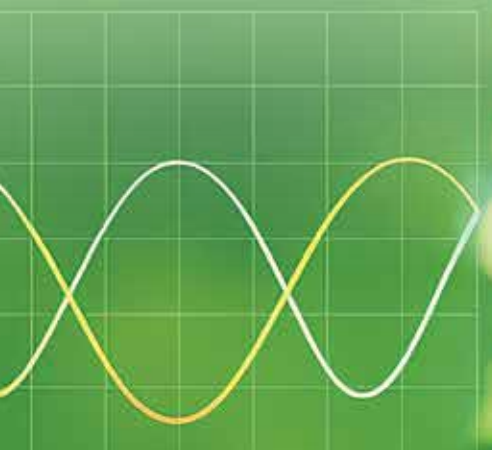




CBH ENGINEERING HOLDING BERHAD

Registration No.
202301050313 (1544227-V)



INSUREY
WANGSAJAYA



GENERATOR

CONTROL DASHBOARD

DELIVERING SUPERIOR SERVICES THAT MATTERS

ANNUAL REPORT 2025

2nd Annual General Meeting Notice



Date
24th June 2026

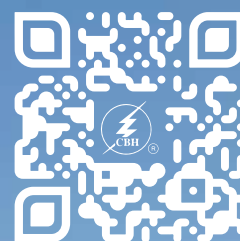


Time
10:00 AM



Location
DoubleTree by Hilton Shah Alam

Central Walk (1&2), Level 1, DoubleTree by Hilton Shah Alam i-City of Finance Avenue, i-City, 40000 Shah Alam, Selangor .



Read the online version of CBH Engineering Holding Berhad Annual Report 2025 at <https://cbh.com.my>



Inside This Report

Corporate Overview

Who We Are	002
Vision, Mission & Core Values	003
Accreditations & Awards	004
Key Milestones	006
In the News	008
Corporate Information	010
Corporate Structure	011
Financial Highlights	012

Our Leadership

Profile of Board of Directors	014
Profile of Key Senior Management	022

Key Messages

Chairwoman's Statement	026
Management Discussion and Analysis	030
Sustainability Statement	038

Corporate Governance

Corporate Governance Overview Statement	057
Audit Committee Report	073
Additional Compliance Information	077
Statement on Risk Management and Internal Control	081
Statement of Directors' Responsibility	091

Financial Statements

Financial Statements	092
----------------------	-----

Other Information

Analysis of Shareholdings	153
Notice of Second Annual General Meeting	155
Administrative Guide	163
Form of Proxy	

This report includes certain forward-looking statements concerning future directions, strategies, potential risks or opportunities, and performance. These statements and forecasts are subject to uncertainties as they pertain to future events and may not be definitive. Actual implementation and results could differ due to various risk factors and market uncertainties. The inclusion of forward-looking statements in this report should not be regarded as a representation or a warranty that our plans and objectives will be achieved. Readers should not place undue reliance on these forward-looking statements, and we do not undertake any obligation to publicly update or revise them.

Who We Are

The origins of CBH Engineering Holding Berhad ("CBHB") and its subsidiaries ("the Group") date back to 1990 with the establishment of the Group's operating subsidiary. From its initial focus on Electrical Engineering solutions, the Group has since expanded its expertise to provide integrated engineering solutions encompassing Mechanical, Civil and Structural engineering.

In strategising 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 symbolise 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-contractors, 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



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 our shareholders and be a good corporate citizen.
- To provide comprehensive engineering solutions that Our Mission 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



SIRIM QAS International

ISO 45001:2018

Occupational Health and Safety Management Systems



Accreditations & Awards

IQNET

ISO 9001:2015

Quality Management Systems



Suruhanjaya Tenaga Malaysia

Certification

Registration for Electric Contractor

Tenaga Nasional

Certification

Registration for Electric Contractor



SIRIM QAS International

ISO 14001:2015

Environmental Management Systems

Key Milestones

2000s

1990

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

2002

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

2006

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

2008

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

2000

- Electrical engineering for extension and retrofitting works at Kuala Lumpur

2005

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

2007

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

2009

- Electrical engineering works for a distribution centre at Selangor

2010s

2010

- Electrical engineering works for new retail outlets at Pulau Pinang

2011

- Electrical engineering works for new retail outlets at Negeri Sembilan

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

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

Key Milestones

2020s

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

2018

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

2019

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

2020

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

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

2026

- Securing multiple major projects with a combined value exceeding RM600.35 million

2021

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

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 Bursa Malaysia Securities Berhad on 16 January 2025

In The News

NEW STRAITS TIMES



CBH Engineering secures RM52.80mil works contract for data centre in Selangor

KUALA LUMPUR: CBH Engineering Holding Bhd's wholly-owned subsidiary, CBH Engineering Sdn Bhd, has secured a RM52.80 million works contract for a proposed data centre in Selangor.

