duties and functions.

#### 1.5 Meeting of Board and Board Committees

To assist Directors in managing their schedules, the Company Secretaries prepare an annual meeting calendar ahead of each new year. This calendar outlines the dates of Board and Board Committee meetings, as well as the AGM. Additionally, it includes closed periods for trading in securities by Directors and principal officers, aligning with scheduled announcements of the Group's quarterly results.

The notices of Board and Board Committees meetings together with the meeting papers are generally furnished to the Board members within five (5) working days prior to the dates of meetings. This is to ensure that the Directors have sufficient preparation time and information to make an informed decision at each meeting.

The deliberations and conclusions of matters discussed in the Board or Board Committees meetings are duly recorded in the minutes of meetings. The draft minutes are circulated to the Board or Board Committees for review within a reasonable timeframe after the meetings. The minutes of meetings accurately captured the deliberations and decisions of the Board and/or the Board Committees, including whether any Director abstains from voting or deliberating on a particular matter.

All the records of proceedings and resolutions passed are kept at the registered office of the Company.

For matters which require the Board's decision on an urgent basis outside of Board Meetings, board papers along with Directors' Written Resolution will be circulated for the Board's consideration. All written resolutions approved by the Board will be tabled for notation at the next Board Meeting.

#### 1.6 Board Charter

The Company has adopted a Board Charter on 5 June 2024, outlining amongst others, the roles and responsibilities of the Board, Board Committee and Individual Directors, Board composition and structure, Board's procedure, as well as matters reserved for the Board, along with the Boards' governance and authority. The Board Charter also serves as a source of reference and primary induction literature, providing insights to new Board members.

The Board Charter would be periodically reviewed and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities.

The Board Charter is published and made available on the Company's website at [www.cbh.com.my](http://www.cbh.com.my).

#### 1.7 Code of Conduct and Ethics

The Board has adopted a Code of Conduct and Ethics ("the Code") of which is observed by all Directors, Management and employees of the Group. The Code provides guidance to all Directors, Management and employees to uphold professionalism, honesty and integrity in all interactions, including but not limited to managing conflict of interest, bribery and corruption, money laundering as well as insider trading. The Code is available on the Company's website at [www.cbh.com.my](http://www.cbh.com.my).



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART I – BOARD RESPONSIBILITIES (CONT'D)

#### 1.7 Code of Conduct and Ethics (cont'd)

The Board adhered strictly to the Code for Directors, ensuring effective oversight. The Code mandates all Directors, management, and employees of the Group to uphold high ethical standards in every aspect of the Group's business and professional practices, acting in the best interests of the Group and its shareholders.

Periodic reviews of the Code will be conducted by the Board to ensure its continued relevance and appropriateness.

#### 1.8 ABC Policy

To instill a culture of integrity and transparency across all Group activities, the Company adopted an ABC Policy on 5 June 2024, in accordance with the Malaysian Anti-Corruption Commission (Amendment) Act 2018 ("MACC Act"). This ABC Policy articulates the Company's zero-tolerance stance towards bribery and corruption, outlining the responsibilities of all individuals associated with the Group in adhering to this stance. It also establishes clear anti-bribery and corruption principles governing interactions with customers, business partners, and third parties. Additionally, the ABC Policy provides guidelines for identifying, managing, and mitigating bribery and corruption risks, ensuring the Company upholds the highest standards of ethical conduct.

The ABC Policy will be reviewed from time to time to ensure that it continues to remain relevant and appropriate. The ABC Policy is made available on the Company's website at [www.cbh.com.my](http://www.cbh.com.my).

#### 1.9 Whistleblowing Policy

The Group upholds the highest standards of integrity, transparency, and accountability in its business conduct. On 5 June 2024, the Group adopted a Whistleblowing Policy, outlining communication and feedback channels to facilitate whistleblowing. This policy's implementation aligns with the Companies Act 2016 and Section 17A of the MACC Act, providing protection for officers disclosing breaches or non-compliance with these Acts, or serious offenses involving fraud and dishonesty. The Board commits to reviewing and updating the Whistleblowing Policy at least once every three (3) years to ensure its effectiveness and alignment with governing legislation and regulatory requirements.

The Whistleblowing Policy is published on the Company's website at [www.cbh.com.my](http://www.cbh.com.my).

#### 1.10 Fit and Proper Policy

The Board had on 5 June 2024 adopted the Fit and Proper Policy that apply to all the Directors and Key Senior Management of the Group in accordance with the new Rule 15.01A of the AMLR of Bursa Securities. This policy serves as a guide to the NC and the Board in their review and assessment of potential candidates for appointment to the Group's Board, as well as retiring Directors seeking re-election at the AGM or the appointment of the member of the Key Senior Management of the Group.

The Fit and Proper Policy ensures that the NC and the Board adhere to rigorous standards in their evaluation of candidates, enabling them to select Directors who possess the necessary qualifications, experience, and integrity to serve effectively on the Board and Key Senior Management.

The Board will regularly review the Fit and Proper Policy and may revise it as deemed necessary to align with the Board's objectives, current laws, and practices. The Fit and Proper Policy is available on the Company's website at [www.cbh.com.my](http://www.cbh.com.my).

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART I – BOARD RESPONSIBILITIES (CONT'D)

#### 1.11 Sustainability Governance

The Board emphasises the importance of sustainable business practices in creating long-term value, recognising that responsible business conduct is fundamental to achieving operational excellence.

Structural oversight of sustainability, including strategies, priorities, and targets, rests with the Board, while Management is entrusted with operational execution concerning ESG factors as integral components of the Group's corporate strategy.

As fiduciary to the Company's shareholders, the Board prioritises upholding exemplary corporate governance practices, marked by a dedication to ethics, integrity, and corporate responsibility. Additionally, the Board ensures that both internal and external stakeholders are well-informed about the Company's sustainability strategies, priorities, targets, and overall performance, as detailed in the Sustainability Statement within this Annual Report.

The Board also incorporated the assessment of the Board's governance of sustainability issues in the annual performance evaluation that are critical to the Company's performance.

### PART II – COMPOSITION OF THE BOARD

#### 2.1 Board Composition

The Board currently comprises seven (7) members and the composition of the current Board is set out in the table below:-

No.	Names	Designation
1.	Lim Bee Hua	Independent Non-Executive Chairwoman
2.	Ir. Cheah Boon Hwa	Managing Director
3.	Cheah Boon Huat	Non-Independent Executive Director
4.	Cheah Min Heng	Non-Independent Executive Director
5.	Saw Bee Yee	Independent Non-Executive Director
6.	Tan Suat Hoon	Independent Non-Executive Director
7.	Chin Sin Peng	Independent Non-Executive Director

Based on the current Board structure, the majority of its members are independent directors. This current Board composition complies with Rule 15.02 of the AMLR of Bursa Securities, which requires that at least two (2) Directors or one-third (1/3) of the Board, whichever is the higher, are Independent Directors.

The Board composition is also in line with Practice 5.2 of the MCCG of having at least half of the Board comprising Independent Non-Executive Directors. This composition is able to provide independent and objective judgement as well as provide an effective check and balance to safeguard the interest of the minority shareholders and other stakeholders, and ensure high standards of conduct and integrity are maintained.

The Board members have diverse backgrounds and experiences in various fields. Collectively, they bring a wide range of skills, experience and knowledge to manage the Group's business. The profiles of these Directors are provided in this Annual Report.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART II – COMPOSITION OF THE BOARD (CONT'D)

#### 2.2 Tenure of Independent Directors

The Board acknowledges the recommendation by the MCCG that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. However, if the Board intends to retain a Director who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years, the Board must justify its decision and seek the shareholders' approval through a two-tier voting process at a general meeting. Furthermore, the Board recognises that as per the Listing Requirements of Bursa Securities, the tenure of an Independent Director should not exceed a cumulative term of twelve (12) years.

The Board has not adopted a policy that limits the tenure of its Independent Directors to nine (9) years, being a step-up practice. Notwithstanding that, the assessment of the independence of Independent Directors will be conducted annually via the Annual Evaluation of Independence of Directors to ensure that they are independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement or the ability to act in the best interests of the Company.

During the FYE2024, none of the Directors has served the Board as an Independent Director of the Company for a cumulative term of more than nine (9) years.

#### 2.3 Board Diversity and Senior Management Team

The Board acknowledges the importance of Board and Senior Management Team composition diversity as recommended by the MCCG. In pursuing a diversity agenda, the Directors and Key Senior Management are sourced from a diverse pool and recruited based on objective criteria, merit and with due regard for diversity in skills, knowledge, experience, age, cultural background, gender and contribution.

In line with the recommendation under the MCCG for gender diversity, the Board has established and adopted a Gender Diversity Policy which provides a framework for the Company to improve its gender diversity at the Board and Key Senior Management level. The policy emphasises the need for diversity amongst the Board members, amongst others, including race, ethnicity, age, gender, skills, competencies, experiences and expertise. The Gender Diversity Policy was approved and adopted by the Board on 5 June 2024 to improve gender diversity not only at the Board level but also at the Key Senior Management level.

Currently, there are four (4) female Directors on the Board, namely, Lim Bee Hua, Saw Bee Yee, Tan Suat Hoon and Chin Sin Peng, representing 57% of the Board composition, exceeding the recommended minimum of 30% female Directors as advised by the MCCG. This accomplishment reflects the Board's commitment to fostering an inclusive and balanced governance structure, recognizing the value that diverse perspectives bring to decision-making processes. Nonetheless, gender is not regarded as a prerequisite for directorships or managerial positions within the Group. Instead, appointments are based on objective criteria and merit, ensuring the most qualified candidates are selected for the roles.

#### 2.4 Board Committees

The Board Committees are set up to manage specific tasks for which the Board is responsible within defined TOR. This ensures that the Board members can spend their time more efficiently while the Board Committees are entrusted with the authority to examine particular issues.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART II – COMPOSITION OF THE BOARD (CONT'D)

#### 2.4 Board Committees (cont'd)

The Board has established four (4) Board Committees and the membership of each committee is set out in the table below:-

Composition	AC	NC	RC	SRMC
<i>Lim Bee Hua (Independent Non-Executive Chairwoman)</i>	-	-	-	Chairperson
<i>Saw Bee Yee (Independent Non-Executive Director)</i>	Member	Member	Chairperson	Member
<i>Tan Suat Hoon (Independent Non-Executive Director)</i>	Member	Chairperson	Member	Member
<i>Chin Sin Peng (Independent Non-Executive Director)</i>	Chairperson	Member	Member	Member

#### 2.5 NC

The NC is chaired by Tan Suat Hoon, an Independent Non-Executive Director of the Company and the NC comprises three (3) members and all of them are Independent Non-Executive Director. The full composition of NC is disclosed under section 2.4 of this statement.

The NC is responsible for identifying and recommending suitable candidates for Board membership and also for assessing the performance of the Directors on an ongoing basis. The Board will have the ultimate responsibility and final decision on the appointment of the Directors. This process shall ensure that the Board membership accurately reflects the long-term strategic direction and needs of the Company and determine a skills matrix to support the strategic direction and needs of the Company.

The NC has written TOR dealing with its authority and duties which include the selection and assessment of Directors. The TOR of the NC had incorporated the relevant practices recommended under the MCCG. The TOR of the NC is published on the Company's website at [www.cbh.com.my](http://www.cbh.com.my).

The Company was listed on the ACE Market of Bursa Securities on 16 January 2025 and hence, there is no NC meeting held during FYE2024. The activities undertaken by the NC during the Financial Year Ending 2025 ("FYE2025") and up to the date of this Statement were as follows:-

- Reviewed the size and composition of the Board to ensure a balanced composition.
- Evaluated the balance of skills, knowledge and experience of the Board. Carried out the assessment and rating of each Director's performances against the criteria as set out in the annual assessment form.
- Undertaken an effectiveness evaluation exercise of the Board and its Committees as a whole with the objective of assessing its effectiveness.
- Reviewed and assessed the length of service and independence of each Independent Non-Executive Directors of the Company.
- Reviewed and assessed the term of office and the effectiveness of the AC and each its members to determine whether they have effectively carried out their duties in accordance with their TOR.
- Reviewed and recommended to the Board for consideration, the re-election of the Directors who were due to retire at the AGM.
- Reviewed the meeting attendance of the Board and Board Committees, as well as the adequacy of time commitment to fulfilling their roles and responsibilities within the Company during the financial year.
- Reviewed the training programmes attended by the Directors during the financial year.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART II – COMPOSITION OF THE BOARD (CONT'D)

#### 2.6 Board Appointment and Re-appointment Process

The NC is tasked by the Board to make independent recommendations for appointments to the Board. In evaluating the suitability of candidates, the NC considers, inter-alia, the character, experience, integrity, commitment, competency, qualification and track record of the proposed new nominee for appointment to the Board. In the case of a nominee for the position of Independent Non-Executive Director, NC evaluates the nominee's ability to discharge such responsibilities/functions as expected from Independent Non-Executive Directors.

In accordance with the AMLR of Bursa Securities and the Company's Constitution, one-third (1/3) of the Directors of the Company for the time being shall retire at the AGM of the Company provided always that all Directors, shall retire from office at least once (1) in every three (3) years but shall be eligible for re-election at the AGM. Additionally, the Directors appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the conclusion of the next AGM and shall be eligible for re-election.

In assessing the candidates' eligibility for re-election, the NC considers their competencies, commitment, contribution, performance based on their respective performance evaluation to the Board and their ability to act in the best interest of the Company.

Upon the recommendation of the NC and the Board, all the Directors will retire and seek for re-election at the forthcoming 1st AGM and the details of the Directors are disclosed in the Profile of Directors section of the Annual Report.

#### 2.7 Annual Evaluation of the Directors, Board and Board Committees as a whole

The Board has, through the NC, undertaken a formal and objective annual evaluation to assess the effectiveness of the Board and the Board Committees as a whole and the contribution of each Director, including the independence of the Independent Non-Executive Directors, referring to the guides available and the good corporate governance compliance.

Following the Listing and after the FYE2024, the NC and the Board carried out the annual assessment of the Board and Board Committees as a whole as well as the individual Director's performance in February 2025.

#### 2.8 Attendance of Board and Board Committees' Meetings

The Board schedules at least four (4) meetings in a financial year with additional meetings to be convened where necessary. However, due to the Company's listing on the ACE Market of Bursa Securities on 16 January 2025, the Company held one (1) AC meeting and three (3) Board meetings during the FYE2024, with no NC, RC and SRMC meetings were held.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART II – COMPOSITION OF THE BOARD (CONT'D)

#### 2.8 Attendance of Board and Board Committees' Meetings (cont'd)

The number of meetings held and attended by each member of the Board and Board Committees during the FYE2024 are as follows:-

Name of Director	Board	No. of Meetings Attended			SRMC
		AC	NC	RC	
Lim Bee Hua (Independent Non-Executive Chairwoman)	3/3	N/A	N/A	N/A	-
Ir. Cheah Boon Hwa (Managing Director)	3/3	N/A	N/A	N/A	N/A
Cheah Boon Huat (Non-Independent Executive Director)	3/3	N/A	N/A	N/A	N/A
Cheah Min Heng (Non-Independent Executive Director)	3/3	N/A	N/A	N/A	N/A
Saw Bee Yee (Independent Non-Executive Director)	3/3	1/1	-	-	-
Tan Suat Hoon (Independent Non-Executive Director)	2/2	1/1	-	-	-
Chin Sin Peng (Independent Non-Executive Director)	3/3	1/1	-	-	-

#### 2.9 Directors' Training

During the FYE2024, the Directors have attended the following training programmes in compliance with Rule 15.08 of the AMLR of Bursa Securities:-

Name of Directors	Training / Seminar attended
Lim Bee Hua	Mandatory Accreditation Programme Part ("MAP") Part I
Ir. Cheah Boon Hwa	MAP Part I
Cheah Boon Huat	MAP Part I
Cheah Min Heng	MAP Part I
Saw Bee Yee	MAP Part I
Tan Suat Hoon	Post 2024 National Budget Discussion Forum Simplifying e-Invoicing Unclaimed Money Act 1965 Sustainable Finance Leadership Digital Mindset Pack - Strategic Importance of Digital Transformation and Underpinning Technologies MAP Part II: Leading for Impact (LIP) Anti-Corruption and Bribery Awareness Training
Chin Sin Peng	MAP Part I

In order to effectively carry out their roles and duties, the Directors are committed to participating in professional development programmes as necessary. This ongoing commitment to professional development ensures that the Directors stay up-to-date with best practices and emerging trends in their respective areas of expertise. The Company encourages and supports the Directors' participation in such programmes, recognising the importance of maintaining a skilled and knowledgeable Board.

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# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART III – REMUNERATION (CONT'D)

#### 3.2 Remuneration of Directors (cont'd)

##### (B) The Group

Name of Directors	Fees (RM)	Allowance (RM)	Salary (RM)	Bonus (RM)	Benefits-in-kind (RM)	Other emoluments <sup>#</sup> (RM)	Total (RM)
Lim Bee Hua	37,419	-	-	-	-	-	37,419
Ir. Cheah Boon Hwa	-	-	366,000	728,000	8,800	43,760	1,146,560
Cheah Boon Huat	-	-	300,000	430,000	15,500	29,200	774,700
Cheah Min Heng	-	-	251,937	434,000	23,950	83,417	793,304
Saw Bee Yee	37,419	-	-	-	-	-	37,419
Tan Suat Hoon	31,167	-	-	-	-	-	31,167
Chin Sin Peng	37,420	-	-	-	-	-	37,420
<b>Total</b>	<b>143,425</b>	<b>-</b>	<b>917,937</b>	<b>1,592,000</b>	<b>48,250</b>	<b>156,377</b>	<b>2,857,989</b>

**Note:-**

<sup>#</sup> Other emoluments include the Employees Provident Fund (EPF), Social Security Organisation (SOCSO) and Employment Insurance System (EIS).

The Board is of the view that the disclosure of the Key Senior Management's remuneration components on a named basis will not be in the best interest of the Company given that the competitive human resources environment as such disclosure may give rise to recruitment and talent retention issues. The Board opted to disclose the total of the aggregated remuneration of Key Senior Management on an unnamed basis in the Corporate Governance Report FYE2024.

## PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT

### PART I: AUDIT COMMITTEE

#### 4.1 Effective and Independent AC

The AC is relied upon by the Board to, amongst others, provide advice and oversee in the areas of financial reporting, external audit, internal control environment and internal audit processes, review of related party transactions as well as conflict of interest situations.

The AC is chaired by Chin Sin Peng, an Independent Non-Executive Director who is distinct from the Chairwoman of the Board. The majority of the members of the AC are financially literate, whilst the Chairperson of the AC is a member of the MIA.





# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

### PART I: AUDIT COMMITTEE (CONT'D)

#### 4.1 Effective and Independent AC (cont'd)

The AC comprises three (3) members and all of them are Independent Non-Executive Director. The full composition of AC is disclosed under Section 2.4 of this Statement. The composition of the AC complies with Rules 15.09 and 15.10 of the AMLR of Bursa Securities and the recommendation of MCCG whereby all three (3) AC members are Independent Non-Executive Directors. None of the Independent Non-Executive Directors has appointed alternate directors.

None of the members of the AC were former audit partners and to uphold utmost independence, the Board has no intention to appoint any former audit partner as a member of the AC.

The members of the AC are equipped with the requisite skills and knowledge to fulfill their responsibilities outlined in the TOR of the AC. They possess a deep understanding of matters falling within the purview of the AC, including the financial reporting process.

It is expected that they dedicate ample time to updating their knowledge and enhancing their skills through relevant continuing education programmes. This ensures their active engagement and informed participation during deliberations. The AC members have consistently stayed informed about developments in accounting and auditing standards, practices, and regulations.

#### 4.2 External Auditors

The Group maintains a transparent and effective relationship with the External Auditors, granting them direct communication authority. This enables the External Auditors to bring to the attention of the AC any matters requiring the Board's attention regarding compliance with accounting standards and related regulatory requirements.

Following the Listing, the AC conducted the annual performance assessment of the External Auditors in February 2025. The AC is satisfied with the performance, suitability, and independence of the External Auditors of the Company, Messrs. TGS TW PLT, and has recommended their re-appointment to the shareholders for approval at the forthcoming 1<sup>st</sup> AGM of the Company.

## PART II – RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

### 5.1 Risk Management and Internal Control Framework

The Board acknowledges its overall responsibilities in establishing a sound risk management framework and internal control system within the Group. The risk management framework and internal control system are designed to manage the Group's risks within an acceptable risk appetite, rather than eliminate the risk of failure to achieve the policies, goals and objectives of the Group. It provides reasonable assurance against material misstatement of financial information and records or against financial losses or fraud.

To ensure the effectiveness of the risk management framework and policies, the SRMC has been tasked to oversee the Group's risks assessment system and procedures. The composition of the SRMC comprises all of Independent Non-Executive Directors, as tabled below: -

Name of Committee members	Position	Designation
Lim Bee Hua	Chairperson	Independent Non-Executive Director
Saw Bee Yee	Member	Independent Non-Executive Director
Tan Suat Hoon	Member	Independent Non-Executive Director
Chin Sin Peng	Member	Independent Non-Executive Director

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PART II – RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (CONT'D)

### 5.1 Risk Management and Internal Control Framework (cont'd)

The key roles and responsibilities of the SRMC are as follows: -

- (i) oversee the management of principal business risks and significant or material ESG risks and implement of sustainability-related policies, measures and actions in achieving the Company's sustainability milestones and goals;
- (ii) integrate the sustainability risks and opportunities into the risk management framework of the Company;
- (iii) approve disclosure statements relating to the management of sustainability matters of the Group;
- (iv) implement the risk management framework, policy, and process approved by the Board and oversight of risk management practice on Group-wide basis respectively; and
- (v) oversee and monitor the implementation of sustainability strategies as approved by the Board as well as the execution and management of the risk management policy and process while the Board takes on a supervisory role in respect of the Group's risk management policy and process.

The full duties and responsibilities of the SRMC are defined in its Terms of Reference, which can be accessed on the Company's website at [www.cbh.com.my](http://www.cbh.com.my).

In addition, the Company has established the Group Sustainability Working Unit, which is led by Ir. Cheah Boon Hwa, the Managing Director, to support the responsibilities of the SRMC. The Group Sustainability Working Unit plays a crucial role in identifying key sustainability risks and opportunities, as well as implementing corresponding mitigation strategies within their purview. To ensure effective management of sustainability matters, the Group Sustainability Working Unit provides regular updates to the SRMC and the Board.

The Company also engages Internal Auditors to provide independent assessments of the adequacy, efficiency and effectiveness of the Company's internal control system. The Internal Auditors report directly to the AC and internal audit plans are tabled to the AC for review and approval by the Board to ensure adequate coverage.

Further details on the features of the risk management framework, and the adequacy and effectiveness of this framework, are disclosed in the Statement on Risk Management and Internal Control in this Annual Report.

### 5.2 Internal Audit Function

In preparation for the Listing on the ACE Market of Bursa Securities, the Group engaged Tricor Axcelasia Sdn. Bhd., an independent professional consulting company, which is independent of the activities and operations of the Group as its Internal Control Consultant to review the adequacy and sufficiency of systems, procedures and controls of the Group prior to the listing of the Group.

Following the Listing, the Group engage Vaersa Advisory Sdn Bhd ("VA") to provide internal audit services. VA reports directly to the AC on the adequacy and effectiveness of the Group's risk management and internal control systems. VA's representatives maintain objectivity and independence as internal auditors, free from any relationships or conflicts of interest that could compromise their impartiality.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

### **PART I – COMMUNICATION WITH STAKEHOLDERS**

#### **6.1 Continuous Communication with Stakeholders**

The Board values the importance of the dissemination of information on major developments of the Group to the shareholders, potential investors and the general public in a timely and equitable manner and hence, The Corporate Disclosure Policies and Procedures has been adopted on 5 June 2024.

The quarterly results, announcements, annual reports and circulars serve as primary means of dissemination of information so that the shareholders are constantly kept abreast on the Group's progress and development.

The Company's website at [www.cbh.com.my](http://www.cbh.com.my) serves as one of the most convenient ways for shareholders and members of the public to gain access to corporate information, news and events relating to the Group.

The Company's AGM remains a principal forum used by the Group for communication with its shareholders. At the AGM, shareholders will be accorded time and opportunity to raise questions on the proposed resolutions and also matters relating to the performance, developments within and the future direction of the Group. The Board will also ensure that each item of special business that is included in the notice of meeting is accompanied by a full written explanation of that resolution and its effects to facilitate its understanding and evaluation.

### **PART II – CONDUCT OF GENERAL MEETING**

#### **7.1 Conduct of General Meetings**

The Board will ensure that the Notice of the forthcoming 1st AGM to be sent out at least 28 days prior to the meeting to allow sufficient time for the shareholders to go through the Annual Report and make necessary attendance and voting arrangements.

In line with Practice 13.1 of MCCG, the notice convening the 1st AGM of the Company will be issued to shareholders at least twenty-eight (28) days before the date of the AGM, which gives shareholders sufficient time to prepare themselves to attend the 1st AGM or to appoint a proxy to attend and vote on their behalf. The Notice of AGM, which sets out the businesses to be transacted at the AGM, would be published in local widely circulated newspaper. The notes to the Notice of AGM also provide the necessary explanation for each resolution proposed to enable shareholders to make informed decisions in exercising their voting rights.

The Chairwoman of the Board, along with the Chairpersons of respective Board Committees and Board members, will attend the 1st AGM of the Company to address shareholders' inquiries. Additionally, the Board will be supported by External Auditors, Company Secretaries, Sponsors, and relevant Key Senior Management personnel, all of whom will also be present at the 1st AGM to interact with shareholders and to address any queries raised.

The forthcoming 1st AGM of the Company will be held physically at a venue determined by the Board and the shareholders are able to attend, speak (including posing questions to the Company/Board of Directors) at the forthcoming 1st AGM. Shareholders may also appoint proxies to participate on his/her behalf by submitting the duly executed proxy form to the Company's share registrar in hard copy or by electronic means.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

### **PART II – CONDUCT OF GENERAL MEETING (CONT'D)**

#### **7.1 Conduct of General Meetings (cont'd)**

The Company will conduct poll voting on all resolutions for all general meetings in compliance with the Listing Requirements of Bursa Securities and the outcome of all resolutions proposed at the forthcoming 1st AGM will be announced to Bursa Securities accordingly.

#### **7.2 Effective Communication and Proactive Engagement**

From the Company's perspective, the AGM serves as a forum for Directors to engage with the shareholders personally to understand their needs and seek their feedback. The Board welcomes questions and feedback from the shareholders during and at the end of shareholders' meetings and ensures their queries are responded to properly and systematically. Furthermore, the Chief Financial Officer and External Auditors will be invited to attend the AGM to address shareholders' queries or concerns, if any.

The Board had ensured that a reasonable time is provided to the shareholders for discussion at the AGM before each resolution is proposed. The summary of the key matters discussed at the AGM will be published on the Company's website at [www.cbh.com.my](http://www.cbh.com.my) for the shareholders' information.

## **COMPLIANCE STATEMENT**

The Board believes that the Company has complied with the key principles and implemented most of the practices outlined in the MCCG during the FYE2024 and up to Review Period. The Company's CG Report outlines any departures from the MCCG practices, along with explanations for those deviations. For detailed information regarding the departures and their justifications, please refer to the Company's CG Report FYE2024.

The Board is dedicated to upholding the highest standards of corporate governance by continually adopting the principles and best practices outlined in the MCCG, along with other relevant laws and regulations, where appropriate.

This Statement was reviewed and approved by the Board on 26 March 2025.



# AUDIT COMMITTEE REPORT

In compliance with Rule 15.15 of the AMLR, the AC of CBHB is pleased to present the AC Report for the financial year ended 31 December 2024 ("**FYE2024**").

## 1. OBJECTIVES

The AC was established with the primary objective of assisting the Board in fulfilling its statutory obligations effectively. By conducting impartial and independent assessments, the Committee provides additional assurance to the Board concerning the effectiveness of financial, operational, and administrative controls and procedures, thereby enhancing governance and risk management practices within the Company and its subsidiaries (the "**Group**").

## 2. COMPOSITION OF AC

The AC comprises the following members, all of whom are Independent Non-Executive Directors of the Company:-

Name of Committee members	Designation
Chin Sin Peng (Chairperson)	Independent Non-Executive Director
Saw Bee Yee (Member)	Independent Non-Executive Director
Tan Suat Hoon (Member)	Independent Non-Executive Director

In accordance with Rule 15.10 of AMLR and Practice 9.1 of the MCCG, the Chairperson of the AC, Ms. Chin Sin Peng, does not serve as the Chairperson of the Board. This segregation of duties promotes objectivity and integrity of the Company's financial reporting and audit processes. Furthermore, the Company has complied with Rule 15.09 of the AMLR, as the Chairperson of AC, Chin Sin Peng is competent to lead the AC in view of her membership of the Association of Chartered Certified Accountants, United Kingdom and a Chartered Accountant of the Malaysian Institute of Accountants. In this respect, the composition of AC complies with Rule 15.09(1)(c)(i) of the Listing Requirements of Bursa Securities. In addition, the Company complies with Rule 15.09(2) of the Listing Requirement as there is no alternate director appointed as a member of the AC.

The authorities and duties of the AC are governed by the TOR of the AC. The TOR of the AC can be accessed from the Company's website at [www.cbh.com.my](http://www.cbh.com.my).

## 3. SUMMARY OF WORKS OF THE AC FOR THE FYE2024

The AC held its first meeting on 14 November 2024 during FYE2024 prior to its listing on 16 January 2025 and subsequently, there were three (3) AC meetings held on 13 January 2025, 20 February 2025 and 26 March 2025 respectively after the FYE2024 up to the date of this Annual Report ("**Review Period**"). In accordance with the TOR, the AC has carried out the following activities during FYE2024 and up to the Review Period :-

### Financial Reporting

- Reviewed the unaudited quarterly financial results of the Group before recommending the same for approval by the Board upon being satisfied that the financial reporting and disclosure requirements of the relevant authorities have been complied with and subsequent release to Bursa Securities.

# AUDIT COMMITTEE REPORT

## 3. SUMMARY OF WORKS OF THE AC FOR THE FYE2024 (CONT'D)

### Financial Reporting (cont'd)

- Reviewed the annual audited financial statements in the presence of External Auditors as well as the audit reports and issues arising from the audits with the External Auditors including the announcements pertaining thereto, before recommending the same to the Board for approval and release to Bursa Securities.

### External Audit

- Reviewed the Accountant's Report prepared by the Reporting Accountant for the financial period ended 31 August 2024 and for the financial years ended 31 December 2021 to 31 December 2023, all of which are incorporated into the Company's prospectus for the listing exercise.
- Reviewed the Working Capital Sufficiency Statement and Proforma Combined Statements of Financial Position for FYE2024 and FYE2025 as well as Proforma Combined Statements of Financial Position as at 31 August 2024, in relation to the listing exercise.
- Reviewed and approved the Audit Planning Memorandum covering the audit plan and scope of audit for FYE2024;
- Conducted a private session with External Auditors on 20 February 2025 to discuss any issues arising from audits without the presence of the Executive Directors and Management, where the External Auditors were given the opportunity to raise any issues of concern directly to the AC.
- Reviewed the independence and effectiveness of the External Auditors, taking into consideration their independence, performance, competence, and experience as well as provision of non-audit services and audit fees, and recommended to the Board for re-appointment for FYE2025.
- Reviewed and discussed the draft Key Audit Matters with the External Auditors to ensure that issues that are most significant in the audit are disclosed and to address the issues highlighted by the External Auditors with the Management, if any and determine whether such issues should be addressed in this AC report.

### Internal Audit

- Reviewed, assessed and considered the appointment of the identified Internal Auditors, after taking into consideration their independence, performance, competence and experience and their resources to ensure the effectiveness of internal audit function.
- Reviewed and approved internal audit plan for FYE2025 presented by the Internal Auditors, which included details such as audit scope, timeline and proposed fees of the internal audit services to ensure adequacy of the scope and sufficient coverage over the activities of the Group.

### RPT and Conflict of Interest ("COI") and/or Potential COI

- Reviewed the RPT and recurrent related party transactions of a revenue or trading nature ("RRPT") for disclosure in the Company's prospectus for the listing exercise.
- Reviewed the RPT and RRPT entered into by the Group and ensured that all the transactions were deemed as fair and on arm's length basis under normal commercial terms. All RPT and/or RRPT were closely monitored and reviewed on a quarterly basis by taking into the consideration that such transactions should be reasonable and in the best interest of the Company, in accordance to the Board Charter.





# AUDIT COMMITTEE REPORT

## 3. SUMMARY OF WORKS OF THE AC FOR THE FYE2024 (CONT'D)

### RPT and Conflict of Interest ("COI") and/or Potential COI (cont'd)

- Reviewed the COI and/or potential COI situations that may arise or persist with the Board by reviewing all Directors' confirmation and declaration on their COI and/or potential COI via Letter of Declaration on a yearly basis. As at the date of this Report, the AC concluded that none of the Director and Key Senior Management has any COI and/or potential COI with the Company and/or its subsidiaries.

### Other Matters

- Reviewed the Audit Committee Report and Statement on Risk Management and Internal Control and subsequently recommended to the Board for approval and inclusion in the Company's Annual Report for FYE2024.

Additionally, the AC retains the flexibility to request the presence of External Auditors and/or Internal Auditors at its meetings, enhancing the depth of its deliberations. Moreover, other members of the Board and the Management of the Group may attend the Meeting held after the Listing, specifically relevant to the matters being discussed, upon invitation of the AC. This inclusive approach promotes collaboration and ensures informed decision-making within the Committee.

Meeting agenda and materials were distributed to the AC members in accordance to the TOR of AC to ensure that sufficient time is provided for them to peruse the relevant materials in order to facilitate their deliberation decision-making in the scheduled meetings. All discussions and decisions made during the AC meetings were duly recorded by the Company Secretary. The meeting minutes were then tabled at the following AC meetings for confirmation and presented to the Board for notation. These minutes were properly documented and maintained in accordance with applicable regulations and governance practices.

## 4. INTERNAL AUDIT FUNCTION

In preparation for the Listing, the Group had engaged Tricor Axcelasia Sdn. Bhd., an independent internal audit consulting firm, as its Internal Control Consultant to review the adequacy and sufficiency of systems, procedures and controls of the Group prior to the Listing of the Group.

Subsequent to the Listing, the Group outsource the internal audit function to VA to provide the internal audit services for the Group. VA reports directly to the AC on the adequacy and effectiveness of the risk management and internal control systems of the Group. The representatives of VA are free from any relationship or conflict of interest that could impair their objectivity and independence as internal auditors. The internal control review was led by Ms. Tiffany Lim, the Associate Director of VA. Ms. Tiffany Lim is a member MIA and Institute of Internal Auditors ("IIA"). During FYE2024, she was supported by a team of ten (10) personnel to conduct the internal control review in accordance with the International Professional Practices Framework. The details of the profiles of VA were disclosed in the Corporate Governance Report FYE2024 of the Company.

The AC will annually review the adequacy of scope, function, competency and resources of the Internal Auditors to ensure that they are able to fully discharge their responsibilities. Details of the resources and the qualifications of VA are set out in the Corporate Governance Report which is available on the Company's website.

In view of the appointment of Internal Auditors on 13 January 2025, which was after the financial year, no internal audit fees incurred during FYE2024.

# AUDIT COMMITTEE REPORT

## 5. FINANCIAL REPORTING

The AC will review and scrutinise the information of the unaudited consolidated quarterly financial results and annual audited financial statements of the Group to ensure material accuracy, adequacy, validity, timeliness and compliance with applicable financial reporting standards for disclosure to shareholders. These reports which present a balanced and fair assessment of the Group's financial position and prospects will then be tabled to the Board for approval and release to Bursa Securities.

## 6. RELATIONSHIP WITH AUDITORS

The Group has established a transparent and appropriate relationship with both the External and Internal Auditors. Such a relationship allows the Group to seek professional advice on matters relating to compliance and corporate governance. The internal audit function of the Group will be outsourced to a third party who reports directly and regularly to the AC. Both the External and Internal Auditors have direct reporting and access to the AC to ensure that issues highlighted are addressed independently, objectively and impartially without any undue influence of the Management.

The Board, through the AC shall maintain appropriate, formal and transparent relationships with the External and Internal Auditors. The AC will meet the External and Internal Auditors without the presence of Management, whenever necessary, which demonstrates their independence, objectivity and professionalism.

Meetings with the External Auditors will be held to discuss the Group's audit plans, audit findings, and financial statements as well as to seek their professional advice on other related matters.

## 7. EVALUATION OF THE PERFORMANCE OF THE AUDITORS

Pursuant to the TOR of the AC, the AC and the Board has :-

- 1) reviewed and assessed annually the suitability, performance and independence of External Auditors to safeguard the quality and reliability of audited financial statements; and
- 2) reviewed any appraisal or assessment of the internal audit personnel on their independence status, qualification, experience and competency, resources and support to carry their work effectively, performance whether is carried out in accordance with a recognised framework, audit fees, and continuous professional development to keep themselves abreast of relevant development in the market, practices and rules.

The External and Internal Auditors are precluded from providing any services that may impair their independence or conflict with their role.

The AC shall obtain assurance from the External and Internal Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The AC shall carry out an annual performance assessment of the External and Internal Auditors and may request the Executive Director and Chief Financial Officer to join the assessment.



# AUDIT COMMITTEE REPORT

## 7. EVALUATION OF THE PERFORMANCE OF THE AUDITORS (CONT'D)

In view that the Company was listed on 16 January 2025, the Company has not adopted the annual evaluation form for the effectiveness of External and Internal Auditors. The annual evaluation form would be adopted by the Company to carry out the evaluation of the effectiveness of External and Internal Auditors for FYE2025. The following are some of the criteria to be annually reviewed by the AC to be included in the evaluation form to be adopted by the Company:-

- a. Competency of the audit firm;
- b. Quality of the audit engagement team;
- c. Quality of communication and interaction with the audit team;
- d. Audit scope and quality processes;
- e. Audit governance and independence; and
- f. Audit fee.

# ADDITIONAL COMPLIANCE INFORMATION AS AT 31 DECEMBER 2024

## 1. Utilisation of Proceeds

In conjunction with the IPO, the Company raised gross proceeds from the public issue amounting to RM83.44 million.

The gross proceeds is intended to be utilised in the following manner:

Purposes <sup>(1)</sup>	IPO Proceeds RM'000	Actual Utilisation <sup>(2)</sup> RM'000	Balance of IPO Proceeds RM'000	Time Frame for the Utilisation of IPO Proceeds
(i) Business expansion:				
(a) Procurement of equipment and components for future projects	38,504	N/A	38,504	Within 3 years
(b) Payment to subcontractors for future projects	18,480	N/A	18,480	Within 1.5 years
(c) Bank guarantees for future projects	17,300	N/A	17,300	Within 3 years
(d) Recruitment of engineers and other personnel	3,456	N/A	3,456	Within 2 years
(ii) Estimated listing expenses	5,700	N/A	5,700	Within 1 month
	<b>83,440</b>	<b>N/A</b>	<b>83,440</b>	

Notes :

<sup>1</sup> The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus dated 20 December 2024.

<sup>2</sup> The IPO was pending completion as at financial year ended 31 December 2024 and hence, the proceeds had yet to be raised and utilised. The Company was listed on the ACE Market of Bursa Securities on 16 January 2025, subsequent to the financial year ended 31 December 2024.

N/A Not applicable.

## 2. Audit and Non-Audit Fees

The amount of audit and non-audit fees paid/payable to the External Auditors by the Group and the Company for the financial year ended 31 December 2024 are as follows:

	Group (RM'000)	Company (RM'000)
Audit fee	120	33
Non-Audit fees*	5	5
<b>Total</b>	<b>125</b>	<b>38</b>

\* Non-audit fees comprise the review of Annual Report and Statement on Risk Management and Internal Control.



## ADDITIONAL COMPLIANCE INFORMATION AS AT 31 DECEMBER 2024

### 3. Material Contracts

There was no material contract entered into by the Company and/or its subsidiaries involving Directors' and/or major shareholders' interest which were still subsisting as at the end of FYE2024 or which were entered into since the end of the previous financial year.

### 4. Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPTs")

There were no material recurrent related party transactions of a revenue or trading nature during the financial year ended 31 December 2024 other than those disclosed in Note 34 to the Financial Statements of the Company on pages 144 to 145 of this annual report. Those RRPTs did not exceed the threshold prescribed under Rule 10.09(1) of the ACE Market Listing Requirement of Bursa Securities.

### 5. List of Properties

During the financial year ended 31 December 2024, the Group does not own any properties.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

The Board of CBHB presents herewith, the Statement on Risk Management and Internal Control of the Group which outlines the nature and scope of risk management and the internal control systems for the financial year ended 31 December 2024 ("FY2024"). This statement is issued in compliance with Rule 15.26(b) of the ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Malaysian Code on Corporate Governance ("MCCG") with guidance from the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

## BOARD RESPONSIBILITY

The Board of CBHB assumes a pivotal role in the stewardship of the Group's risk management and internal control framework, ensuring the preservation of corporate assets and the achievement of strategic objectives.

Key responsibilities of the Board include:

- **Risk Governance:** Establishing risk parameters, thresholds, and boundaries to ensure that corporate risks are measured and controlled within predefined limits.
- **Risk Identification and Management:** Identifying principal risks and overseeing the implementation of systems to manage these risks effectively.
- **Understanding Risk Exposure:** Gaining a comprehensive understanding of major risk exposures across the Group's operations.
- **Informed Decision-Making:** Conducting in-depth analysis and quantification for major investments and strategic decisions before Board approval.
- **Risk Mitigation and Accountability:** Ensuring that mitigation plans for major risks are in place, with clearly defined accountabilities and timelines.
- **Crisis Preparedness:** Establishing appropriate response plans to address potential risk events effectively.
- **System Integrity:** Reviewing the adequacy and integrity of the Group's internal control systems and management information systems, ensuring compliance with laws, regulations, and industry standards.

The Board sanctions the objectives and risk management policy, acknowledging its ultimate responsibility for safeguarding the Group's assets and reputation. While formulating and reviewing these policies, the Board may seek guidance from the Sustainability and Risk Management Committee ("SRMC"), the Group Managing Director ("GMD"), Internal Auditors, and other relevant experts.

To fulfil its responsibilities effectively, the Board establishes robust internal control policies and seeks regular assurances on the functionality and integrity of these systems. This ensures that the internal control framework remains adequate and effective in managing risks aligned with the Board's approved strategies.

By maintaining this oversight, the Board reinforces CBHB's commitment to sound governance, operational resilience, and sustainable value creation for stakeholders.

## ROLE OF THE MANAGING DIRECTOR

The GMD holds a vital role in ensuring the effectiveness of CBHB's risk management framework. As a key driver of the Group's governance and operational strategies, the GMD oversees the implementation of risk management practices that align with the Board's policies and strategic objectives. By fostering a culture of accountability and vigilance, the GMD ensures that risk management processes are seamlessly integrated into the Group's operations, supporting the organisation's resilience and long-term sustainability.





# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## ROLE OF THE MANAGING DIRECTOR (CONT'D)

Key responsibilities include:

- **Oversight of Risk Management Framework:** Ensures the risk management framework, processes, and procedures remain robust and relevant to the Group's operations and regularly reviews and updates the framework to address evolving risks.
- **Advisory Role:** Provides feedback and advice to the Risk Management Committee and Board. The GMD also facilitates informed decision-making by highlighting critical risk-related insights.
- **Implementation of Board Policies:** Leads the Management team in implementing the Board's policies on risk and control. Ensures alignment of risk management efforts with the Board's strategic goals.
- **Risk Identification and Evaluation:** Identifies and evaluates risks across all business and operational functions. The GMD is tasked to present significant risks to the attention of the Board for appropriate consideration and action.
- **Design and Monitoring of Internal Controls:** Develops, operates, and monitors internal control systems aligned with Board policies. Ensures these controls effectively mitigate risks and support the Group's strategic objectives.

Through these responsibilities, the Group Managing Director ensures a proactive and integrated approach to risk management, reinforcing the Group's resilience and sustainability.

## THE ROLE OF HEAD OF DEPARTMENT

The Head of Departments ("HOD") plays a critical role in the Group's risk management framework, serving as the cornerstone of operational risk identification and mitigation. As leaders within their respective units, they are tasked with translating the Group's risk management strategies into actionable processes, ensuring alignment with organisational objectives and regulatory standards. By proactively addressing risks and enhancing internal controls, the Head of Department not only safeguards the Group's operations but also contributes to its overall resilience and success.

Key Roles and Responsibilities:

- **Implementation of Risk Management Framework:** Execute risk management processes and procedures in alignment with the Group's established framework.
- **Risk Assessment and Gap Analysis:** Conduct regular assessments of risks specific to their department and undertake gap analyses to identify shortcomings in existing internal controls.
- **Internal Controls Review:** Evaluate the adequacy and effectiveness of internal control measures to ensure robust risk mitigation.
- **Information and Reporting:** Provide accurate and comprehensive information to the Risk Management Committee and GMD to facilitate informed decision-making and reviews.
- **Special Projects Execution:** Lead special projects as assigned by the Risk Management Committee or GMD, focusing on critical aspects of the risk management processes.
- **Risk Register Maintenance:** Review and update the Risk Register with new entries and revisions since the last assessment.
- **Preparation of Risk Reports:** Develop and present detailed Risk Reports for submission to the Risk Management Committee.
- **Solutions and Recommendations:** Collaborate with team members to identify and implement solutions to risk management issues and enhance procedures within the department.

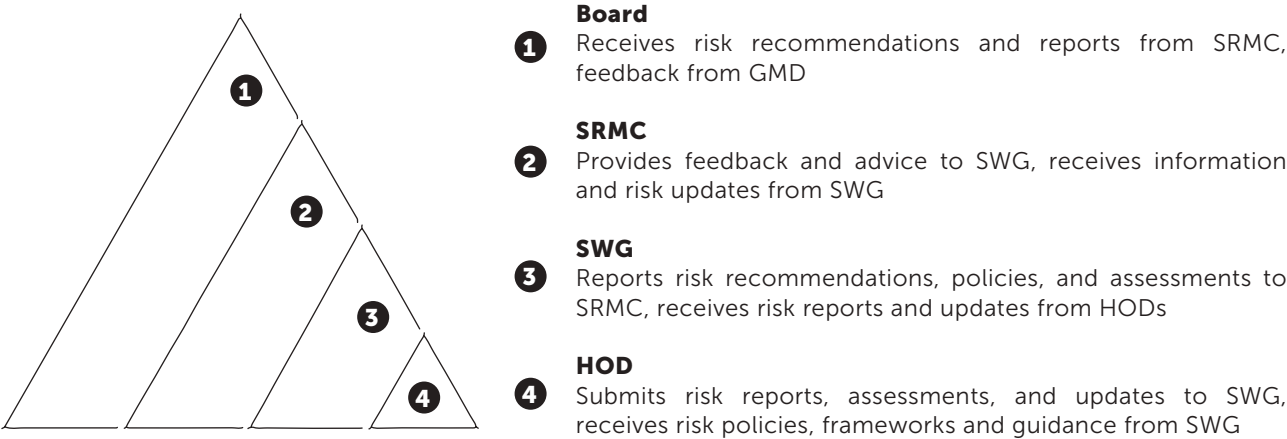
The Head of Departments' role is pivotal in ensuring that risk management is seamlessly embedded into daily operations, driving accountability, and contributing to the Group's mission of achieving sustainable growth and operational excellence.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## THE ROLE OF HEAD OF DEPARTMENT

### Reporting Structure

The risk management reporting framework at CBHB is designed to ensure clear communication, accountability, and effective oversight across all levels of the organisation. The Board hold ultimate responsibility for setting risk parameters, reviewing principal risks, and ensuring the adequacy of internal controls. Reporting to the Board, the GMD oversees the implementation of the risk management framework and provides regular updates and advice. The SRMC acts as a central body, harmonising risk assessments from the Sustainability Working Group ("SWG") establishing risk policies, and recommending risk tolerance levels to the SRMC. The HODs are responsible for executing risk management processes at the operational level, conducting gap analyses, and providing risk reports to the SWG. This structure fosters a cohesive approach to risk management, aligning operational efforts with strategic objectives while ensuring timely and informed decision-making.



## RISK MANAGEMENT

The Board is cognisant that all areas of the Group’s activities involve inherent risk and recognises that business decisions encompass acceptance of appropriate levels of risks with the ultimate objective of balancing risks involved with potential returns to shareholders. CBHB’s risk management process is designed to align with relevant regulatory guidelines, including Bursa Malaysia’s ACE Market Listing Requirements and the principles outlined in the Malaysian Code on Corporate Governance. This structured approach enables the Group to identify, evaluate, mitigate, and monitor risks effectively, ensuring the protection of corporate assets and the achievement of strategic objectives.

The risk management process begins with the risk identification stage, where both internal and external factors are analysed systematically to uncover potential risks. Tools such as SWOT analysis, business process reviews, and financial assessments are utilised to recognise key risk areas across operations. Identified risks are then subjected to risk analysis and measurement, where their likelihood and impact are evaluated using a standardised risk rating matrix.

The risks analysed are categorised according to risk levels and managed through appropriate treatment strategies, including acceptance of minor risks, avoidance of high-severity risks, transfer through insurance or contracts, or reduction by minimising either the likelihood or consequence of the risk. The Group maintains a detailed Risk Register to document and prioritise these risks comprehensively.

To ensure the process remains dynamic and responsive the Company monitors and reviews the identified risks periodically through regular evaluations by the SRMC, with updates flowing to the Board. This ensures that any changes in the internal or external environment are promptly addressed, and control measures are enhanced as needed.



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## RISK MANAGEMENT (CONT'D)

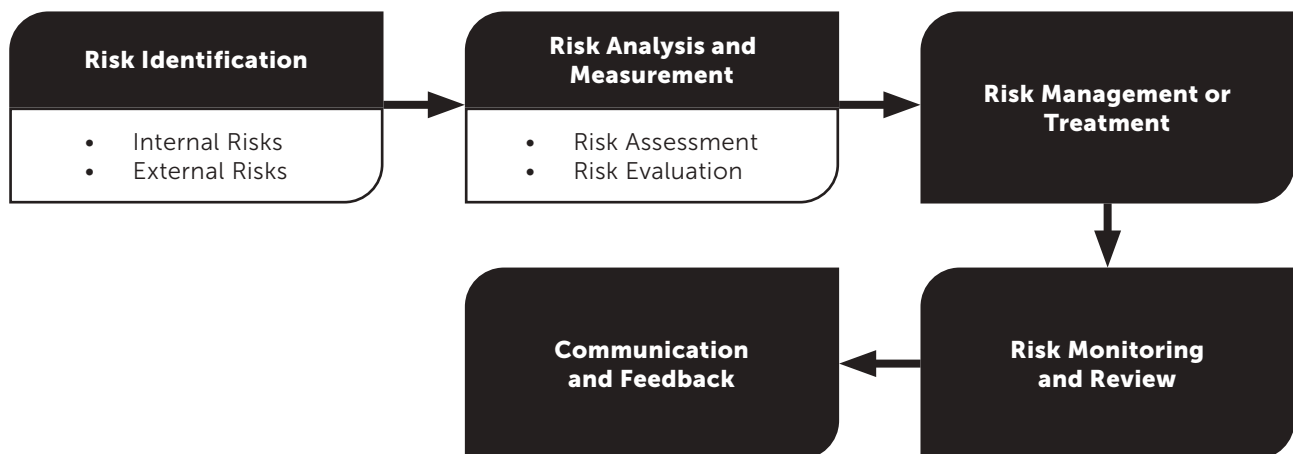
Finally, CBHB emphasises the importance of communication and feedback, ensuring that the risk management framework is well understood and applied across all levels of the organisation. Continuous training and a robust feedback mechanism support informed decision-making and alignment with strategic goals.

By adhering to these established guidelines, CBHB ensures its risk management process is both effective and compliant, supporting sustainable growth and operational resilience.

### Risk Management Process

The Group employs a comprehensive risk management framework to proactively identify and address risks throughout its operations. This framework involves ongoing risk assessment, including identifying potential risk types, evaluating their impact, and implementing mitigation or transfer strategies. By integrating risk management into its strategic decision-making, the group ensures informed and resilient business operations. The Group primarily aims to mitigate unforeseen performance fluctuations and optimise the inherent value of the organisation enhancing the decision-making capabilities of both the board and management.

Our Risk Management Framework is reflected below:



## KEY RISKS AND MITIGATION STRATEGIES

During FY2024, the Group's operations were influenced by various risk factors. The following risks were identified as most prevalent and corresponding mitigation strategies undertaken are also presented below:

Risk Category	Key Risks	Mitigation Strategies
<b>Business Operations</b>	<ol style="list-style-type: none"><li>Reliance on non-recurring projects and challenges in acquiring new ones.</li><li>Risk of project delays, cancellations, or scope adjustments, leading to idle capacity.</li></ol>	<p>Diversify the customer base by pursuing direct tenders and expanding into new markets.</p> <p>Maintain an active project pipeline with overlapping timelines to minimise downtime.</p> <p>Strengthen relationships with existing clients through exceptional service and value engineering solutions.</p>

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## KEY RISKS AND MITIGATION STRATEGIES (CONT'D)

Risk Category	Key Risks	Mitigation Strategies
<b>Project Execution</b>	<ul style="list-style-type: none"> <li>i. Inability to complete projects on time, potentially incurring liquidated damages and reputational harm.</li> <li>ii. Dependence on subcontractors for specialised tasks, with risks of delays or poor performance.</li> </ul>	<p>Implement robust project management systems and maintain strong coordination with subcontractors and suppliers.</p> <p>Prequalify subcontractors based on reliability and establish back-to-back liability clauses in contracts.</p>
<b>Financial Risks</b>	<ul style="list-style-type: none"> <li>i. Cost overruns caused by price fluctuations in materials or unforeseen expenses.</li> </ul>	Align procurement schedules with project timelines and secure material costs through long-term supplier agreements.
<b>Regulatory Compliance</b>	<ul style="list-style-type: none"> <li>i. Dependence on maintaining CIDB and Energy Commission Malaysia certifications for operations.</li> </ul>	Ensure compliance with all reporting and renewal requirements for certifications and licenses.
<b>Human Resources</b>	<ul style="list-style-type: none"> <li>i. Reliance on key personnel and skilled workforce for business continuity.</li> <li>ii. Challenges in attracting and retaining skilled personnel.</li> </ul>	Strengthen talent retention programmes through competitive compensation, training, and career development opportunities.
<b>Defects Liability</b>	<ul style="list-style-type: none"> <li>i. Potential liability for defects during the liability period, affecting financial performance and reputation.</li> </ul>	Maintain an ISO 9001:2015-certified quality management system to ensure high-quality project delivery and minimise defects.
<b>Insurance Coverage</b>	<ul style="list-style-type: none"> <li>i. Insufficient insurance coverage for potential losses or liabilities.</li> </ul>	Regularly review insurance policies and limits to ensure adequate coverage for all operations.

## INDUSTRY RISKS

Risk Category	Key Risks	Mitigation Strategies
<b>Industry Competition</b>	<ul style="list-style-type: none"> <li>i. Intense competition in the Malaysian M&amp;E engineering industry, with the entry of new and foreign players.</li> <li>ii. Competitors offering comparable services at more competitive prices or adapting more swiftly to market changes.</li> </ul>	<p>Focus on enhancing service quality and value-added offerings to differentiate from competitors.</p> <p>Invest in technology and training to maintain a competitive edge.</p>
<b>Economic, Regulatory, Political, and Social Conditions</b>	<ul style="list-style-type: none"> <li>i. Exposure to macroeconomic factors such as inflation, interest rate fluctuations, and changes in government policies or regulations.</li> </ul>	Continuously monitor and analyse market conditions to proactively adjust strategies.
<b>Electricity Supply Market Dynamics</b>	<ul style="list-style-type: none"> <li>i. Dependency on public and private investments in electricity supply distribution systems, which are influenced by economic and construction sector trends.</li> </ul>	Develop contingency plans to address disruptions, including robust disaster recovery and risk management frameworks.



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTERNAL CONTROLS

Effective internal controls are the cornerstone of corporate governance, ensuring a company operates efficiently and safeguards stakeholders' interests, particularly those of shareholders. CBHB has implemented a robust internal control framework that reflects its commitment to governance, transparency, accountability, and operational efficiency. This framework operates through clearly defined roles, regular oversight, and structured policies, fostering a resilient system that mitigates risks and supports sustainable business operations.

### Key Elements of CBHB's Internal Control Framework

CBHB's internal control system is built on key principles of governance, risk management, and compliance, enabling the Group to proactively address internal and external risks. The Group's internal control process can be summarised as follows:

Organisational Structure	A clearly defined structure with assigned roles and responsibilities facilitating decision-making at all levels.
Audit Committee	Quarterly AC and Board reviews ensure thorough oversight of financial reports, audit findings, and control issues.
Policies & Procedures	Comprehensive internal policies guide daily operations, regularly updated to reflect changing business requirements.
ISO 9001:2015 Certification	Policies and procedures for critical processes are formalized to meet internationally recognized standards.
External & Internal Review	Independent consultants and internal auditors assess and enhance the effectiveness of the Group's control framework.

### Internal Control Process

CBHB's internal control mechanisms are oriented toward mitigating risks while fostering a culture of accountability. The following points elaborate the internal control process and how it is operationalised:

**1. Well-Defined Organisational Structure:**

CBHB's organisational structure ensures clarity in roles and responsibilities across all levels. This facilitates a system of checks and balances, streamlines decision-making, and supports escalation to management or Board levels when required.

**2. Regular Audit and Risk Oversight:**

The AC and the Board play an instrumental role in maintaining the integrity of the Group's financial and operational activities. Their quarterly reviews identify potential gaps and focus on developing corrective actions, ensuring a robust risk mitigation process.

**3. Comprehensive Policies and Procedures:**

The Group has established a set of policies and procedures tailored to daily operations while aligning with long-term strategic objectives. Periodic reviews ensure these policies remain relevant in light of evolving regulatory standards and business conditions.

**4. Adherence to International Standards ("ISO 9001:2015"):**

Compliance with ISO 9001:2015 demonstrates CBHB's commitment to quality assurance across key operational processes. This not only strengthens internal processes but also enhances stakeholder confidence in the Group's governance practices.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTERNAL CONTROLS (CONT'D)

### Independent Internal Audit and Consultation:

To maintain objectivity in evaluating internal controls, CBHB has engaged reputable third parties for consulting and audit purposes. During the financial year under review, Tricor Axcelasia Sdn. Bhd. assessed the adequacy and effectiveness of the Group's systems in preparation for its Listing. Post-listing, the internal audit function will be outsourced to Vaersa Advisory Sdn. Bhd. (VA), reporting directly to the AC on adequacy and effectiveness of the Group's risk management and internal control systems. This will ensure continued vigilance and improvement in risk management practices.

### Protecting Shareholders' Interests:

CBHB's internal control system is designed to safeguard the shareholders' best interests by ensuring transparency, minimising risks, and promoting sustainable growth. Regular reviews by AC and external auditors provide objective assurance that the Group's internal controls remain adequate and effective. CBHB's state of internal controls embodies a strong governance framework that emphasises effective decision-making, proactive risk management, and compliance with international best practices. By continuously refining its control systems and processes, the Group ensures it operates in the best interests of its shareholders and other stakeholders.

## Regulatory and Compliance Structure

The Internal Control systems ensure our operations are aligned with the regulatory and compliance framework, and our operations comply with various national and international standards. This commitment goes beyond legal requirements, fostering responsible and sustainable business practices.

### Key areas of compliance include:

#### 1. Compliance with Statutory and Regulatory Requirements

- CBHB ensures strict adherence to all laws, regulations, and guidelines applicable to its operations, including those established by CIDB, Energy Commission Malaysia, and other relevant authorities.
- Regular audits and reviews are conducted to verify compliance with statutory obligations, including reporting, certification, and licensing requirements.

#### 2. Licensing and Certification Management

- The Group maintains valid registrations and certifications, such as CIDB Grade G7 and Energy Commission Malaysia licenses, which are critical for its operations.
- Processes are in place to ensure timely renewal and compliance with conditions attached to these licenses, safeguarding business continuity and market access.

#### 3. Corporate Governance

- CBHB operates within a framework of strong corporate governance, ensuring transparency and accountability across all levels of the organisation.
- Policies on anti-corruption, whistleblowing, and ethical conduct are actively enforced to uphold integrity in all business dealings.

#### 4. Compliance with Sustainability Matters

- CBHB prioritises sustainability by integrating ESG considerations into its regulatory and compliance practices.
- The Group aligns its operations with sustainability standards such as Sustainability Reporting Guide ("SRG") 3rd Edition issued by Bursa Malaysia Securities Berhad ("Bursa Securities"), Global Reporting Initiative ("GRI") Standards and the United Nations Sustainable Development Goals ("UN SDG"), focusing on energy-efficient engineering solutions, waste reduction, and responsible resource management.
- Regular reviews ensure compliance with ESG-related regulations, such as those concerning renewable energy adoption, workplace safety, and community engagement.





# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTERNAL CONTROLS (CONT'D)

### Regulatory and Compliance Structure (cont'd)

#### 5. Risk Management Integration

- Compliance is integrated with the Group's risk management framework to identify and mitigate risks associated with regulatory changes and non-compliance.
- The Risk Management Committee oversees adherence to compliance standards, ensuring alignment with CBHB's strategic objectives.

#### 6. Internal Controls and Monitoring

- Internal control systems are designed to prevent, detect, and address compliance risks.
- Regular internal audits and assessments provide assurance on the effectiveness of compliance measures and highlight areas for improvement.

#### 7. Employee Training and Awareness

- Comprehensive training programmes are conducted to ensure employees understand their roles and responsibilities in maintaining compliance.
- Updates on regulatory changes are shared across the organisation to ensure alignment with evolving requirements.

#### 8. Engagement with Regulators

- CBHB maintains proactive communication with regulatory bodies to stay updated on changes in policies and guidelines.
- Collaborative efforts with authorities and industry associations ensure the Group remains informed of best practices and regulatory expectations.

#### Commitment to Continuous Improvement

CBHB's regulatory and compliance structure is dynamic, evolving to address changes in the regulatory landscape and the organisation's operating environment. This proactive approach ensures the Group's operations remain compliant, sustainable, and aligned with its vision of delivering excellence in engineering services.

## Governance & Integrity

The Group is steadfast in our commitment to uphold the highest standards of integrity and accountability in the conduct of our businesses and operations. We are deeply committed to operating ethically and in full compliance with all relevant laws, regulations, and requirements. We hold ourselves to the highest standards of integrity, transparency, and accountability as we operate in compliance with all applicable laws and regulations.

The Board has taken an Anti-Corruption Stance, strictly adhering to the Malaysian Anti-Corruption Commission (MACC) Act 2009, the MACC (Amendment) Act 2018, and all other applicable anti-bribery and anti-corruption laws. All employees must comply without exception.

We have also developed comprehensive ethical policies that guide our conduct and support our long-term sustainability goals. These include:

- Code of Conduct and Ethics Policy
- Fit and Proper Policy
- Anti-Bribery and Corruption Policy
- Whistleblowing Policy

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## REVIEW OF STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this statement for inclusion in the Annual Report for the financial year ended 31 December 2024. The review was performed pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants. The external auditors reported that nothing has come to their attention that caused them to believe that the Statement on Risk Management and Internal Control, in all material respects, has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management & Internal Control: Guidelines for Directors of Listed Issuers, or is factually inaccurate.

## CONCLUSION

Based on the findings and procedures performed by the relevant parties, and assurance from the Group Managing Director and Chief Financial Officer, the Board is of the view that the risk management and internal control system in place for the financial period under review has operated satisfactorily and is sufficient to safeguard shareholders' investment and the Group's assets.

This Statement on Risk Management and Internal Control was approved by the Board on 26 March 2025.



# STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENTS

The Directors of CBHB and the Group, are required by the Companies Act 2016 ("CA 2016") to prepare financial statements which give a true and fair view of the state of affairs of the Company and the Group at the end of each financial year and of their results and cash flows for the financial year then ended in accordance with the applicable Malaysian Financial Reporting Standards ("MFRSs"), the International Financial Reporting Standards ("IFRSs"), the provisions of the CA 2016 and the AMLR of Bursa Securities.

In preparing the financial statements for the financial year ended 31 December 2024, the Directors:-

- a) are responsible in ensuring proper accounting records are kept, which disclose with reasonable accuracy;
- b) have adopted and consistently applied suitable accounting policies;
- c) have made judgements and estimates that are prudent and reasonable;
- d) have ensured applicable financial reporting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- e) have prepared it on a going concern basis unless it is inappropriate to presume that the Company and the Group will continue in business.

The Directors ensures timely submission of the Company's quarterly reports and annual audited financial statements to Bursa Malaysia Securities Berhad, keeping the investing public informed about the Group's latest performance and developments.

The Directors also ensures that the Group maintains accurate accounting records in compliance with relevant regulations. Additionally, the Directors is responsible for taking necessary measures to protect the assets of the Company and the Group, and to prevent and detect fraud and other irregularities.

This Statement was approved by the Board on 26 March 2025.



# FINANCIAL STATEMENTS

Directors' Report	099
Statement by Directors	104
Statutory Declaration	104
Independent Auditors' Report	105
Statements of Financial Position	109
Statements of Profit or Loss and Other Comprehensive Income	110
Statements of Changes In Equity	111
Statements of Cash Flows	112
Notes to The Financial Statements	116



# DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year/period ended 31 December 2024.

## Principal activities

The Company is principally engaged in investment holding. The principal activities of its subsidiaries are disclosed in Note 6 to the financial statements.

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

## Changes of status

On 27 May 2024, the Company converted from a private limited liability company to a public limited liability company and changed its name from CBH Engineering Holding Sdn. Bhd. to CBH Engineering Holding Berhad. The Company is listed on the ACE Market of Bursa Malaysia Securities Berhad subsequently on 16 January 2025.

## Financial results

	Group RM	Company RM
Profit/(Loss) for the financial year/period	41,749,292	(3,539,856)

## Reserves and provisions

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

## Dividends

There were no dividends proposed, declared or paid by the Company since the date of incorporation. The Board of Directors do not recommend any final dividend in respect of the current financial period.

## Issuance of shares and debentures

The Company was incorporated with a paid-up share capital of RM10 comprising 100 ordinary shares that was subscribed as subscribers' shares on the date of its incorporation.

On 16 May 2024, the Company increased its issued and paid-up capital of RM10 by way of issuance of 100 new ordinary shares.

On 23 October 2024, the Company increased its issued and paid-up capital of RM57,142,553 through the issuance of 1,582,896,193 new ordinary shares at RM0.0361 each, amounting to a total consideration of RM57,142,553 as full payment for the acquisition of its subsidiaries, CBH Engineering Sdn. Bhd., CBH Maintenance Sdn. Bhd. and CBH M&E Engineering Sdn. Bhd..

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

There were no issuance of debentures during the financial period.

# DIRECTORS' REPORT

## Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial period.

## Directors

The Directors in office since the date of incorporation until the date of this report are:

Cheah Boon Hwa*	(First Director)
Cheah Boon Huat*	(Appointed on 17 May 2024)
Lim Bee Hua	(Appointed on 17 May 2024)
Saw Bee Yee	(Appointed on 17 May 2024)
Cheah Min Heng*	(Appointed on 17 May 2024)
Chin Sin Peng	(Appointed on 17 May 2024)
Tan Suat Hoon	(Appointed on 24 June 2024)
Ng Meng Tong	(Appointed on 17 May 2024 and resigned on 24 June 2024)

\* *Director of the Company and its subsidiaries*

The Directors who held office in the subsidiaries (excluding Directors who are also Directors of the Company) during the financial period up to the date of this report:

Cheah Boon Kiat  
Soon Fong Piew

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

## Directors' interest in shares

The Directors holding office at the end of the financial period and their beneficial interests in the ordinary shares of the Company and of its related corporations during the financial period ended 31 December 2024 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows:

### Directors of the Company

	At date of incorporation, 18.12.2023	Number of ordinary shares		At 31.12.2024
		Acquired	Sold	
<b>Direct interests</b>				
Cheah Boon Hwa	100	-	(100)	-
Cheah Boon Huat	-	100	(100)	-





# DIRECTORS' REPORT

## Directors' interest in shares (Cont'd)

The Directors holding office at the end of the financial period and their beneficial interests in the ordinary shares of the Company and of its related corporations during the financial period ended 31 December 2024 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows: (cont'd)

### Directors of the Company

	At date of incorporation, 18.12.2023	Number of ordinary shares		At 31.12.2024
		Acquired	Sold	
<b>Indirect interests</b>				
Cheah Boon Hwa*	-	1,556,580,793#	-	1,556,580,793
Cheah Boon Huat*	-	1,556,580,793#	-	1,556,580,793

\* Deemed interest by virtue of the shareholdings in holding company, Quay Holdings Sdn. Bhd. (formerly known as CBH Equities Sdn. Bhd.)

# The acquisition of shares resulting from restructuring exercise as disclosed in Note 38 to the financial statements

By virtue of Section 8(4) of the Companies Act 2016 in Malaysia, Cheah Boon Hwa and Cheah Boon Huat are also deemed to be interested in the ordinary shares of all the subsidiaries to the extent that the Company has an interest.

Other than as disclosed above, none of the other Directors in office at the end of the financial period have any interest in shares in the Company or its related companies during the financial period.

## Directors' benefits

Since the date of incorporation, no Director of the Company has received or become entitled to receive a benefit (other than benefit included in the aggregate amount of remuneration received or due and receivable by Directors as shown in Note 31 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The Directors' fee and remuneration for the Group and the Company as set out in Note 31 to the financial statements are RM3,630,514 and RM143,425 respectively.

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

## Indemnity and insurance costs

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

# DIRECTORS' REPORT

## Other statutory information

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
  - (i) 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 satisfied themselves that adequate allowance had been made for doubtful debts and there were no bad debts to be written off; and
  - (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company have been written down to an amount which the current assets might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances:
  - (i) which would render it necessary to write off any bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
  - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
  - (iii) 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; or
  - (iv) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (c) At the date of this report, there does not exist:
  - (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year/period which secures the liabilities of any other person; or
  - (ii) any contingent liability of the Group and of the Company which has arisen since the end of the financial year/period.
- (d) In the opinion of the Directors:
  - (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year/period which will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due;
  - (ii) the results of the operations of the Group and of the Company during the financial year/period were not substantially affected by any item, transaction or event of a material and unusual nature; and
  - (iii) there has not arisen in the interval between the end of the financial year/period and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year/period in which this report is made.

## Subsidiaries

The details of the subsidiaries are disclosed in Note 6 to the financial statements.



# DIRECTORS' REPORT

## Holding company

The Directors regard Quay Holdings Sdn. Bhd. (formerly known as CBH Equities Sdn. Bhd.), a private limited liability company, incorporated and domiciled in Malaysia, as the holding company.

## Significant events during the reporting period

The significant events during the reporting period are disclosed in Note 38 to the financial statements.

## Significant event after the reporting period

The significant event after the reporting period is disclosed in Note 39 to the financial statements.

## Auditors

The Auditors, TGS TW PLT (202106000004 (LLP0026851-LCA) & AF002345), have expressed their willingness to continue in office.

Auditors' remuneration for the Group and the Company as set out in Note 27 to the financial statements is RM120,000 and RM33,000 respectively.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 26 March 2025.

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CHEAH BOON HWA

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CHEAH BOON HUAT

KUALA LUMPUR

STATEMENT BY DIRECTORS  
Pursuant to Section 251(2) of the Companies  
Act 2016

We, the undersigned, being the two Directors of the Company, do hereby state that, in the opinion of Directors, the financial statements set out on pages 109 to 153 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of their financial performance and cash flows for the financial year/period ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 26 March 2025.

CHEAH BOON HWA

CHEAH BOON HUAT

KUALA LUMPUR

STATUTORY DECLARATION  
Pursuant to Section 251(1) of the Companies  
Act 2016

I, Tang Wai Hoong, being the Officer primarily responsible for the financial management of CBH Engineering Holding Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 109 to 153 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by )  
the abovenamed at Kuala Lumpur in )  
the Federal Territory on )  
26 March 2025 )

TANG WAI HOONG  
(MIA No.: 43214)

Before me,

SHI' ARATUL AKMAR BINTI SAHARI (W788)  
Commissioner for Oaths



# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF CBH ENGINEERING HOLDING BERHAD

[Registration No.: 202301050313 (1544227-V)]  
(Incorporated in Malaysia)

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of CBH Engineering Holding Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company, for the financial year/period then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 109 to 153.

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

#### Basis for opinion

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

#### *Independence and other ethical responsibilities*

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

#### Key audit matters

Key audit matters are those matter 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/period. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How we addressed the key audit matter
<b>Reasonableness of revenue recognition arising from contracts with customers</b>  Consolidated revenue recorded by the Group during the financial year amounted to approximately RM271.69 million.  The Group recognises revenue and cost by reference to the progress towards complete satisfaction of the performance obligation at the end of the reporting period.	We performed the following audit procedures: <ul style="list-style-type: none"><li>• reviewed the contract terms and identifying performance obligations stipulated in the contracts;</li><li>• evaluated whether the performance obligations are satisfied at a point in time or over time;</li><li>• reviewed the reasonableness of budgeted cost and assessing reason for significant variances to budget;</li></ul>

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF CBH ENGINEERING HOLDING BERHAD

[Registration No.: 202301050313 (1544227-V)]  
(Incorporated in Malaysia)

### Report on the audit of the financial statements (Cont'd)

#### Key audit matters (Cont'd)

Key audit matter	How we addressed the key audit matter
<p><b>Reasonableness of revenue recognition arising from contracts with customers (Cont'd)</b></p> <p>Judgement is required to assess the performance obligations and revenue recognition. Judgements impacting the revenue recognition are as follow:</p> <ul style="list-style-type: none"> <li>interpreting of contract terms and conditions;</li> <li>assessing and identifying the performance obligations; and</li> <li>assessing the computation of revenue recognition.</li> </ul>	<p>We performed the following audit procedures: (Cont'd)</p> <ul style="list-style-type: none"> <li>evaluated the reasonableness of percentage of completion using the input method; and</li> <li>assessed the revenue recognised are in accordance with MFRS 15 <i>Revenue with Contract Customers</i>.</li> </ul>
<p><b>Impairment on trade receivables and contract assets</b></p> <p>Consolidated trade receivables and contract assets recorded by the Group during the financial year amounted to approximately RM32.30 million and RM75.20 million respectively.</p> <p>Judgement is required in determining the completeness of the provision for the trade receivables and contract assets and assessing their adequacy through considering the expected recoverability.</p>	<p>We performed the following audit procedures:</p> <ul style="list-style-type: none"> <li>evaluated the relevance and accuracy of historical credit loss data used in management's impairment assessment by testing past records;</li> <li>reviewed the aging of trade receivables and testing the integrity of aging by calculating the due date for a sample of invoices;</li> <li>reviewed the aging of the contract assets and reviewed the reversal of contract assets in the current financial year;</li> <li>assessed and considered the reasonableness of the forward-looking information included in management's assessment; and</li> <li>assessed the reasonableness of assumptions and judgements made by the management regarding the expected credit losses rates through examination of subsequent collections and subsequent billings.</li> </ul>

There is no key audit matter to be communicated in respect of the audit of the financial statements of the Company.

#### 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.





# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CBH ENGINEERING HOLDING BERHAD

[Registration No.: 202301050313 (1544227-V)]

(Incorporated in Malaysia)

## Report on the audit of the financial statements (Cont'd)

### Responsibilities of the Directors for the financial statements

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

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

### Auditors' responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and 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 and 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 activities within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF CBH ENGINEERING HOLDING BERHAD

[Registration No.: 202301050313 (1544227-V)]  
(Incorporated in Malaysia)

### Report on the audit of the financial statements (Cont'd)

#### Auditors' responsibilities for the audit of the financial statements (Cont'd)

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/period and are therefore the key audit matter. 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.

#### Other matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purposes. We do not assume responsibility to any other person for the content of this report.

TGS TW PLT  
202106000004 (LLP0026851-LCA) & AF002345  
Chartered Accountants

KUAN JUN XIAN  
03758/06/2025 J  
Chartered Accountant

KUALA LUMPUR  
26 March 2025



# STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	Note	Group 31.12.2024 RM	31.12.2023 RM	Company 31.12.2024 RM
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	4	3,567,571	2,165,938	-
Investment properties	5	-	-	-
Investment in subsidiaries	6	-	-	57,142,553
Deferred tax assets	7	2,932,000	2,038,000	-
Other investment	8	-	-	-
		6,499,571	4,203,938	57,142,553
<b>Current assets</b>				
Trade receivables	9	32,298,155	44,607,920	-
Contract assets	10	75,198,166	48,734,540	-
Other receivables	11	6,451,428	1,996,720	2,254,428
Tax recoverable		253,898	5,120	-
Fixed deposits with licensed banks	12	14,892,612	14,660,635	-
Cash and bank balances	13	23,972,702	28,233,525	85,489
		153,066,961	138,238,460	2,339,917
Asset held-for-sale	14	-	451,475	-
		153,066,961	138,689,935	2,339,917
<b>Total assets</b>		159,566,532	142,893,873	59,482,470
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
Share capital	15(a)	57,142,573	10	57,142,573
Invested equity	15(b)	-	2,100,000	-
Merger deficit	16	(55,042,553)	-	-
Retained earnings/(Accumulated loss)		97,079,973	76,330,681	(3,539,856)
<b>Total equity</b>		99,179,993	78,430,691	53,602,717
<b>LIABILITIES</b>				
<b>Non-current liability</b>				
Lease liabilities	17	1,732,341	1,246,415	-
<b>Current liabilities</b>				
Trade payables	18	37,622,577	41,838,973	-
Contract liabilities	10	3,409,629	5,510,483	-
Other payables	19	16,157,358	9,080,943	3,214,701
Amount due to related parties	20	-	4,884,297	-
Amount due to a subsidiary	21	-	-	2,665,052
Bank borrowing	22	100,000	-	-
Lease liabilities	17	683,359	346,463	-
Tax payable		681,275	1,555,608	-
		58,654,198	63,216,767	5,879,753
<b>Total liabilities</b>		60,386,539	64,463,182	5,879,753
<b>Total equity and liabilities</b>		159,566,532	142,893,873	59,482,470

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

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR/PERIOD ENDED 31 DECEMBER 2024

		<b>Group</b>		<b>Company</b>
		<b>1.1.2024</b>	<b>1.1.2023</b>	<b>18.12.2023</b>
		<b>to</b>	<b>to</b>	<b>to</b>
	<b>Note</b>	<b>31.12.2024</b>	<b>31.12.2023</b>	<b>31.12.2024</b>
		<b>RM</b>	<b>RM</b>	<b>RM</b>
Revenue	23	271,692,307	207,954,088	-
Cost of sales		(198,268,148)	(140,641,874)	-
<b>Gross profit</b>		<b>73,424,159</b>	<b>67,312,214</b>	<b>-</b>
Other income	24	4,913,723	1,108,665	-
Administrative expenses		(20,495,242)	(11,183,449)	(3,539,856)
Other expenses	25	(11)	(6,049,641)	-
Net loss on impairment for financial assets and contract assets		(3,704,193)	(5,702,793)	-
<b>Profit/(Loss) from operations</b>		<b>54,138,436</b>	<b>45,484,996</b>	<b>(3,539,856)</b>
Finance income	26	753,575	514,666	-
Finance costs	26	(80,951)	(39,716)	-
<b>Profit/(Loss) before tax</b>	27	<b>54,811,060</b>	<b>45,959,946</b>	<b>(3,539,856)</b>
Taxation	28	(13,061,768)	(12,912,303)	-
<b>Profit/(Loss) for the financial year/period, representing total comprehensive income/(loss) for the financial year/period</b>		<b>41,749,292</b>	<b>33,047,643</b>	<b>(3,539,856)</b>
<b>Earnings per share:</b>				
Basic (sen)	29	2.64	2.09	
Diluted (sen)	29	*	*	

\* There are no dilutive earnings per share as the Group does not have any dilutive instruments for the financial year.

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



# STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR/PERIOD ENDED 31 DECEMBER 2024

<----- Attributable to owners of the Company ----->					
	<----- Non-distributable ----->			Distributable	
Note	Share capital RM	Invested equity RM	Merger deficit RM	Retained earnings RM	Total equity RM
<b>Group</b>					
<b>At 1 January 2023</b>	-	2,100,000	-	62,783,038	64,883,038
Profit for the financial year, representing total comprehensive income for the financial year	-	-	-	33,047,643	33,047,643
<b>Transactions with owners:</b>					
Issuance of shares	15(a)	10	-	-	10
Dividends to owners	30	-	-	(19,500,000)	(19,500,000)
Total transactions with owners		10	-	(19,500,000)	(19,499,990)
<b>At 31 December 2023</b>	10	2,100,000	-	76,330,681	78,430,691
<b>At 1 January 2024</b>					
	10	2,100,000	-	76,330,681	78,430,691
Profit for the financial year, representing total comprehensive income for the financial year	-	-	-	41,749,292	41,749,292
<b>Transactions with owners:</b>					
Issuance of shares	15(a)	10	-	-	10
Effect of restructuring exercise	15(a), 15(b)	57,142,553	(2,100,000)	(55,042,553)	-
Dividends to owners	30	-	-	(21,000,000)	(21,000,000)
Total transactions with owners		57,142,563	(2,100,000)	(55,042,553)	(20,999,990)
<b>At 31 December 2024</b>	57,142,573	-	(55,042,553)	97,079,973	99,179,993

	Note	Share capital RM	Accumulated loss RM	Total equity RM
<b>Company</b>				
<b>At date of incorporation, 18 December 2023</b>				
		10	-	10
Loss for the financial period, representing total comprehensive loss for the financial period				
		-	(3,539,856)	(3,539,856)
<b>Transactions with owners:</b>				
Issuance of shares	15(a)	10	-	10
Effect of restructuring exercise	15(a), 15(b)	57,142,553	-	57,142,553
Total transactions with owners		57,142,563	-	57,142,563
<hr/>				
<b>At 31 December 2024</b>				
		57,142,573	(3,539,856)	53,602,717

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

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

		Group		Company
		1.1.2024	1.1.2023	18.12.2023
		to	to	to
		31.12.2024	31.12.2023	31.12.2024
	Note	RM	RM	RM
<b>Cash flows from operating activities</b>				
Profit/(Loss) before tax		54,811,060	45,959,946	(3,539,856)
Adjustments for:				
Net (reversal of)/allowance for expected credit losses on:				
- contract assets		(249,505)	658,828	-
- trade receivables		3,953,698	5,043,965	-
Bad debts written off		-	52,203	-
Depreciation of investment properties		-	43,166	-
Depreciation of property, plant and equipment		938,030	620,530	-
Dividend received		(4,384,297)	-	-
Gain on disposal of asset held-for-sale		(48,525)	-	-
Gain on disposal of other investment		-	(1,000,000)	-
(Gain)/Loss on disposal of property, plant and equipment		(122,497)	15,333	-
Interest expenses		87,473	42,709	-
Interest income		(753,575)	(514,666)	-
Loss on disposal of investment properties		-	1,405,991	-
Loss on winding up of a subsidiary		-	4,574,882	-
Property, plant and equipment written off		11	1,232	-
Operating profit/(loss) before working capital changes		54,231,873	56,904,119	(3,539,856)
Changes in working capital:				
Receivables		3,901,359	(7,153,594)	(2,254,428)
Payables		2,860,019	11,476,102	3,214,701
Net contract balances		(28,314,975)	(15,139,265)	-
Related parties	A	-	27,788	-
		(21,553,597)	(10,788,969)	960,273
Cash generated from/(used in) operations		32,678,276	46,115,150	(2,579,583)
Interest received		407,562	352,709	-
Tax paid		(15,078,879)	(11,712,667)	-
Tax refunded		-	1,463,028	-
Net cash from/(used in) operating activities		18,006,959	36,218,220	(2,579,583)
<b>Cash flows from investing activities</b>				
Acquisition of property, plant and equipment	B	(1,041,495)	(328,838)	-
Dividend received	C	-	-	-
Proceeds from disposal of other investment		-	3,000,000	-
Proceeds from disposal of asset held-for-sale	D	-	-	-
Proceeds from disposal of investment properties	E	-	90,096	-
Proceeds from disposal of property, plant and equipment		122,500	323,000	-
Net cash outflow from winding up a subsidiary		-	(664,137)	-
Interest received		346,013	161,957	-
Net cash (used in)/from investing activities		(572,982)	2,582,078	-



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

		<b>Group</b>	<b>Company</b>
		<b>1.1.2024</b>	<b>1.1.2023</b>
		<b>to</b>	<b>to</b>
		<b>31.12.2024</b>	<b>31.12.2023</b>
		<b>RM</b>	<b>RM</b>
	<b>Note</b>		
<b>Cash flows from financing activities</b>			
Advance from a subsidiary		-	-
Repayment from related parties	<b>F</b>	-	1,449,900
Dividend paid	<b>G</b>	(21,000,000)	(12,115,000)
Drawdown of bankers' acceptance		250,000	1,265,000
Interest paid		(87,473)	(42,709)
Placement of fixed deposits pledged with licensed banks		(174,142)	(7,646,055)
Proceeds from issuance of shares		10	10
Repayments to Directors		-	(77,002)
Repayments of term loans		-	(138,178)
Repayments of lease liabilities	<b>H</b>	(475,360)	(409,240)
Repayments of bankers' acceptance		(150,000)	(3,038,000)
Net cash (used in)/from financing activities		(21,636,965)	(20,751,274)
<b>Net (decrease)/increase in cash and cash equivalents</b>		(4,202,988)	18,049,024
<b>Cash and cash equivalents at beginning of the financial year/date of incorporation</b>		31,615,788	13,566,764
<b>Cash and cash equivalents at end of the financial year/period</b>		27,412,800	31,615,788
<b>Cash and cash equivalents at end of the financial year/period comprises of:</b>			
Cash and bank balances		23,972,702	28,233,525
Fixed deposits with licensed banks		14,892,612	14,660,635
Less: Fixed deposits pledged with licenced banks	12	(11,452,514)	(11,278,372)
		27,412,800	31,615,788



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

## NOTES TO THE STATEMENTS OF CASH FLOWS

		Group 1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM	Company 18.12.2023 to 31.12.2024 RM
	Note			
<b>A. Related party</b>				
Net changes during the financial year/period		(4,384,297)	27,788	-
Add: Dividend received	C	4,384,297	-	-
Total cash payment		-	27,788	-
<b>B. Acquisition of property, plant and equipment</b>				
Total acquisition of property, plant and equipment		2,339,677	1,728,738	-
Less: Acquisition by means of lease liabilities		(1,298,182)	(1,399,900)	-
Total cash used in acquisition of property, plant and equipment		1,041,495	328,838	-
<b>C. Dividend received</b>				
Dividend received		4,384,297	-	-
Less: Repayment to a related party	A	(4,384,297)	-	-
Total cash received		-	-	-
<b>D. Proceeds from disposal of asset held-for-sale</b>				
Total proceeds from disposal of asset held-for-sale		500,000	-	-
Less: Repayment to related parties	F	(500,000)	-	-
Total cash proceeds		-	-	-
<b>E. Proceeds from disposal of investment properties</b>				
Total proceeds from disposal of investment properties		-	6,975,096	-
Less: Dividend in specie	G	-	(6,885,000)	-
Total cash proceeds		-	90,096	-



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

## NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

		Group 1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM	Company 18.12.2023 to 31.12.2024 RM
	Note			
<b>F. Repayment from related parties</b>				
Net changes during the financial year/period		(500,000)	1,949,900	-
Add: Proceeds received	<b>D</b>	500,000	-	-
Less: Dividend in specie	<b>G</b>	-	(500,000)	-
Total cash advance		-	1,449,900	-
<b>G. Dividend paid</b>				
Dividend paid		21,000,000	19,500,000	-
Less: Dividend in specie	<b>E/F</b>	-	(7,385,000)	-
Total cash payment		21,000,000	12,115,000	-
<b>H. Cash outflows for lease as a lessee</b>				
<u>Included in net cash from/(used in) operating activities:</u>				
Payment relating to short-term leases	27	1,830,142	966,000	-
<u>Included in net cash (used in)/from financing activities:</u>				
Payment of lease liabilities		475,360	409,240	-
Payment on interest of lease liabilities		85,558	31,878	-
		560,918	441,118	-
		2,391,060	1,407,118	-

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

# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 1. Corporate information

The Company was incorporated in Malaysia on 18 December 2023 as a private limited liability company and has converted to a public limited liability company on 27 May 2024. The Company is listed on the ACE Market of Bursa Malaysia Securities Berhad subsequently on 16 January 2025.

The registered office of the Company is located at No. D-09-02, Level 9, EXSIM Tower, Millerz Square @ Old Klang Road, Megan Legasi, No. 357, Jalan Kelang Lama, 58000 Kuala Lumpur, Wilayah Persekutuan.

The principal place of business of the Company is located at No. 12, 12A, 12B, 14, 14A & 14B, Jalan Anggerik Vanilla AD 31/AD, Kota Kemuning, 40460 Shah Alam, Selangor Darul Ehsan.

The Company is principally engaged in investment holding. The principal activities of its subsidiaries are disclosed in Note 6 to the financial statements.

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

The Directors regard Quay Holdings Sdn. Bhd. (formerly known as CBH Equities Sdn. Bhd.), a private limited liability company incorporated and domiciled in Malaysia, as the holding company.

### 2. Basis of preparation

#### (a) Statement of compliance

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

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the financial statements.

#### Adoption of amended standards

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

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

The adoption of the amendments to MFRS did not have any significant impact on the financial statements of the Group and of the Company.



# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 2. Basis of preparation (Cont'd)

#### (a) Statement of compliance (Cont'd)

##### Standards issued but not yet effective

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

		Effective dates for financial periods beginning on or after
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 1 Amendments to MFRS 7 Amendments to MFRS 9 Amendments to MFRS 10 Amendments to MFRS 107	Annual Improvements Volume 11	1 January 2026
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group and the Company intend to adopt the above new and amendments to MFRSs when they become effective.

The initial applications of the above-mentioned new and amendments to MFRSs are not expected to have any significant impacts on the financial statements of the Group and of the Company.

#### (b) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's and the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest RM except when otherwise stated.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 2. Basis of preparation (Cont'd)

#### (c) Significant accounting judgements, estimates and assumptions

The preparation of the Group's and of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

#### Judgements

The following are the judgements made by management in the process of applying the Group's and the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements:

##### Satisfaction of performance obligations in relation to contracts with customers

The Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method for recognising revenue. This assessment was made based on the terms and conditions of the contracts, and the provisions of relevant laws and regulations.

The Group recognises revenue over time in the following circumstances:

- (i) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- (ii) the Group does not create an asset with an alternative use to the Group and has an enforceable right to payment for performance completed to date; and
- (iii) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point of time, the Group assesses each contract with customers to determine when the performance obligation of the Group under the contract is satisfied.

##### Determining the lease term of contracts with renewal and termination options - the Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if they are reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if they are reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affect its ability to exercise or not to exercise the option to renew or to terminate.

The Group includes the renewal period as part of the lease term for leases of building with non-cancellable period included as part of the lease term as these are reasonably certain to be exercised because there will be a significant negative effect on operation if a replacement asset is not readily available. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.



# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 2. Basis of preparation (Cont'd)

#### (c) Significant accounting judgements, estimates and assumptions (Cont'd)

##### **Key sources of estimation uncertainty**

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

##### Useful lives of property, plant and equipment, right-of-use ("ROU") asset and investment properties

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

##### Revenue from projects contracts

Projects revenue and costs are recognised over the period of the projects in the profit or loss by reference to the progress towards complete satisfaction of that performance obligation. The method used to measure stage of completion is proportion that costs incurred to date bear to estimated total costs of the contract. When the outcome of sales contract cannot be estimated reliably, revenue is recognised only to the extent to the expenses recognised that are recoverable.

##### Discount rate used in leases

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation, particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

##### Deferred tax assets

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

##### Provision for expected credit loss of financial assets at amortised cost and contract assets

The Group reviews the recoverability of its receivables and contract assets at each reporting date to assess whether an impairment loss should be recognised. The impairment provisions for receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions at the end of each reporting period.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 2. Basis of preparation (Cont'd)

#### (c) Significant accounting judgements, estimates and assumptions (Cont'd)

##### **Key sources of estimation uncertainty (Cont'd)**

##### Provision for expected credit loss of financial assets at amortised cost and contract assets (Cont'd)

The Group uses a provision matrix to calculate expected credit loss for receivables. The provision rates are based on number of days past due.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

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

##### Income taxes

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

The Group and the Company recognise liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

##### Determination of transaction prices

The Group is required to determine the transaction price in respect of each of its contracts with customers. In making such judgement the Group assesses the impact of any variable consideration in the contract due to discounts or penalties, the existence of any significant financing component and any non-cash consideration in the contract.

### 3. Material accounting policies

The Group and the Company apply the material accounting policies set out below, consistently throughout all periods presented in the financial statements unless otherwise stated.

#### (a) Basis of consolidation

##### (i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing whether the Group has power over another entity. Subsidiaries are fully consolidated from the date that control commences until the date control ceases.





# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 3. Material accounting policies (Cont'd)

#### (a) Basis of consolidation (Cont'd)

##### (i) Subsidiaries (Cont'd)

In the Company's separate financial statements, investments in subsidiaries are stated at cost less accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts are recognised in profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

Inter-company transactions and balances on transactions between Group entities are eliminated.

Subsidiaries consolidated using the merger method of accounting as the business combination of this subsidiary involved an entity under common control.

Business combinations under common control are accounted for using the merger method, where the results of entities or businesses under common control are accounted for as if the combination had been effected throughout the current and previous reporting periods. The assets, liabilities and reserves of these entities are recorded at their pre-combination carrying amounts or existing carrying amounts are accounted for from the perspective of the common shareholder. No adjustments are made to reflect fair values, or recognise any new assets or liabilities, at the date of combination that would otherwise be done under the acquisition method. Any difference between the consideration paid/transferred and the equity acquired is reflected within equity as reserve on acquisition arising from common control.

#### (b) Property, plant and equipment

##### (i) Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and less any impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the assets and any other costs directly attributable to bringing the asset to working condition for its intended use, cost of replacing component parts of the assets, and the present value of the expected cost for the decommissioning of the assets after their use.

##### (ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

##### (iii) Depreciation

Depreciation is recognised in the profit or loss on straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 3. Material accounting policies (Cont'd)

#### (b) Property, plant and equipment (Cont'd)

##### (iii) Depreciation (Cont'd)

The estimated useful lives for the current and comparative periods are as follows:

Electrical installation	10%
Furniture and fittings	10%
Hostels	Over the lease term
Machinery	10%
Motor vehicles	20%
Office	Over the lease term
Office equipment	10% to 33%
Renovation	10%
Shoplots	Over the lease term
Tools and equipment	10%

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

#### (c) Leases

##### (i) Lease and non lease components

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account the lease and non-lease components as a single lease component.

##### (ii) Recognition exemption

The Group has elected not to recognise right-of-use assets and liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

##### (iii) Depreciation

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

Hostels	Over the lease term
Motor vehicles	20%
Office	Over the lease term
Shoplots	Over the lease term

#### (d) Contract assets and liabilities

Contract assets represent the Group's right to consideration for goods or services that the Group has transferred to a customer when that right is conditioned on something other than the passage of time. Contract assets are subject to impairment assessment in accordance of MFRS 9.



# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 3. Material accounting policies (Cont'd)

#### (d) Contract assets and liabilities (Cont'd)

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

#### (e) Financial instruments

At the reporting date, the Group and the Company carry only financial assets at amortised cost on their statements of financial position. The Group's financial assets at amortised cost include trade receivables, other receivables, fixed deposits with licensed banks and cash and bank balances. The Company's financial assets at amortised cost include cash and bank balances.

At the reporting date, the Group and the Company carry only financial liabilities at amortised cost on their statements of financial position. The Group's financial liabilities at amortised cost include trade payables, other payables, amount due to related parties and bank borrowing. The Company's financial liabilities at amortised cost include other payables and amount due to a subsidiary.

#### (f) Revenue recognition

##### (i) Revenue from contracts with customers

##### (a) Revenue from project contracts

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

Revenue is recognised over the period of the contract using the input method to measure the progress towards complete satisfaction of the performance obligations under the projects i.e. based on the costs incurred for work performed to date.

The Group becomes entitled to invoice customers for construction of promised asset based on achieving a series of performance-related milestones (i.e. progress billing). The Group previously have recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. If the progress billing exceeds the revenue recognised to date, the Group recognises a contract liability for the difference. There is not considered to be a significant financing component in contracts with customers as the period between the recognition of revenue and the progress billing is always less than one year.

##### (ii) Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

##### (iii) Interest income

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

##### (iv) Rental income

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

# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 4. Property, plant and equipment

Group Cost	Electrical installation	Furniture and fittings	Hostels	Machinery	Motor vehicles	Office	Office equipment	Renovation	Shoplots	Tools and equipment	Total
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
At 1 January 2023	78,950	114,640	26,600	38,950	3,967,979	-	779,135	519,048	468,463	-	5,993,765
Additions	-	17,780	-	-	1,507,211	-	203,747	-	-	-	1,728,738
Disposal	-	-	-	-	(580,000)	-	-	-	-	-	(580,000)
Written off	-	-	-	-	(35,605)	-	(88,325)	-	-	-	(123,930)
Expiration of lease contracts	-	-	(26,600)	-	-	-	-	-	(468,463)	-	(495,063)
At 31 December 2023	78,950	132,420	-	38,950	4,859,585	-	894,557	519,048	-	-	6,523,510
Additions	-	25,887	155,631	-	1,643,147	164,356	198,062	-	107,594	45,000	2,339,677
Disposal	-	-	-	-	(652,710)	-	-	-	-	-	(652,710)
Written off	-	-	-	-	-	-	(36,023)	-	-	-	(36,023)
At 31 December 2024	78,950	158,307	155,631	38,950	5,850,022	164,356	1,056,596	519,048	107,594	45,000	8,174,454
Accumulated depreciation											
At 1 January 2023	75,003	80,664	17,733	16,216	3,101,158	-	587,024	346,996	371,676	-	4,596,470
Charge for the financial year	3,946	10,183	8,867	3,895	350,595	-	101,799	44,458	96,787	-	620,530
Disposal	-	-	-	-	(241,667)	-	-	-	-	-	(241,667)
Written off	-	-	-	-	(35,604)	-	(87,094)	-	-	-	(122,698)
Expiration of lease contracts	-	-	(26,600)	-	-	-	-	-	(468,463)	-	(495,063)
At 31 December 2023	78,949	90,847	-	20,111	3,174,482	-	601,729	391,454	-	-	4,357,572
Charge for the financial year	-	10,598	35,738	3,895	607,850	9,131	183,620	44,458	41,990	750	938,030
Disposal	-	-	-	-	(652,707)	-	-	-	-	-	(652,707)
Written off	-	-	-	-	-	-	(36,012)	-	-	-	(36,012)
At 31 December 2024	78,949	101,445	35,738	24,006	3,129,625	9,131	749,337	435,912	41,990	750	4,606,883
Carrying amount											
At 31 December 2024	1	56,862	119,893	14,944	2,720,397	155,225	307,259	83,136	65,604	44,250	3,567,571
At 31 December 2023	1	41,573	-	18,839	1,685,103	-	292,828	127,594	-	-	2,165,938



# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 4. Property, plant and equipment (Cont'd)

- (a) Including in carrying amount of property, plant and equipment are right-of-use assets as follows:

	<b>Group</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>RM</b>	<b>RM</b>
Hostels	119,893	-
Motor vehicles	2,181,182	1,636,786
Office	155,225	-
Shoplots	65,604	-
	<hr/>	<hr/>
	2,521,904	1,636,786

- (b) Additions to the right-of-use assets are as follows:

	<b>Group</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>RM</b>	<b>RM</b>
Hostels	155,631	-
Motor vehicles	979,449	1,507,211
Office	164,356	-
Shoplots	107,594	-
	<hr/>	<hr/>
	1,407,030	1,507,211

- (c) Depreciation charge of right-of-use assets are as follows:

	<b>Group</b>	
	<b>1.1.2024</b>	<b>1.1.2023</b>
	<b>to</b>	<b>to</b>
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>RM</b>	<b>RM</b>
Hostels	35,738	8,867
Motor vehicles	435,053	250,310
Office	9,131	-
Shoplots	41,990	96,787
	<hr/>	<hr/>
	521,912	355,964

- (d) The carrying amount of motor vehicles amounted to RM1 and RM1,150 (31.12.2023: RM1 and RMNil) is registered in the name of an employee and a Director respectively and are held in trust on behalf of the Group.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 5. Investment properties

Group	Freehold shoplot RM	Freehold condotel RM	Leasehold shoplot RM	Leasehold condominium RM	Building under construction RM	Total RM
<b>Cost</b>						
At 1 January 2023	1,298,000	599,576	195,000	508,600	6,655,696	9,256,872
Disposal	(1,298,000)	(599,576)	(195,000)	-	(6,655,696)	(8,748,272)
Transfer to asset held-for-sale	-	-	-	(508,600)	-	(508,600)
At 31 December 2023/ 31 December 2024	-	-	-	-	-	-
<b>Accumulated depreciation</b>						
At 1 January 2023	153,596	90,935	84,553	52,060	-	381,144
Charge for the financial year	23,797	10,993	3,311	5,065	-	43,166
Disposal	(177,393)	(101,928)	(87,864)	-	-	(367,185)
Transfer to asset held-for-sale	-	-	-	(57,125)	-	(57,125)
At 31 December 2023/ 31 December 2024	-	-	-	-	-	-
<b>Carrying amount</b>						
At 31 December 2024/ 31 December 2023	-	-	-	-	-	-



# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 5. Investment properties (Cont'd)

Income and expenses recognised in profit or loss

	<b>Group</b>	
	<b>1.1.2024</b>	<b>1.1.2023</b>
	<b>to</b>	<b>to</b>
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>RM</b>	<b>RM</b>
Rental income	-	35,441
Direct operating expenses:		
- Income generating investment properties	-	18,748

### 6. Investment in subsidiaries

	<b>Company</b>
	<b>31.12.2024</b>
	<b>RM</b>
<b>At cost</b>	
Unquoted share	57,142,553

The details of the subsidiaries are as follows:

<b>Name of company</b>	<b>Place of business/ Country of incorporation</b>	<b>Effective interest (%) 31.12.2024</b>	<b>Principal activities</b>
CBH Engineering Sdn. Bhd. ("CBH Engineering")	Malaysia	100	Electrical wiring contractor and supply of electrical items.
CBH Maintenance Sdn. Bhd. ("CBH Maintenance")	Malaysia	100	Electrical wiring contractors and supply of electrical items.
CBH M&E Engineering Sdn. Bhd. ("CBH M&E")	Malaysia	100	Mechanical and electrical engineering works.

#### Acquisition of subsidiaries

The Group has been formed pursuant to the completion of the acquisition of its subsidiaries by the Company prior to the listing and quotation on the ACE Market of Bursa Malaysia Securities Berhad.



# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 6. Investment in subsidiaries (Cont'd)

#### Acquisition of subsidiaries (Cont'd)

The Company entered into conditional Share Sale Agreements on 24 May 2024 to acquire the entire equity interest in CBH Engineering, CBH Maintenance and CBH M&E for a total purchase consideration of RM57,142,553 to be satisfied by the issuance of 1,582,896,193 ordinary shares in the Company at an issue price of RM0.0361 per share.

The acquisition was completed on 23 October 2024 and consolidated using merger method of accounting. Under the merger method of accounting, the results of this subsidiary are presented as if the merger has taken effect throughout the current and previous financial years.

### 7. Deferred tax assets

	<b>Group</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>RM</b>	<b>RM</b>
At beginning of the financial year	2,038,000	732,000
Recognised in profit or loss	894,000	1,306,000
At end of the financial year	2,932,000	2,038,000
Deferred tax assets	3,066,000	2,138,000
Deferred tax liability	(134,000)	(100,000)
	2,932,000	2,038,000

The components and movements of deferred tax (liability)/assets during the financial year are as follows:

	<b>Property, plant and equipment RM</b>	<b>Provisions RM</b>	<b>Unabsorbed business losses RM</b>	<b>Total RM</b>
<b>Group</b>				
At 1 January 2023	(57,000)	769,000	20,000	732,000
Recognised in profit or loss	(43,000)	1,369,000	(20,000)	1,306,000
At 31 December 2023	(100,000)	2,138,000	-	2,038,000
Recognised in profit or loss	(34,000)	891,000	37,000	894,000
At 31 December 2024	(134,000)	3,029,000	37,000	2,932,000



# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 8. Other investment

	Group	
	31.12.2024	31.12.2023
	RM	RM
<b>At fair value through profit or loss</b>		
<b>Quoted shares</b>		
At beginning of the financial year	-	2,000,000
Disposal	-	(2,000,000)
At end of the financial year	-	-

### 9. Trade receivables

	Group	
	31.12.2024	31.12.2023
	RM	RM
Third parties	8,930,617	23,974,337
Retention sums	34,827,051	28,139,398
	43,757,668	52,113,735
Less: Allowance for expected credit losses ("ECLs")	(11,459,513)	(7,505,815)
	32,298,155	44,607,920

Trade receivables are non-interest bearing and the normal credit term ranged from 30 to 60 (31.12.2023: 30 to 60) days. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Movements in the allowance for ECLs are as follows:

	Group	
	31.12.2024	31.12.2023
	RM	RM
At beginning of the financial year	7,505,815	2,467,115
Additions	4,056,203	5,557,283
Reversal	(102,505)	(513,318)
Written off	-	(5,265)
At end of the financial year	11,459,513	7,505,815

# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 9. Trade receivables (Cont'd)

The following tables provide information about the exposure to credit risk and allowance for ECLs for trade receivables:

	Gross amount RM	ECLs RM	Net amount RM
<b>Group</b>			
<b>31.12.2024</b>			
Not past due	30,265,015	(10,759)	30,254,256
Past due:			
1 to 30 days	619,475	(2,996)	616,479
31 to 60 days	274,646	-	274,646
61 to 90 days	1,600	-	1,600
More than 90 days	12,596,932	(11,445,758)	1,151,174
	43,757,668	(11,459,513)	32,298,155
<b>31.12.2023</b>			
Not past due	48,035,466	(5,200,219)	42,835,247
Past due:			
1 to 30 days	402,067	(810)	401,257
31 to 60 days	164,789	-	164,789
61 to 90 days	1,300	-	1,300
More than 90 days	3,510,113	(2,304,786)	1,205,327
	52,113,735	(7,505,815)	44,607,920

### 10. Contract assets/(liabilities)

	<b>Group</b>	
	<b>31.12.2024 RM</b>	<b>31.12.2023 RM</b>
<b>Project contracts</b>		
At beginning of the financial year	43,224,057	28,743,620
Revenue recognised during the financial year	270,229,339	205,291,542
Less: Progress billings issued during the financial year	(241,914,364)	(190,152,277)
Less: Reversal of/(Allowance for) ECLs during the financial year	249,505	(658,828)
At end of the financial year	71,788,537	43,224,057
<b>Presented as:</b>		
Contract assets	75,198,166	48,734,540
Contract liabilities	(3,409,629)	(5,510,483)
	71,788,537	43,224,057



# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 10. Contract assets/(liabilities) (Cont'd)

Movements in the allowance for ECLs are as follows:

	<b>Group</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>RM</b>	<b>RM</b>
At beginning of the financial year	1,411,249	752,421
Additions	-	658,828
Reversal	(249,505)	-
At end of the financial year	1,161,744	1,411,249

The following tables provide information about the exposure to credit risk and allowance for ECLs for contract assets as the Group is expected to have similar risk nature with trade receivables:

	<b>Gross amount</b>	<b>ECLs</b>	<b>Net amount</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Group</b>			
<b>31.12.2024</b>			
Not past due	76,359,910	(1,161,744)	75,198,166
<b>31.12.2023</b>			
Not past due	50,145,789	(1,411,249)	48,734,540

The contract assets primarily relate to the Group's right to consideration for work performed but not yet billed as at the reporting date. This balance will be invoiced progressively upon the acceptance of completed works by customers.

#### Contract value yet to be recognised as revenue

The following table shows the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) as at the end of the reporting period:

	<b>Group</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>RM</b>	<b>RM</b>
Project contract works	195,242,746	285,115,083

Revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially satisfied) at the reporting date:

	<b>Group</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>RM</b>	<b>RM</b>
2024	-	170,079,997
2025 onwards	195,242,746	115,035,086

# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 11. Other receivables

	<b>Group</b>		<b>Company</b>
	<b>31.12.2024</b>	<b>31.12.2023</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>
Non-trade receivables	266,978	1,164,443	-
Deposits to suppliers	3,355,004	-	-
Deposits	549,845	327,433	-
Prepayments	56,113	6,928	30,940
Prepayments for initial public offering expenses	2,223,488	497,916	2,223,488
	6,451,428	1,996,720	2,254,428

Movements in the allowance for ECLs are as follows:

	<b>Group</b>		<b>Company</b>
	<b>31.12.2024</b>	<b>31.12.2023</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>
At beginning of the financial year	-	1,329	-
Written off	-	(1,329)	-
At end of the financial year	-	-	-

### 12. Fixed deposits with licensed banks

The effective interest rates for fixed deposits with licensed banks of the Group are ranged from 1.80% to 2.85% (31.12.2023: 2.05% to 3.00%) per annum.

The maturity period of the fixed deposits of the Group are between 30 to 90 (31.12.2023: 30 to 180) days.

Included in the fixed deposits with licensed banks is an amount of RM11,452,514 (31.12.2023: RM11,278,372) pledged to licensed banks as security for banking facilities granted to the Group.

### 13. Cash and bank balances

Included in the cash and bank balances of the Group are short-term deposits with licensed banks amount to RM9,150,000 (31.12.2023: RM16,100,000) bearing interest rates range from 2.00% to 2.40% (31.12.2023: 2.00% to 2.40%) per annum. The maturity period of the short-term deposits with licensed banks are between 1 to 12 (31.12.2023: 3 to 8) days.

The foreign currency profile of cash and bank balances is as follows:

	<b>Group</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>RM</b>	<b>RM</b>
United States Dollar ("USD")	327	327



# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 14. Asset held-for-sale

	Leasehold condominium RM
<b>Group</b>	
At 1 January 2023	-
Transfer from investment properties	451,475
At 31 December 2023	451,475
Disposal	(451,475)
At 31 December 2024	-

On 11 December 2023, CBH Engineering entered into Sale and Purchase Agreement ("SPA") with a related party to transfer its leasehold condominium through dividend in specie amounting to RM500,000 declared on 30 November 2023.

On 30 May 2024, the Conditions Precedent as set out in the SPA have been fulfilled.

### 15. Share capital/Invested equity

#### (a) Share capital

	Number of ordinary shares		Amount	
	31.12.2024 Units	31.12.2023 Units	31.12.2024 RM	31.12.2023 RM
<b>Group</b>				
<b>Issued and fully paid:</b>				
At beginning of the financial year	100	-	10	-
Issuance of ordinary shares	100	100	10	10
Effect of restructuring exercise	1,582,896,193	-	57,142,553	-
At end of the financial year	1,582,896,393	100	57,142,573	10

	Number of ordinary shares		Amount	
	31.12.2024 Units	31.12.2023 Units	31.12.2024 RM	31.12.2023 RM
<b>Company</b>				
<b>Issued and fully paid:</b>				
At 18 December 2023, date of incorporation			100	10
Issuance of ordinary shares			100	10
Effect of restructuring exercise			1,582,896,193	57,142,553
At end of the financial period			1,582,896,393	57,142,573

# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 15. Share capital/Invested equity (Cont'd)

#### (a) Share capital (Cont'd)

The Company was incorporated with a paid-up share capital of RM10 comprising 100 ordinary shares that was subscribed as subscribers' shares on the date of its incorporation.

On 16 May 2024, the Company increased its issued and paid-up capital of RM10 by way of issuance of 100 new ordinary shares.

On 23 October 2024, the Company increased its issued and paid-up capital of RM57,142,553 through the issuance of 1,582,896,193 new ordinary shares at RM0.0361 each, amounting to a total consideration of RM57,142,553 as full payment for the acquisition of its subsidiaries, CBH Engineering, CBH Maintenance and CBH M&E.

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

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 regards to the Company's residual assets.

#### (b) Invested equity

	Number of ordinary shares		Amount	
	31.12.2024 Units	31.12.2023 Units	31.12.2024 RM	31.12.2023 RM
<b>Group</b>				
<b>Issued and fully paid:</b>				
At beginning of the financial year	2,100,000	2,100,000	2,100,000	2,100,000
Effect of restructuring exercise	(2,100,000)	-	(2,100,000)	-
At end of the financial year	-	2,100,000	-	2,100,000

Invested equity solely comprised the aggregate number of issued and paid-up ordinary shares of CBH Engineering, CBH Maintenance and CBH M&E. The amount has been reversed against the merger deficit as disclosed in Note 38 to the financial statements.

### 16. Merger deficit

The merger deficit arises from the difference between the carrying value of the investment in subsidiaries and the nominal value of share capital of the subsidiaries upon consolidation under the merger accounting principle.





# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 17. Lease liabilities

	Group	
	31.12.2024	31.12.2023
	RM	RM
Non-current	1,732,341	1,246,415
Current	683,359	346,463
	2,415,700	1,592,878

The maturity analysis of lease liabilities at the end of the reporting period:

	Group	
	31.12.2024	31.12.2023
	RM	RM
Within 1 year	780,887	413,104
Between 1 - 5 years	1,854,302	1,354,345
More than 5 years	4,500	-
	2,639,689	1,767,449
Less: Future finance charges	(223,989)	(174,571)
Present value of lease liabilities	2,415,700	1,592,878

The Group leases various properties and motor vehicles. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

### 18. Trade payables

	Group	
	31.12.2024	31.12.2023
	RM	RM
Third parties	32,881,920	37,875,979
Retention sums	4,740,657	3,962,994
	37,622,577	41,838,973

Credit terms of trade payables of the Group ranged from cash term to 90 days (31.12.2023: cash term to 90 days) depending on the terms of the contracts.

The foreign currency profile of trade payables are as follows:

	Group	
	31.12.2024	31.12.2023
	RM	RM
Chinese Yuan ("CNY")	1,806,727	-
Singapore Dollar ("SGD")	-	33,955

# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 19. Other payables

	<b>Group</b>		<b>Company</b>
	<b>31.12.2024</b>	<b>31.12.2023</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>
Non-trade payables	3,370,638	226,155	3,045,451
Accruals	12,786,720	8,850,188	169,250
Deposit received	-	4,600	-
	16,157,358	9,080,943	3,214,701

### 20. Amount due to related parties

	<b>Group</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>RM</b>	<b>RM</b>
Trade	-	4,384,297
Non-trade	-	500,000
	-	4,884,297

In previous financial year, amount due to related parties were unsecured, non-interest bearing and repayable on demand, except for credit term of 60 days on trade balances.

### 21. Amount due to a subsidiary

Amount due to a subsidiary is non-trade in nature, unsecured, non-interest bearing and repayable on demand.

### 22. Bank borrowing

	<b>Group</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>RM</b>	<b>RM</b>
<b>Secured</b>		
Bankers' acceptance	100,000	-
<b>Current</b>		
Bankers' acceptance	100,000	-

The bankers' acceptance is secured by the following:

- (a) Assignment of insurance policy by a person connected to a Director of the Company;
- (b) Corporate guarantee by holding company; and
- (c) Joint and several guarantee by certain Directors of the Company and Directors of subsidiaries.

The bankers' acceptance of the Group bears interest at rate of 3.75% (31.12.2023: Nil) per annum. The bankers' acceptance are repayable within 120 days (31.12.2023: Nil).



# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 23. Revenue

	Group	
	1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM
<b>Revenue from contracts with customers:</b>		
Project contract works	270,984,107	206,812,678
Maintenance and miscellaneous works	708,200	1,141,410
	271,692,307	207,954,088
<b>Timing of revenue recognition:</b>		
Over time	270,229,339	205,291,542
At a point in time	1,462,968	2,662,546
	271,692,307	207,954,088

### 24. Other income

	Group	
	1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM
Dividend income	4,384,297	-
Gain on disposal of asset held-for-sale	48,525	-
Gain on disposal of other investment	-	1,000,000
Gain on disposal of property, plant and equipment	122,497	-
Realised gain on foreign exchange	779	-
Rental income:		
- investment properties and asset held-for-sale	-	35,441
- office	10,156	-

### 25. Other expenses

	Group	
	1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM
Bad debts written off	-	52,203
Loss on disposal of investment properties	-	1,405,991
Loss on disposal of property, plant and equipment	-	15,333
Loss on winding up of a subsidiary	-	4,574,882
Property, plant and equipment written off	11	1,232

# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 26. Finance income/Finance costs

	<b>Group</b> <b>1.1.2024</b> <b>to</b> <b>31.12.2024</b> <b>RM</b>	<b>1.1.2023</b> <b>to</b> <b>31.12.2023</b> <b>RM</b>
<b>Finance income</b>		
- bank balances	407,562	352,709
- fixed deposits with licensed banks	346,013	161,957
	<b>753,575</b>	<b>514,666</b>
<b>Finance costs</b>		
Interest expenses:		
- bank overdraft	56	1,121
- lease liabilities	80,895	31,878
- term loans	-	6,717
	<b>80,951</b>	<b>39,716</b>

### 27. Profit/(Loss) before tax

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

	<b>Group</b> <b>1.1.2024</b> <b>to</b> <b>31.12.2024</b> <b>RM</b>	<b>1.1.2023</b> <b>to</b> <b>31.12.2023</b> <b>RM</b>	<b>Company</b> <b>18.12.2023</b> <b>to</b> <b>31.12.2024</b> <b>RM</b>
Auditors' remuneration:			
- Statutory	120,000	69,500	33,000
- Non-audit fee	5,000	-	5,000
Net (reversal of)/allowance for ECLs on:			
- contract assets	(249,505)	658,828	-
- trade receivables	3,953,698	5,043,965	-
Depreciation of investment properties	-	43,166	-
Depreciation of property, plant and equipment	938,030	620,530	-
Interest expenses recognised in cost of sales:			
- bankers' acceptance	1,859	2,993	-
- lease liabilities	4,663	-	-
Short-term leases (a)	1,830,142	966,000	-

- (a) The Group leases various properties, tool and equipment and motor vehicles with contract terms of not more than one year. These leases are short-term lease. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.



# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 28. Taxation

	Group		Company
	1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM	18.12.2023 to 31.12.2024 RM
<b>Tax expenses recognised in profit or loss</b>			
<b>Current tax</b>			
- Current year provision	14,225,000	14,216,515	-
- (Over)/Under provision in prior financial year	(269,232)	1,788	-
	13,955,768	14,218,303	-
<b>Deferred tax</b>			
- Originating and reversal of temporary difference	(894,000)	(1,306,000)	-
	13,061,768	12,912,303	-

A reconciliation of income tax expenses applicable to profit/(loss) before tax at the statutory tax rate to income tax expenses at the effective income tax of the Group and of the Company are as follows:

	Group		Company
	1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM	18.12.2023 to 31.12.2024 RM
Profit/(Loss) before tax	54,811,060	45,959,946	(3,539,856)
At Malaysian statutory tax rate of 24% (31.12.2023: 24%)	13,154,654	11,030,387	(849,565)
Change in tax rate for the first and second tranche of chargeable income	(648)	(45,000)	-
Expenses not deductible for tax purposes	1,198,870	2,180,577	849,565
Income not subject to tax	(1,063,876)	(240,000)	-
Movement of deferred tax assets not recognised	42,000	(15,449)	-
(Over)/Under provision of current tax in prior financial year	(269,232)	1,788	-
	13,061,768	12,912,303	-

#### Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	Group 31.12.2024 RM	31.12.2023 RM
Property, plant and equipment	(22,000)	(9,000)
Provisions	-	10,000
Unabsorbed capital allowances	18,000	-
Unutilised business losses	587,000	407,000
	583,000	408,000

# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 28. Taxation (Cont'd)

The unabsorbed capital allowances do not expire under current tax legislation of Malaysia. Unutilised business losses for which no deferred tax asset was recognised will expire at the following year of assessment ("YA"):

	<b>Group</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>RM</b>	<b>RM</b>
YA 2028	-	230,000
YA 2029	-	177,000
YA 2034	587,000	-
	<b>587,000</b>	<b>407,000</b>

In accordance with the provision of Finance Act 2018, the unutilised business losses could be carried forward for a maximum of seven consecutive years of assessment. Any balance of the unutilised business losses at the end of the seventh year shall be disregarded.

The Finance Act 2021 stated that the time frame to carry forward unutilised business losses for year of assessment 2019 and subsequent years of assessment be extended from seven to ten consecutive years of assessment. The other temporary differences do not expire under current tax legislation.

Deferred tax assets have not been recognised in respect of these items as they may not have sufficient taxable profits to be used to offset or they have arisen in subsidiaries that have a recent history of losses.

### 29. Earnings per share

#### Basic earnings per share

The basic earnings per share is calculated based on the consolidated profit for the financial year attributable to owners of the Company and the weighted average number of ordinary shares in issue during the financial year as follows:

	<b>Group</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>
Profit attributable to owners of the Company (RM)	41,749,292	33,047,643
Weighted average number of ordinary shares (unit)	1,582,896,393	1,582,896,393
Basic earnings per ordinary shares (sen)	2.64	2.09

#### Diluted earnings per share

There are no diluted earnings per share as the Group does not have any dilutive potential ordinary shares outstanding as at the end of the reporting period.



# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 30. Dividends

	Group	
	31.12.2024	1.12.2023
	RM	RM
Dividends recognised as distribution to owners of the Company:		
<b>CBH Engineering:</b>		
- An interim single-tier dividend of RM5.500 per ordinary share in respect of the financial year ended 31 December 2023 declared on 20 February 2024 and paid on 21 February 2024	5,500,000	-
- An interim single-tier dividend of RM10.000 per ordinary share in respect of the financial year ended 31 December 2023 declared on 9 May 2024 and paid on 21 May 2024	10,000,000	-
- An interim single-tier dividend of RM1.000 per ordinary share in respect of the financial year ended 31 December 2023 declared on 2 August 2023 and paid on 3 August 2023	-	1,000,000
- An interim single-tier dividend of RM3.000 per ordinary share in respect of the financial year ended 31 December 2023 declared on 30 November 2023 and paid on 18 December 2023	-	3,000,000
- An interim single-tier dividend of RM3.000 per ordinary share in respect of the financial year ended 31 December 2023 declared on 30 November 2023 and paid on 20 December 2023	-	3,000,000
- An interim single-tier dividend of RM5.115 per ordinary share in respect of the financial year ended 31 December 2023 declared on 30 November 2023 and paid on 22 December 2023	-	5,115,000
- An interim single-tier dividend in specie of RM7.385 per ordinary share in respect of the financial year ended 31 December 2023 declared on 30 November 2023 and paid on 11 December 2023	-	7,385,000
<b>CBH Maintenance:</b>		
- An interim single-tier dividend of RM55.000 per ordinary share in respect of the financial year ended 31 December 2023 declared on 20 February 2024 and paid on 21 February 2024	5,500,000	-
	21,000,000	19,500,000

The Board of Directors do not recommend any final dividend in respect of the current financial period.



# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 31. Staff costs

	<b>Group</b>	<b>Group</b>
	<b>1.1.2024</b>	<b>1.1.2023</b>
	<b>to</b>	<b>to</b>
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>RM</b>	<b>RM</b>
Salaries, wages and other emoluments	21,371,072	13,538,781
Defined contribution plans	2,212,699	905,484
Social security contributions	125,993	85,136
Other benefits	1,173,043	867,260
	<b>24,882,807</b>	<b>15,396,661</b>

Included in staff costs is aggregate amount of remuneration received and receivable by the Non-Executive Directors and the Executive Directors of the Group and of the Company during the financial year/period as below:

	<b>Group</b>	<b>Group</b>	<b>Company</b>
	<b>1.1.2024</b>	<b>1.1.2023</b>	<b>18.12.2023</b>
	<b>to</b>	<b>to</b>	<b>to</b>
	<b>31.12.2024</b>	<b>31.12.2023</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Non-Executive Directors</b>			
Directors' fee	143,425	-	143,425
<b>Executive Directors</b>			
Salaries and other emoluments	3,239,937	2,367,190	-
Defined contribution plans	184,360	173,698	-
Social security contributions	1,217	4,635	-
Directors' fee	-	1,000,000	-
Estimated money value of benefits-in-kind	61,575	60,638	-
	<b>3,487,089</b>	<b>3,606,161</b>	<b>-</b>
	<b>3,630,514</b>	<b>3,606,161</b>	<b>143,425</b>



# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 32. Reconciliation of liabilities arising from financing activities

The table below shows the details changes in the liabilities of the Group arising from financing activities, including both cash and non-cash changes:

	At 1.1.2024 RM	Drawdown RM	Repayment RM	At 31.12.2024 RM
<b>Group</b>				
Bankers' acceptance	-	250,000	(150,000)	100,000
Lease liabilities	1,592,878	1,298,182	(475,360)	2,415,700
	1.1.2023 RM	Drawdown RM	Repayment RM	31.12.2023 RM
<b>Group</b>				
Term loans	138,178	-	(138,178)	-
Bankers' acceptance	1,773,000	1,265,000	(3,038,000)	-
Lease liabilities	602,218	1,399,900	(409,240)	1,592,878

### 33. Contingent liabilities and financial guarantee

#### Contingent liabilities

On 17 March 2025, a demand of counterclaim ("customer claim") amount of RM2,198,400 for Liquidated Ascertained Damages ("LAD") to offset the outstanding amount owing to the Group approximately RM1,029,000. However, pursuant to the terms of the Letter of Award, the LAD is contractually capped at approximately RM987,500. This matter has not been escalated to the courts for legal proceedings. The Directors are of the view that the Group has a valid defence to the customer's claim. Hence, no provision has been made for the customer's claim.

Other than the abovementioned, as at the reporting date, the Group has a few ongoing projects which have passed the contractual period as stated in the contractual agreement. The projects were delayed due to system upgrades, supply disruption, project scope changes and building extension which was further requested by its contract customers.

The Group had requested a further extension of time on the completion of date from its contract customers, but, as at the date of this report, there is no response from them. In view of the uncertainty, there is no revised completion date from the LAD could be computed and not probable that and outflow of resources economic benefits will be required to settle the obligations.

Accordingly, the Group has not made any provision in the financial statements and only disclosed in contingent liabilities.

	<b>Group</b>	
	<b>31.12.2024 RM</b>	<b>31.12.2023 RM</b>
<b>Financial guarantees</b>		
<u>Secured:</u>		
Financial guarantee extended to contract customers in respect of project contract works	39,846,862	32,375,437

# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 34. Related party disclosures

#### (a) Identifying related parties

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

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. The key management personnel comprise the Directors and management personnel of the Group and of the Company, having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company directly or indirectly.

#### (b) Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. In addition to the related party balances disclosed elsewhere in the financial statements, the significant related party transactions of the Group are as follows:

	<b>Group</b>	
	<b>1.1.2024</b>	<b>1.1.2023</b>
	<b>to</b>	<b>to</b>
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>RM</b>	<b>RM</b>
<b>Transaction with holding company:</b>		
- Dividend paid	(20,725,000)	(19,500,000)
<b>Transactions with related parties</b>		
- Dividend income	4,384,297	-
- Rental of office charged by	(96,000)	(96,000)
- Rental of hostel charged by	(10,200)	(10,200)
- Administrative expenses charged by	-	(1,627)
- Professional fee charged by	-	(50,310)
<b>Transactions with an Executive Director</b>		
- Rental of office charged by	(96,000)	(90,000)
- Rental of office charged by (MFRS 16)	(6,000)	(1,500)
<b>Transaction with a former shareholder of a subsidiary</b>		
- Dividend paid	(275,000)	-



# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 34. Related party disclosures (Cont'd)

#### (c) Remuneration of key management personnel

The remuneration of the Directors are disclosed in Note 31 to the financial statements. The emoluments of other key management personnel are as follows:

	<b>Group</b>	
	<b>1.1.2024</b>	<b>1.1.2023</b>
	<b>to</b>	<b>to</b>
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>RM</b>	<b>RM</b>
Salaries, fee and other emoluments	3,162,500	754,876
Defined contribution plans	477,567	121,279
Social contribution plans	3,651	1,546
Estimated money value of benefits-in-kind	39,571	6,600
	<b>3,683,289</b>	<b>884,301</b>

### 35. Segment information

#### (a) Business segments

For management purposes, the Group is predominantly involved in electrical wiring contractors and supply of electrical items.

Management monitors the operating results of its business units separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

Information about operating segments has not been reported separately as the Group's revenue, profit or loss, assets and liabilities are mainly confined to a single operating segment.

#### (b) Geographic information

No disclosure on geographical segment information as the Group predominantly operates in Malaysia.

#### (c) Information about major customers

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

	<b>Group</b>	
	<b>1.1.2024</b>	<b>1.1.2023</b>
	<b>to</b>	<b>to</b>
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>RM</b>	<b>RM</b>
<b>Electrical wiring contractors</b>		
Customer A	84,895,745	79,427,686
Customer B	-	25,872,925
Customer C	96,478,252	55,206,396
Customer D	69,519,301	-
	<b>250,893,298</b>	<b>160,507,007</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 36. Financial instruments

#### (a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis at amortised cost.

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	<b>Group</b>		<b>Company</b>
	<b>31.12.2024</b>	<b>31.12.2023</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>At amortised cost</b>			
<b>Financial assets</b>			
Trade receivables	32,298,155	44,607,920	-
Other receivables	816,823	1,491,876	-
Fixed deposits with licensed banks	14,892,612	14,660,635	-
Cash and bank balances	23,972,702	28,233,525	85,489
	<b>71,980,292</b>	<b>88,993,956</b>	<b>85,489</b>
<b>At amortised cost</b>			
<b>Financial liabilities</b>			
Trade payables	37,622,577	41,838,973	-
Other payables	16,157,358	9,080,943	3,214,701
Amount due to related parties	-	4,884,297	-
Amount due to a subsidiary	-	-	2,665,052
Bank borrowing	100,000	-	-
	<b>53,879,935</b>	<b>55,804,213</b>	<b>5,879,753</b>

#### (b) Financial risk management objectives and policies

The Group's and the Company's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's and of the Company's operations whilst managing their credit, liquidity and market risks. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's and the Company's policy is not to engage in speculative transactions.

The following sections provide details regarding the Group's and the Company's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

#### (i) Credit risk

Credit risk is the risk of a financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet their contractual obligations. The Group's and the Company's exposure to credit risk arises principally from trade receivables, other receivables, fixed deposits with licensed banks and cash and bank balances. There are no significant changes as compared to the previous financial year.



# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 36. Financial instruments (Cont'd)

#### (b) Financial risk management objectives and policies (Cont'd)

##### (i) Credit risk (Cont'd)

The Group and the Company have adopted a policy of only dealing with creditworthy counterparties. Management has a credit policy in place to control credit risk by dealing with creditworthy counterparties and deposit with banks and financial institutions with good credit rating. The exposure to credit risk is monitored on an ongoing basis and action will be taken for long outstanding debts.

The Group provides financial guarantees to banks for banking facilities granted to the subsidiaries. The Group monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries.

At each reporting date, the Group and the Company assess whether any of the receivables are credit impaired.

The gross carrying amounts of credit impaired receivables and contract assets are written off (either partial or full) when 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 sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, receivables and contract assets that are written off could still be subject to enforcement activities.

The carrying amounts of the financial assets recorded on the statements of financial position as at the reporting date represent the Group's and the Company's maximum exposure to credit risk except for financial guarantees provided to banks for banking facilities to the subsidiaries.

There are no significant changes as compared to the previous financial year.

##### *Credit risk concentration*

As at the end of the financial year, the Group has 4 (31.12.2023: 3) major customers that owed the Group more than 10% each and accounted for approximately 81% (31.12.2023: 74%) of the Group's trade receivables outstanding.

##### (ii) Liquidity risk

Liquidity risk refers to the risk that the Group and the Company will encounter difficulty in meeting their financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group's and the Company's funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Group and the Company finance their liquidity through internally generated cash flows and minimise liquidity risk by keeping committed credit lines available.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 36. Financial instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

The following table analyses the remaining contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay.

	On demand Within 1 year RM	1 to 5 years RM	More than 5 years RM	Total contractual cash flow RM	Total carrying amount RM
<b>Group</b>					
<b>31.12.2024</b>					
<u>Non-derivative</u>					
<u>financial liabilities</u>					
Trade payables	37,622,577	-	-	37,622,577	37,622,577
Other payables	16,157,358	-	-	16,157,358	16,157,358
Bank borrowing	100,000	-	-	100,000	100,000
Lease liabilities	780,887	1,854,302	4,500	2,639,689	2,415,700
	54,660,822	1,854,302	4,500	56,519,624	56,295,635
Financial guarantee*	39,846,862	-	-	39,846,862	-
<b>31.12.2023</b>					
<u>Non-derivative</u>					
<u>financial liabilities</u>					
Trade payables	41,838,973	-	-	41,838,973	41,838,973
Other payables	9,080,943	-	-	9,080,943	9,080,943
Amount due to related parties	4,884,297	-	-	4,884,297	4,884,297
Lease liabilities	413,104	1,354,345	-	1,767,449	1,592,878
	56,217,317	1,354,345	-	57,571,662	57,397,091
Financial guarantee*	32,375,437	-	-	32,375,437	-
<b>Company</b>					
<b>31.12.2024</b>					
<u>Non-derivative</u>					
<u>financial liabilities</u>					
Other payables	3,214,701	-	-	3,214,701	3,214,701
Amount due to a subsidiary	2,665,052	-	-	2,665,052	2,665,052
	5,879,753	-	-	5,879,753	5,879,753

\* Based on the maximum amount that can be called for under the financial guarantee contracts.





# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 36. Financial instruments (Cont'd)

#### (b) Financial risk management objectives and policies (Cont'd)

##### (ii) Liquidity risk (Cont'd)

The Group has issues performance bonds, advance payment bonds and tender bonds granted by financial institutions to their contract customers in respect of contract works. At end of the reporting period, there was no indication that the Group would default on the project which require the payment made to their contract customers.

##### (iii) Market risk

##### (a) Foreign currency risk

The Group is exposed to foreign currency risk on transactions that and denominated in currency other than the respective functional currency of the Group. The currencies giving rise to the risk are CNY, SGD and USD.

The Group has not entered into any derivative instruments for hedging or trading purposes as the net exposure to foreign currency risk is not significant. However, the net exposure to foreign currency is monitored from time to time by management.

The carrying amounts of the Group's foreign currency denominated financial assets and financial liabilities at end of the reporting periods are as follows:

	Denominated in CNY RM	Denominated in SGD RM	Denominated in USD RM
<b>Group</b>			
<b>31.12.2024</b>			
Cash and bank balances	-	-	327
Trade payables	(1,806,727)	-	-
	(1,806,727)	-	327
<b>31.12.2023</b>			
Cash and bank balances	-	-	327
Trade payables	-	(33,955)	-
	-	(33,955)	327

#### Foreign currency sensitivity analysis

Foreign currency risk arises from the Group has a RM functional currency.

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonable possible change in the CNY, SGD and USD, with all other variables held constant.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 36. Financial instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(a) Foreign currency risk (Cont'd)

	<b>Effect on profit before tax Group</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>RM</b>	<b>RM</b>
<b>CNY</b> Strengthened 1% (31.12.2023: 1%)	(18,067)	-
Weakened 1% (31.12.2023: 1%)	18,067	-
<b>SGD</b> Strengthened 1% (31.12.2023: 1%)	-	(340)
Weakened 1% (31.12.2023: 1%)	-	340
<b>USD</b> Strengthened 1% (31.12.2023: 1%)	3	3
Weakened 1% (31.12.2023: 1%)	(3)	(3)

(b) Interest rate risk

The Group's fixed rate deposits placed with a licensed bank and borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

The Group manages its interest rate risk of its deposits with a licensed financial institution by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank and maintaining a prudent mix of short and long-term deposits.

The Group manages its interest rate risk exposure from interest bearing borrowings by obtaining financing with the most favourable interest rates in the market. The Group constantly monitor its interest rate risk by reviewing its debts portfolio to ensure favourable rates are obtained. The Group does not utilise interest swap contracts or other derivative instruments for trading or speculative purposes.



# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 36. Financial instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(b) Interest rate risk (Cont'd)

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

	<b>Group</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>RM</b>	<b>RM</b>
<b>Fixed rate instruments</b>		
<u>Financial assets</u>		
Fixed deposit with licensed bank	14,892,612	14,660,635
Cash and bank balances	9,150,000	16,100,000
	<hr/>	<hr/>
	24,042,612	30,760,635
	<hr/>	<hr/>
<u>Financial liabilities</u>		
Bankers' acceptance	(100,000)	-
Lease liabilities	(2,415,700)	(1,592,878)
	<hr/>	<hr/>
	(2,515,700)	(1,592,878)
	<hr/>	<hr/>
Net financial assets	21,526,912	29,167,757
	<hr/>	<hr/>

#### Interest rate risk sensitivity analysis

##### Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial asset and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

### 37. Capital management

The Group's and the Company's objective when managing capital are to safeguard the Group's and the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group and the Company may adjust return capital to shareholders, issue new shares or sells assets to reduce debt.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 37. Capital management (Cont'd)

The Group and the Company monitor capital using a gearing ratio. The Group's and the Company's policy is to maintain a prudent level of gearing ratio that complies with debt covenants and regulatory requirements. The gearing ratios at end of the reporting period are as follows:

	<b>Group</b>		<b>Company</b>
	<b>31.12.2024</b>	<b>31.12.2023</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>
Bank borrowing	100,000	-	-
Lease liabilities	2,415,700	1,592,878	-
Less: Fixed deposits with licensed banks	(14,892,612)	(14,660,635)	-
Less: Cash and bank balances	(23,972,702)	(28,233,525)	(85,489)
Net cash	(36,349,614)	(41,301,282)	(85,489)
Total equity	99,179,993	78,430,691	53,602,717
Gearing ratio	N/A	N/A	N/A

N/A - the gearing ratio may not provide a meaningful indicator of the risk of borrowings.

### 38. Significant events during the reporting period

The Company entered into conditional Share Sale Agreements on 24 May 2024 to acquire the entire equity interest in CBH Engineering, CBH Maintenance and CBH M&E for a total purchase consideration of RM57,142,553 to be satisfied by the issuance of 1,582,896,193 ordinary shares in the Company at an issue price of RM0.0361 per share. The acquisition was completed on 23 October 2024.

For the purpose of accounting for the restructuring exercise, the Group has applied merger method accounting on the basis that the restructuring exercise does not constitute a business combination to which acquisition accounting can be applied. Under merger method accounting, the difference between cost of investment recorded by the Company and the share capital of CBH Engineering, CBH Maintenance and CBH M&E is accounted for as merger deficit.

On 20 December 2024, the Company launched its Prospectus and undertook initial public offering at RM0.28 per share, comprising:

- (i) Public issue of 298,000,000 new ordinary shares in the following manner:
  - (a) 94,045,000 shares to the Malaysian Public;
  - (b) 28,415,000 shares to the eligible Directors and employees as well as persons who have contributed to the success of the Group;
  - (c) 47,022,500 shares by way of private placement to selected bumiputera investors; and
  - (d) 128,517,500 shares by way of private placement to selected investors.
- (ii) Offer for sale of 188,089,700 existing ordinary shares by way of private placement to selected bumiputera investors.



# NOTES TO THE FINANCIAL STATEMENTS

## 31 DECEMBER 2024

### 39. Significant event after the reporting period

On 16 January 2025, the listing of and quotation for the Company's entire enlarged issued and paid-up share capital of RM140,582,573 comprising 1,880,896,393 ordinary shares in the Company has been completed and the Company has been successfully listed on the ACE Market of Bursa Malaysia Securities Berhad.

### 40. Comparative information

These are the first set of the Company's financial statements since its date of incorporation. Hence, no comparative figures are presented.

### 41. Date of authorisation for issue

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Director on 26 March 2025.

# ANALYSIS OF SHAREHOLDINGS AS AT 28 MARCH 2025

Total Number of Issued Shares	:	1,880,896,393
Class of Shares	:	Ordinary Shares
Voting Rights	:	One (1) Vote Per Ordinary Share

## Distribution of Shareholdings

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
Less than 100	0	0.000	0	0.000
100 - 1,000	336	11.328	160,300	0.008
1,001 - 10,000	966	32.569	5,556,700	0.295
10,001 - 100,000	1,260	42.481	47,860,200	2.544
100,001 - 94,044,818 (*)	403	13.587	458,828,100	24.394
94,044,819 and above (**)	1	0.033	1,368,491,093	72.757
	2,966	100.000	1,880,896,393	100.000

Remarks:

(\*) Less than 5% of the total number of issued shares

(\*\*) 5% and above of the total number of issued shares

## Substantial Shareholders (Based on the Register of Substantial Shareholders)

Name	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
QUAY HOLDINGS SDN. BHD. (FORMERLY KNOWN AS CBH EQUITIES SDN. BHD.)	1,368,491,093	72.757	-	-
CHEAH BOON HWA	950,000	0.051	1,371,511,093 <sup>(1)(2)</sup>	72.918

### Notes:

- Deemed interest by virtue of his shareholdings in Quay Holdings Sdn. Bhd. (Formerly Known as CBH Equities Sdn. Bhd.) pursuant to Section 8 of the Companies Act 2016.
- Deemed interest by virtue of the shareholdings of his family in CBH Engineering Holding Berhad pursuant to Section 59 of the Companies Act 2016.

## Directors' Shareholdings (Based on the Register of Directors' Shareholding)

Name	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
CHEAH BOON HWA <sup>(*)</sup>	950,000	0.051	1,371,511,093 <sup>(1)(2)</sup>	72.918
CHEAH BOON HUAT	300,000	0.016	2,050,000 <sup>(2)</sup>	0.109
CHEAH MIN HENG	120,000	0.006	-	-
LIM BEE HUA	200,000	0.011	-	-
TAN SUAT HOON	200,000	0.011	-	-
SAW BEE YEE	200,000	0.011	-	-
CHIN SIN PENG	200,000	0.011	-	-

### Notes:

- Deemed interest by virtue of his shareholdings in Quay Holdings Sdn. Bhd. (Formerly Known as CBH Equities Sdn. Bhd.) pursuant to Section 8 of the Companies Act 2016.
  - Deemed interest by virtue of the shareholdings of his family in CBH Engineering Holding Berhad pursuant to Section 59 of the Companies Act 2016.
- (\*) Ir. Cheah Boon Hwa is also the Managing Director of the Company.



# ANALYSIS OF SHAREHOLDINGS AS AT 28 MARCH 2025

## List of Top Thirty (30) Largest Shareholders (Based on Record of Depositors)

No.	Name of Shareholders	Total No. of Shares Held	%
1	QUAY HOLDINGS SDN. BHD. (FORMERLY KNOWN AS CBH EQUITIES SDN. BHD.)	1,368,491,093	72.757
2	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD KAF CORE INCOME FUND	49,000,000	2.605
3	LEMBAGA TABUNG HAJI	42,376,600	2.253
4	DB (MALAYSIA) NOMINEE (TEMPATAN) SDN. BHD. EXEMPT AN FOR KUMPULAN SENTIASA CEMERLANG SDN. BHD. (TSTAC/CLNT)	30,335,000	1.612
5	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. NATIONAL TRUST FUND (IFM KAF) (446190)	14,500,000	0.770
6	SOON FONG PIEW	13,701,600	0.728
7	CHEAH LEAN CHUAN	13,014,000	0.691
8	CIMB ISLAMIC NOMINEES (TEMPATAN) SDN. BHD. PMB INVESTMENT BERHAD FOR MAJLIS AMANAH RAKYAT	12,000,000	0.637
9	DB (MALAYSIA) NOMINEE (TEMPATAN) SDN. BHD. DEUTSCHE BANK AG SINGAPORE CLT FOR LEE HAU HIAN (KSC (S) PTELTD)	10,970,000	0.583
10	PELABURAN MARA BERHAD	10,800,000	0.574
11	TASEC NOMINEES (TEMPATAN) SDN. BHD. EXEMPT AN FOR TA INVESTMENT MANAGEMENT BERHAD (CLIENTS)	7,619,300	0.405
12	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD KAF TACTICAL FUND	6,600,000	0.350
13	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. MAYBANK TRUSTEES BERHAD FOR KAF ISLAMIC DIVIDEND INCOME FUND (290411)	5,917,200	0.314
14	CARTABAN NOMINEES (TEMPATAN) SDN. BHD. EXEMPT AN FOR STANDARD CHARTERED BANK MALAYSIA BERHAD (WEALTH MANAGEMENT) (TEMPATAN)	5,849,000	0.310
15	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR NG KOK WENG (MY2166)	5,500,000	0.292
16	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. MTRUSTEE BERHAD FOR ETHEREAL-ALPHA EQ FUND (445329)	5,235,800	0.278
17	ALLIANCE GROUP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN TAT LENG (7009321)	4,900,000	0.260
18	CARTABAN NOMINEES (TEMPATAN) SDN. BHD. RHB TRUSTEES BERHAD FOR KAF VISION FUND	4,700,000	0.249
19	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. EXEMPT AN FOR TRADEVIEW CAPITAL SDN. BHD.	4,397,000	0.233
20	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. EXEMPT AN FOR MTRUSTEE BERHAD (ETHEREAL CAPITAL SDN. BHD.)	4,159,000	0.221
21	KAF TRUSTEE BERHAD KIFB FOR FELDA A/C A2	3,650,000	0.194
22	GAN CHOON HOCK	3,572,000	0.189
23	TING TIN SIANG	3,572,000	0.189
24	GAN CHEONG GAP	3,469,000	0.184
25	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD KAF DANA ADIB	3,200,000	0.170
26	NG CHEE SENG	3,199,200	0.170
27	LEE FOOK YUEN	3,160,000	0.168
28	AMANAHRAYA TRUSTEES BERHAD PMB DANA BESTARI	3,000,000	0.159
29	KEJAYA KAYA SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ER KIAN HONG	3,000,000	0.159
30	TEE SHENG KUANG	2,700,000	0.143



# NOTICE OF FIRST ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the First Annual General Meeting ("**1<sup>st</sup> AGM**") of the Company will be held at Grand Ballroom, DoubleTree by Hilton Shah Alam i-City of Finance Avenue, I-City, 40000 Shah Alam, Selangor ("**Main Venue**") on Wednesday, 25 June 2025 at 10:00 a.m. to transact the following businesses: -

## AGENDA

### AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Reports of the Directors and Auditors thereon. **[Please refer to Explanatory Note 1]**

2. To approve the payment of Non-Executive Directors' Fees amounting to RM143,424.72 to the Non-Executive Directors for the financial year ended 31 December 2024, in such proportions and manner as the Directors may determine as follows:- **[Please refer to Explanatory Note 2]**  
**[Ordinary Resolution 1]**

No.	Type of Director	Non-Executive Directors' Fee of the Company (RM)
1	Chairwoman of the Board	37,419.35
2	Independent Non-Executive Directors	106,005.37
<b>Total</b>		<b>143,424.72</b>

3. To approve the payment of Non-Executive Directors' Fees for an amount of up to RM240,000.00 payable to the Non-Executive Directors on a quarterly basis for the period from 1 January 2025 until the next Annual General Meeting of the Company to be held in year 2026, in such proportions and manner as the Directors may determine as follows: - **[Please refer to Explanatory Note 2]**  
**[Ordinary Resolution 2]**

No.	Type of Director	Non-Executive Directors' Fee of the Company (RM)
1	Chairwoman of the Board	60,000.00
2	Independent Non-Executive Directors	180,000.00
<b>Total</b>		<b>240,000.00</b>

4. To re-elect the following Directors who retire pursuant to Clause 84.1 of the Company's Constitution and being eligible, have offered themselves for re-election: - **[Please refer to Explanatory Note 3]**

(i)	Ms. Lim Bee Hua	<b>[Ordinary Resolution 3]</b>
(ii)	Ir. Cheah Boon Hwa	<b>[Ordinary Resolution 4]</b>
(iii)	Mr. Cheah Boon Huat	<b>[Ordinary Resolution 5]</b>
(iv)	Mr. Cheah Min Heng	<b>[Ordinary Resolution 6]</b>
(v)	Ms. Chin Sin Peng	<b>[Ordinary Resolution 7]</b>
(vi)	Ms. Saw Bee Yee	<b>[Ordinary Resolution 8]</b>
(vii)	Ms. Tan Suat Hoon	<b>[Ordinary Resolution 9]</b>

5. To re-appoint Messrs. TGS TW PLT as the Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. **[Ordinary Resolution 10]**



# NOTICE OF FIRST ANNUAL GENERAL MEETING

## AS SPECIAL BUSINESS

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

6. **ORDINARY RESOLUTION**  
**- AUTHORITY TO ALLOT AND ISSUE SHARES**  
**PURSUANT TO THE COMPANIES ACT 2016**

*[Please refer to Explanatory  
Note 4]  
[Ordinary Resolution 11]*

**"THAT** subject always to the Companies Act 2016 (**"the Act"**), the Constitution of the Company, the ACE Market Listing Requirements (**"Listing Requirements"**) of Bursa Malaysia Securities Berhad (**"Bursa Securities"**) and approvals of the relevant government and/or regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act, to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer (**"New Shares"**) from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares to be issued, to be subscribed under any rights granted, to be issued from the conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding twelve (12) months does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares) for the time being (**"Proposed General Mandate"**);

**THAT** the existing shareholders of the Company do hereby waive their pre-emptive rights pursuant to Section 85(1) of the Act read together with Rule 7.08 of the Listing Requirements and the Company's Constitution to be offered the New Shares to be allotted and issued under the Proposed General Mandate, which rank equally with the existing issued shares in the Company;

**THAT** such approval on the Proposed General Mandate shall continue to be in force until: -

- a) the conclusion of the next Annual General Meeting of the Company held after the approval was given;
- b) the expiration of the period within which the next Annual General Meeting of the Company is required to be held after the approval was given; or
- c) revoked or varied by resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier.

**THAT** the Directors be and are hereby also empowered to obtain approval from the Bursa Securities for the listing and quotation for such New Shares on Bursa Securities;

# NOTICE OF FIRST ANNUAL GENERAL MEETING

**THAT** authority be and is hereby given to the Directors of the Company, to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities;

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

7. To transact any other business of which due notice shall have been given in accordance with the Company's Constitution and/or the Companies Act 2016.

BY ORDER OF THE BOARD

**TEO SOON MEI** (SSM PC No. 201908000235) (MAICSA 7018590)

**LIM JIA HUEY** (SSM PC No. 201908000929) (MAICSA 7073258)

Company Secretaries

Kuala Lumpur

Dated: 29 April 2025

## Explanatory Notes on Ordinary and Special Businesses: -

### 1. Item 1 of the Agenda

This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 ("**Act**") does not requires a formal approval of the shareholders for the Audited Financial Statements. As such, this Agenda item is not put forward for voting.

### 2. Items 2 & 3 of the Agenda

Section 230(1) of the Companies Act 2016 provides that the fees of the Directors and any benefits payable to the Directors including any compensation for loss of employment of a Director or former director of a public company or a listed company and its subsidiaries, shall be approved at a general meeting.

The Company is seeking the shareholders' approval for the payment of Non-Executive Directors' Fees for an amount of RM143,424.72 to the Non-Executive Directors of the Company for the financial year ended 31 December 2024 under Ordinary Resolution 1.

The Company is also seeking the shareholders' approval for the payment of Non-Executive Directors' Fees for an amount of up to RM240,000.00, payable to the Non-Executive Directors of the Company on a quarterly basis for the period from 1 January 2025 until the next Annual General Meeting of the Company to be held in year 2026 under Ordinary Resolution 2.

In determining the total estimated amount of the Directors' Fees, the Board has considered the current Board size and composition of the Board and Board Committees.



# NOTICE OF FIRST ANNUAL GENERAL MEETING

The proposed Ordinary Resolution 2, if passed, will facilitate the payment of Directors' fees for the financial year 2025/2026 to the Non-Executive Directors on a quarterly basis. In the event that the proposed Directors' Fees payable are insufficient due to the enlarged Board size, the Company will seek shareholders' approval at the next AGM of the Company for the additional Directors' Fees and Benefits, if any, payable to meet the shortfall.

Details of Directors' Remuneration for the financial year ended 31 December 2024 are enumerated in the Corporate Governance Report 2024.

## 3. Item 4 of the Agenda

All of the existing Directors of the Company are seeking re-election at the 1<sup>st</sup> AGM of the Company (the "**Retiring Directors**") pursuant to Clause 84.1 of the Company's Constitution and being eligible, have offered themselves for re-election under Ordinary Resolutions 3 to 9 respectively.

The Nominating Committee ("**NC**") has reviewed the performance and contribution of the Retiring Directors based on the Board Effectiveness Evaluation conducted, which encompassed several factors outlined in the Company's Fit and Proper Policy.

The NC and Board of Directors ("**Board**") have also evaluated the tenure of the Directors and the Board's composition to ensure that it has an appropriate mix of skills and experience to meet the business requirements. Additionally, the NC and Board have assessed the Retiring Directors' compliance with Rule 2.20A of the ACE Market Listing Requirements ("**AMLR**") of Bursa Securities in terms of their quality and integrity.

Based on the results of the Board's annual assessment and the fit and proper assessment conducted for financial year ended 31 December 2024, it was found that the Retiring Directors' performance and fit and proper status were satisfactory.

The Retiring Directors, who are Independent Non-Executive Directors, have confirmed that they have fulfilled the independence criteria prescribed by the AMLR of Bursa Securities. They have also confirmed that they do not have any existing or potential conflict of interest, including interests in any competing business with the Company and/or its subsidiaries or family interests that could affect the execution of their role as Directors.

## 4. Item 6 of the Agenda

Ordinary Resolution 11, if passed, shall give power to the Directors to issue ordinary shares in the capital of the Company up to an aggregate amount not exceeding ten per centum (10%) of the total number of issued share in the share capital of the Company for the time being ("**General Mandate**").

The General Mandate is a new general mandate to seek for allotment and issuance of shares by the Company from time to time and to grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer, provided that the aggregate number of shares allotted pursuant to this resolution does not exceed the prescribed limit under the AMLR of Bursa Securities.

Pursuant to Section 85(1) of the Act and Clause 53 of the Company's Constitution and Rule 7.08 of AMLR of Bursa Securities, the New Shares will have to be offered to the existing shareholders of the Company unless there is a direction to the contrary given in the general meeting of the Company. Should the existing shareholders of the Company approve the proposed Ordinary Resolution 11, they are waiving their pre-emptive rights pursuant to Section 85(1) of the Act, which then would allow the Directors to issue New Shares to any person without having to offer the said New Shares equally to all existing shareholders of the Company prior to the issuance. This will result in a dilution to the shareholding percentage of the existing shareholders of the Company.

## NOTICE OF FIRST ANNUAL GENERAL MEETING

The purpose of this General Mandate, if passed, will enable the Directors to take swift action in case of a need to issue and allot new shares in the Company fund raising activities, including but not limited to placement of shares for the purpose of funding the Company's current and/or future investment projects, working capital, acquisitions and/or for issuance of shares as settlement of purchase consideration, or such other purposes as the Directors may deem fit in the best interest of the Company, or other circumstances arise which involve grant of rights to subscribe for shares, conversion of any securities into shares, or allotment of shares under an agreement or option or offer, or such applications as the Directors may deem fit in the best interest of the Company and its shareholders, provided that the aggregate number of shares or convertible securities issued must not be more than ten per centum (10%) of the total number of issued shares. This General Mandate, unless revoked or varied by the Company in a general meeting will expire at the conclusion of the next Annual General Meeting of the Company.

The Board of Directors of the Company is of the view that the General Mandate is in the best interest of the Company and its shareholders as it will provide flexibility to the Company to issue new shares without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional costs and time.

### Notes:

- (1) *The 1<sup>st</sup> AGM of the Company will be held at Main Venue. Members and proxies will have to attend physically in person at the Main Venue.*
- (2) *A member who is entitled to attend and vote at the 1<sup>st</sup> AGM shall be entitled to appoint not more than two (2) proxies to attend, participate and vote on his/her behalf at the 1<sup>st</sup> AGM. A proxy may but need not be a member of the Company, and need also not be an advocate, an approved company auditor or a person approved by the registrar of the Company. Where a member appoints two (2) proxies to attend the 1<sup>st</sup> AGM, the member shall specify the proportion of his/her shareholding to be represented by each proxy, failing which the appointment shall be invalid.*
- (3) *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("**SICDA**"), he/she may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. The appointment of two (2) proxies in respect of any particular securities account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.*
- (4) *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. The appointment of two (2) or more proxies in respect of any particular omnibus account shall be invalid unless the exempt authorised nominee specifies the proportion of its shareholding to be represented by each proxy.*
- (5) *The instrument appointing a proxy and the power of attorney or other authority, if any, shall be in writing under the hand of appointer or of his attorney duly authorised in writing or a copy of that power of attorney, certified by an advocate and solicitor, or where the appointer is a corporation, either under the corporation's common seal or under the hand of an officer or attorney duly authorised. Any alteration in the proxy form must be initialled.*
- (6) *The Company shall be entitled to reject any instrument of proxy lodged if the member is not shown to have any shares entered against his name in the Register and/or subject to the Constitution of the Company in relation to the Record of Depositors made available to the Company.*



# NOTICE OF FIRST ANNUAL GENERAL MEETING

- (7) The instrument appointing a proxy may be made via hardcopy or by electronic means in the following manner and must be received by the Company **not less than forty eight (48) hours before the time appointed for holding the 1<sup>st</sup> AGM or at any adjournment thereof**:-

(i) In Hardcopy Form (applicable to all shareholders)

The Form of Proxy shall be deposited at the Company Address at **12, Jalan Anggerik Vanilla AD 31/AD, Kota Kemuning, 40460 Shah Alam, Selangor Darul Ehsan.**

(ii) By Electronic Means (only applicable to Individual Shareholder)

The Form of Proxy shall be electronically submitted via <https://web.vote2u.my>.

You may refer to the Administrative Guide of the 1<sup>st</sup> AGM for guidance and further details.

- (8) Pursuant to Rule 8.31A(1) of the AMLR of Bursa Malaysia Securities Berhad, all the resolutions set out in this Notice of 1<sup>st</sup> AGM will be put to vote by poll.
- (9) In respect of deposited securities, only members whose names appear in the Record of Depositors on **18 June 2025** (General Meeting Record of Depositors) shall be entitled to participate at the 1<sup>st</sup> AGM, or to appoint proxy(ies) to attend, participate and vote on their behalf.
- (10) Those Forms of Proxy which are indicated with "X" in the spaces provided to show how the votes are to be cast will also be accepted. Any alteration in the form of proxy must be initialled.

## **Personal data privacy:**

By submitting an instrument appointing proxy(ies) and/or representative(s) to participate at the 1<sup>st</sup> AGM and/or any adjournment thereof, a member of the Company:

- (i) consents to the collection, use and disclose of the member's personal data by the Company (or its agents) for the purpose of processing and the administration by the Company (or its agents) of proxies and representatives appointed for the 1<sup>st</sup> AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 1<sup>st</sup> AGM (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**");
- (ii) warrants that the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclose of the proxy(ies) and/or representative(s) personal data by the Company for the Purposes; and
- (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses, and damages as a result of the member's breach of warranty.

# NOTICE OF FIRST ANNUAL GENERAL MEETING

## STATEMENT ACCOMPANYING NOTICE OF FIRST ANNUAL GENERAL MEETING ("1<sup>ST</sup> AGM")

(Pursuant to Rule 8.29(2) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad)

### 1. **STATEMENT RELATING TO THE RE-ELECTION OF DIRECTORS**

The following Directors ("**Retiring Directors**") are standing for re-election as Directors of the Company at the 1<sup>st</sup> AGM. For the purpose of determining the eligibility of the retiring Directors stand for re-election at the 1<sup>st</sup> AGM, the Board through the Nominating Committee ("**NC**") assessed the Retiring Directors and considered their satisfactory performance, noting that they have met the Board's expectations in discharging their duties and responsibilities and comply with the fit and proper criteria required in fulfilling their roles as Directors of the Company:

- (i) Ms. Lim Bee Hua
- (ii) Ir. Cheah Boon Hwa
- (iii) Mr. Cheah Boon Huat
- (iv) Mr. Cheah Min Heng
- (v) Ms. Chin Sin Peng
- (vi) Ms. Saw Bee Yee
- (vii) Ms. Tan Suat Hoon

The Board recommended that the Retiring Directors, who retire in accordance with Clause 84.1 of the Company's Constitution and eligible to stand for re-election. The profiles of the Retiring Directors including their declaration of conflict of interests are set out in the 2024 Annual Report.

### 2. **STATEMENT RELATING TO THE GENERAL MANDATE FOR ISSUANCE OF SECURITIES**

Ordinary Resolution 11 on the general mandate for the issuance of securities

Statement relating to a general mandate for the issuance of securities in accordance with Rule 6.04(3) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

Please refer to the Explanatory Note 4 of the Notice of the 1<sup>st</sup> AGM set out on page 156.



# FIRST ("1<sup>ST</sup>") ANNUAL GENERAL MEETING ("AGM") ADMINISTRATIVE GUIDE

Date :	Wednesday, 25 June 2025
Time :	10.00 a.m.
Physical Meeting Venue :	Grand Ballroom, DoubleTree by Hilton Shah Alam i-City of Finance Avenue, I-City, 40000 Shah Alam, Selangor

## **PROCEDURES TO PARTICIPATE IN THE FIRST ANNUAL GENERAL MEETING**

### **BEFORE AGM DAY**

#### **A. REGISTER PROXY**

##### **Individual Shareholder / Corporate Shareholder / Nominees Company**

	Description	Procedure
i.	Submit Form of Proxy (hardcopy)	<p>The closing time to submit your hardcopy Form of Proxy is at <b>10:00 a.m. on 23 June 2025</b>.</p> <p>a. Fill-in details on the hardcopy Form of Proxy and ensure to provide the following information:</p> <ul style="list-style-type: none"> <li>• MYKAD (for Malaysian) / Passport (for non-Malaysian) number of the Proxy</li> <li>• Email address of the Proxy</li> </ul> <p>b. Submit/Deposit the hardcopy Form of Proxy to the Company Address at <b>12, Jalan Anggerik Vanilla AD 31/AD, Kota Kemuning, 40460 Shah Alam, Selangor Darul Ehsan</b></p>
ii.	Electronic Lodgement of Proxy Form (e-proxy form) - For individual Shareholders only	<p>a. Individual shareholders to log in to Vote2U (<a href="https://web.vote2u.my">https://web.vote2u.my</a>) with your email address and password that you have registered with Vote2U. Please register a new account if you do not have an account.</p> <p>b. Click "<b>Register Proxy Now</b>" for e-Proxy registration.</p> <p>c. Select the general meeting event that you wish to attend.</p> <p>d. Select/ add your Central Depository System ("<b>CDS</b>") account number and number of shares.</p> <p>e. Select "Appoint Proxy".</p> <p>f. Fill-in the details of your proxy(ies) – ensure proxy(ies) email address(es) is/are valid.</p> <p>g. Indicate your voting instruction should you prefer to do so.</p> <p>h. Thereafter, select "Submit".</p> <p>i. Your submission will be verified.</p>



# FIRST ("1<sup>ST</sup>") ANNUAL GENERAL MEETING ("AGM") ADMINISTRATIVE GUIDE

Shareholders who appoint Proxy(ies) to participate in the 1<sup>st</sup> AGM must ensure that the hardcopy or e-proxy is submitted not less than forty-eight (48) hours before the time appointed for holding the 1<sup>st</sup> AGM or any adjourned meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid.

## ON AGM DAY

### B. REGISTRATION

#### Individual Shareholders

	Description	Procedures
i.	Register yourself at the registration counter to receive e-voting ballots.	<ul style="list-style-type: none"> <li>- Registration will be at the Meeting Venue at <b>Grand Ballroom, DoubleTree by Hilton Shah Alam i-City of Finance Avenue, I-City, 40000 Shah Alam, Selangor</b></li> <li>- The registration counter will open from 9:00 a.m. to 10:00 a.m. on 25 June 2025</li> <li>- Please present your original <b><u>identity card ("IC") (Malaysian) or passport (Foreigner)</u></b> during registration for verification purposes.</li> </ul> <p><b><i>Note: You are <u>NOT</u> allowed to register on behalf of another person even with the original IC or passport of the other person.</i></b></p> <ul style="list-style-type: none"> <li>- Once registered, you will be given an e-voting ballot to cast your vote.</li> </ul> <p><b><i>Note: Each shareholder will receive a unique e-voting ballot with QR code printed. Shareholders/Proxy are responsible for safeguarding their ballot. Please inform the registration counter immediately if your ballot is lost.</i></b></p>

#### Proxy/Corporate Shareholder/Nominees Company

	Description	Procedures
ii.	Register yourself at the registration counter to receive e-voting ballots.	<ul style="list-style-type: none"> <li>- Registration will take place at the Meeting Venue at <b>Grand Ballroom, DoubleTree by Hilton Shah Alam i-City of Finance Avenue, I-City, 40000 Shah Alam, Selangor</b></li> <li>- The registration counter will open from 9:00 a.m. to 10:00 a.m. on 25 June 2025</li> <li>- Please present your <b><u>original identity card ("IC") with proxy form, or corporate representative appointment letter</u></b> for verification during registration.</li> </ul>



# FIRST ("1<sup>ST</sup>") ANNUAL GENERAL MEETING ("AGM") ADMINISTRATIVE GUIDE

	Description	Procedures
ii.	Register yourself at the registration counter to receive e-voting ballots. (Cont'd)	<p><b>Note: You are <u>NOT</u> allowed to register on behalf of another person even with the original IC or passport of the other person.</b></p> <p>- Once registered, you will be given an e-voting ballot to cast your vote.</p> <p><b>Note: Each shareholder will receive a unique e-voting ballot with QR code printed. Shareholders/Proxy are responsible for safeguarding their ballot. Please inform the registration counter immediately if your ballot is lost.</b></p>

## C. VOTING

	Description	Procedures
i.	E-Voting	<p>Once the Chairman announces the opening of voting:</p> <p>a. Scan the QR code on the e-voting ballot or visit the support counter for assistance.</p> <p><b>Note: If your device does not have a built-in QR scanner, you will need to download third-party software to scan the QR code.</b></p> <p>b. After scanning the QR code, you will be directed to the 1<sup>st</sup> AGM landing page. Please verify your details, then scroll down and click "<b>Confirm Details &amp; Start Voting</b>".</p> <p>c. To vote, select your voting choice from the options provided. A confirmation screen will appear to show your selected vote. Click "<b>Next</b>" to continue voting for all resolutions.</p> <p>d. To change your vote, click the "<b>Back</b>" button and select another voting choice.</p> <p>e. After you have completed voting, a Voting Summary page appears to show all the resolutions with your voting choices. Click "<b>Confirm</b>" to submit your vote.</p> <p><b>Note: Please note that you are <u>not</u> able to change your voting choices after you have confirmed and submitted your votes</b></p> <p>The support team will be available to assist you if you encounter any difficulties.</p>
ii.	View voting result	<p>Upon the Chairman's announcement of the results:</p> <p>a. Scan the QR code on the e-voting ballot</p> <p><b>Note: If your device does not have a built-in QR scanner, you will need to download third-party software to scan the QR code.</b></p>

# FIRST ("1<sup>ST</sup>") ANNUAL GENERAL MEETING ("AGM") ADMINISTRATIVE GUIDE

	Description	Procedures
		<p>b. After scanning the QR code, you will be directed to the 1<sup>st</sup> AGM landing page. Scroll down and click "<b>View voting</b>"</p> <p>c. On the voting result page, you are able to see the results details page</p>

## 1. ENTITLEMENTS TO ATTEND AND VOTE AT THE 1<sup>ST</sup> AGM

- Only members whose names appear on the **Record of Depositors of the Company as at 18 June 2025** shall be eligible to attend the 1<sup>st</sup> AGM or appoint proxies to attend and vote on their behalf.

## 2. PROXY

- A member shall be entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead. Where a member appoints two proxies, the appointment shall not be valid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
- The Form of Proxy shall not be treated as valid unless the posted Form is received or the Form is deposited at the Company Address at **12, Jalan Anggerik Vanilla AD 31/AD, Kota Kemuning, 40460 Shah Alam, Selangor Darul Ehsan not less than Forty-eight (48) hours before the time appointed for holding the 1<sup>st</sup> AGM or any adjournment thereof**. Forms of Proxy transmitted by fax or email will not be accepted. The Company will not accept any photocopies of the form of proxy in place of the original signed copy.
- Alternatively, for individual members only, the Form of Proxy may be **lodged electronically ("e-Proxy") via the RPV Online portal at <https://web.vote2u.my> (applicable to individual shareholders only)**. Please refer to Section A (ii) of this administrative guide for the procedures on electronic lodgement of Proxy Form.

## ADDITIONAL INFORMATION

### Voting Procedure

Agmo Digital Solutions Sdn Bhd and Aegis Communication Sdn. Bhd. have been appointed as Poll Administrator and Independent Scrutineer to conduct the polling process and verify the results of the poll, respectively.

### No Door Gift or e-Voucher or Food Voucher

There will be **NO** door gift or e-Voucher or food voucher will be distributed to Shareholders/Proxies/Corporate Representatives for participating in the 1<sup>st</sup> AGM .

### Enquiry

For enquiries relating to the AGM registration and/or e-voting or any issues encountered during registration, log in, please contact Vote2U helpdesk during office hours (9:00 a.m. to 5:00 p.m.) on Mondays to Fridays (except public holidays) as follows: -

Live chat : <https://web.vote2u.my>  
 Telephone No. : 03-7664 8520 / 03-7664 8521  
 Email address : [vote2u@agmostudio.com](mailto:vote2u@agmostudio.com)

**CBH ENGINEERING  
HOLDING BERHAD**Registration No. 202301050313 (1544227-V)  
(Incorporated in Malaysia) ("the Company")**Number of Shares Held****CDS Account No.****FORM OF PROXY**

(before completing this Form of Proxy, please refer to the notes below)

\*I/We \_\_\_\_\_ NRIC No./Passport No./Registration No. \_\_\_\_\_  
(FULL NAME IN BLOCK LETTER)of \_\_\_\_\_  
(FULL ADDRESS)with email \_\_\_\_\_ and mobile phone no. \_\_\_\_\_  
being a \*member/members of **CBH ENGINEERING HOLDING BERHAD**, do hereby appoint(s):

Full Name (in Block) [Proxy 1]	NRIC/Passport No.	Proportion of shareholding	
Address:		No. of shares	%
Email Address:	Mobile Phone No.:		

and (if more than one (1) proxy)/or failing \*him/her,

Full Name (in Block) [Proxy 2]	NRIC/Passport No.	Proportion of shareholding	
Address:		No. of shares	%
Email Address:	Mobile Phone No.:		

or failing whom, the Chairman of the Meeting as \*my/our proxy to vote for \*me/us on \*my/our behalf at the First Annual General Meeting ("1<sup>st</sup> AGM") of the Company to be held at Grand Ballroom, DoubleTree by Hilton Shah Alam i-City of Finance Avenue, i-City, 40000 Shah Alam, Selangor on Wednesday, 25 June 2025 at 10.00 a.m. and at any adjournment thereof.

Please indicate with an "X" in the spaces provided below how you wish your votes to be casted. If no specific direction as to voting is given, the proxy(ies) will vote or abstain for voting at his/her discretion.

ORDINARY RESOLUTIONS			FOR	AGAINST												
A) ORDINARY BUSINESS																
1.	To approve the payment of Non-Executive Directors' Fees amounting to RM143,424.72 to the Non-Executive Directors for the financial year ended 31 December 2024, in such proportions and manner as the Directors may determine as follows:- <table><tr><th>No</th><th>Type of Director</th><th>Non-Executive Directors' Fee of the Company (RM)</th></tr><tr><td>1</td><td>Chairwoman of the Board</td><td>37,419.35</td></tr><tr><td>2</td><td>Independent Non-Executive Directors</td><td>106,005.37</td></tr><tr><td colspan="2">Total</td><td>143,424.72</td></tr></table>		No	Type of Director	Non-Executive Directors' Fee of the Company (RM)	1	Chairwoman of the Board	37,419.35	2	Independent Non-Executive Directors	106,005.37	Total		143,424.72		
No	Type of Director	Non-Executive Directors' Fee of the Company (RM)														
1	Chairwoman of the Board	37,419.35														
2	Independent Non-Executive Directors	106,005.37														
Total		143,424.72														
2.	To approve the payment of Non-Executive Directors' Fees for an amount of up to RM240,000.00 payable to the Non-Executive Directors on a quarterly basis for the period from 1 January 2025 until the next Annual General Meeting of the Company to be held in year 2026, in such proportions and manner as the Directors may determine as follows: - <table><tr><th>No</th><th>Type of Director</th><th>Non-Executive Directors' Fee of the Company (RM)</th></tr><tr><td>1</td><td>Chairwoman of the Board</td><td>60,000.00</td></tr><tr><td>2</td><td>Independent Non-Executive Directors</td><td>180,000.00</td></tr><tr><td colspan="2">Total</td><td>240,000.00</td></tr></table>		No	Type of Director	Non-Executive Directors' Fee of the Company (RM)	1	Chairwoman of the Board	60,000.00	2	Independent Non-Executive Directors	180,000.00	Total		240,000.00		
No	Type of Director	Non-Executive Directors' Fee of the Company (RM)														
1	Chairwoman of the Board	60,000.00														
2	Independent Non-Executive Directors	180,000.00														
Total		240,000.00														
3.	Re-election of Ms. Lim Bee Hua as Director pursuant to Clause 84.1 of the Company's Constitution.															
4.	Re-election of Ir. Cheah Boon Hwa as Director pursuant to Clause 84.1 of the Company's Constitution.															
5.	Re-election of Mr. Cheah Boon Huat as Director pursuant to Clause 84.1 of the Company's Constitution.															
6.	Re-election of Mr. Cheah Min Heng as Director pursuant to Clause 84.1 of the Company's Constitution.															
7.	Re-election of Ms. Chin Sin Peng as Director pursuant to Clause 84.1 of the Company's Constitution.															
8.	Re-election of Ms. Saw Bee Yee as Director pursuant to Clause 84.1 of the Company's Constitution.															
9.	Re-election of Ms. Tan Suat Hoon as Director pursuant to Clause 84.1 of the Company's Constitution.															
10.	Re-appointment of Messrs. TGS TW PLT as the Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.															
B) SPECIAL BUSINESS																
11.	Authority to allot and issue shares pursuant to the Companies Act 2016.															

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2025

\_\_\_\_\_  
Signature of Member/Common Seal

\*Strike out whichever is not desired

**Notes:**

- (1) The 1<sup>st</sup> AGM of the Company will be held at Main Venue. Members and proxies will have to attend physically in person at the Main Venue.
- (2) A member who is entitled to attend and vote at the 1<sup>st</sup> AGM shall be entitled to appoint not more than two (2) proxies to attend, participate and vote on his/her behalf at the 1<sup>st</sup> AGM. A proxy may but need not be a member of the Company, and need also not be an advocate, an approved company auditor or a person approved by the registrar of the Company. Where a member appoints two (2) proxies to attend the 1<sup>st</sup> AGM, the member shall specify the proportion of his/her shareholding to be represented by each proxy, failing which the appointment shall be invalid.
- (3) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), he/she may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. The appointment of two (2) proxies in respect of any particular securities account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
- (4) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. The appointment of two (2) or more proxies in respect of any particular omnibus account shall be invalid unless the exempt authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
- (5) The instrument appointing a proxy and the power of attorney or other authority, if any, shall be in writing under the hand of appointer or of his attorney duly authorised in writing or a copy of that power of attorney, certified by an advocate and solicitor, or where the appointer is a corporation, either under the corporation's common seal or under the hand of an officer or attorney duly authorised. Any alteration in the form of proxy must be initialled.
- (6) The Company shall be entitled to reject any instrument of proxy lodged if the member is not shown to have any shares entered against his name in the Register and/or subject to the Constitution of the Company in relation to the

Record of Depositors made available to the Company.

- (7) The instrument appointing a proxy may be made via hardcopy or by electronic means in the following manner and must be received by the Company **not less than forty eight (48) hours before the time appointed for holding the 1<sup>st</sup> AGM or at any adjournment thereof:-**

(i) In Hardcopy Form (applicable to all shareholders)

The Form of Proxy shall be deposited at Company Address **12, Jalan Anggerik Vanilla AD 31/AD, Kota Kemuning, 40460 Shah Alam, Selangor Darul Ehsan.**

OR

(ii) By Electronic Means (only applicable to Individual Shareholders)

The Form of Proxy shall be electronically submitted via <https://web.vote2u.my>.

You may refer to the Administrative Guide of the 1<sup>st</sup> AGM for guidance and further details.

- (8) Pursuant to Rule 8.31A(1) of the AMLR of Bursa Malaysia Securities Berhad, all the resolutions set out in this Notice of 1<sup>st</sup> AGM will be put to vote by poll.
- (9) In respect of deposited securities, only members whose names appear in the Record of Depositors on 18 June 2025 (General Meeting Record of Depositors) shall be entitled to participate at the 1<sup>st</sup> AGM, or to appoint proxy(ies) to participate on their behalf.
- (10) Those Forms of Proxy which are indicated with "X" in the spaces provided to show how the votes are to be cast will also be accepted. Any alteration in the form of proxy must be initialled.

**Personal data privacy:**

By submitting an instrument appointing proxy(ies) and/or representative(s) to participate at the 1<sup>st</sup> AGM and/or any adjournment thereof, the member of the Company accepts and agrees to the personal data privacy terms set out in the Notice of the 1<sup>st</sup> AGM dated 29 April 2025.

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AFFIX  
STAMP

**CBH ENGINEERING HOLDING BERHAD**  
**[Registration No.: 202301050313 (1544227-V)]**  
12, Jalan Anggerik Vanilla AD 31/AD,  
Kota Kemuning, 40460 Shah Alam,  
Selangor Darul Ehsan.

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**CBH ENGINEERING  
HOLDING BERHAD**

Registration No.  
202301050313 (1544227-V)



12, 12A, 12B, 14, 14A & 14B, Jalan Anggerik Vanilla AD 31/AD,  
Kota Kemuning, 40460 Shah Alam, Selangor Darul Ehsan.



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