In a filing with Bursa Malaysia today, the company stated that the contract was secured from a private firm, referred to as Company A, and it involves the design and build of an electrical supply system for a 132 kilovolt (kV) consumer landing station (CLS).

"The contract will run from July 8, 2025 to Feb 27, 2027. The scope of works includes supply, erect, test and commissioning of substation high voltage and medium voltage equipment for the electrical supply system in the CLS," said CBH Engineering.

The mechanical and electrical engineering service provider also said that the contract is expected to contribute positively to the future earnings, earnings per share, net assets and gearing of the company throughout the duration of the contract.

According to the filing, CBH Engineering is unable to disclose the identity of Company A due to the confidentiality clause in the contract.

BUSINESSTODAY



CBH Engineering Secures RM172 Million Contract For Data Centre Substation

CBH Engineering Holding Berhad has announced that its wholly-owned subsidiary, has accepted a Letter of Award valued at approximately RM172 million. The contract is for the design and build of an electrical supply system for a 275kV/13.8kV consumer substation intended for a proposed data center located in Selangor Darul Ehsan.

The award was granted by an undisclosed Malaysian entity, referred to as "Company A," which is principally involved in holding company activities. CBHB stated it was unable to disclose the identity of the Employer due to a lack of consent.

The company's, whose core business includes electrical wiring contracting and the supply of electrical items, will be responsible for the comprehensive scope of works. This includes the design, supply, installation, testing, and commissioning of the electrical supply system for the consumer substation. The scope specifically encompasses all substation equipment and associated civil works required for the electrical supply system.

The contract period is set for 14 months, commencing on July 11, 2025, with an estimated completion date of September 10, 2026.

CBHB also noted a nominated subcontract clause within the agreement. Upon the formal appointment of a general contractor by the Employer, CBH Engineering's rights, obligations, liabilities, and responsibilities under the contract will be novated or transferred to the general contractor. Once this novation occurs, the general contractor will assume all roles as if they were an original party, fully discharging the Employer from their obligations.

From a financial perspective, the contract is not expected to have any immediate effect on CBHB's issued share capital or the shareholdings of its substantial shareholders. However, the company anticipates that the project will contribute positively to its future earnings, earnings per share, net assets, and gearing throughout the duration of the contract.

The Star



CBH Engineering wins RM20.67mil Johor data centre substation contract

KUALA LUMPUR: CBH Engineering Holding Bhd (CBHB) said its wholly owned subsidiary, CBH Engineering Sdn Bhd, has secured a RM20.67mil contract for the design and installation of high-voltage early works for a 275kV substation at a data centre in Johor Darul Ta'zim.

In a filing with Bursa Malaysia, CBH Engineering said the work order was awarded by an undisclosed Malaysian private company engaged in infrastructure and data processing services.

The identity of the client could not be disclosed due to a non-disclosure agreement.

The contract covers the design and installation of in-ground conduit systems, earthing systems, steel structures, cable sealing ends, and related high voltage installations.

The contract period runs from Oct 16, 2025, and is expected to reach practical completion by Sept 15, 2026.

CBHB said the contract is expected to contribute positively to the future earnings, earnings per share, net assets and gearing of the company throughout the duration of the contract.

In The News

BUSINESSTODAY



CBH Engineering Secures RM194 Million Data Centre Contract

CBH Engineering Holding Berhad has announced that its wholly-owned subsidiary has been awarded a contract valued at RM194.6 million.

The contract, issued by an entity identified only as Company A, is for the engineering, procurement, construction, and commissioning of an electrical supply system for a 275kV consumer substation. The substation is for a new data centre project located in Selangor Darul Ehsan.

According to the announcement, the identity of Company A cannot be disclosed due to a non-disclosure agreement.

The contract period is effective from August 5, 2025, and is scheduled for substantial completion by December 31, 2026. The scope of work includes the supply, erection, installation, testing, and commissioning of all substation equipment and associated works.

THE EDGE MALAYSIA



CBH Engineering bags RM31 mil mechanical and electrical job for Johor data centre project

KUALA LUMPUR (Sept 22): CBH Engineering Holding Bhd (KL:CBHB) has secured a RM31.4 million contract to provide mechanical and electrical works for a proposed data centre project in Johor.

The contract was awarded to its wholly-owned subsidiary CBH Engineering Sdn Bhd by the project's main contractor — a private firm whose name was not revealed due to a non-disclosure agreement, the group said in a bourse filing on Monday.

The scope of works covers the supply, installation, testing and commissioning of mechanical and electrical systems for a 132kV consumer landing station that will serve the data centre.

The contract runs until the estimated readiness for energisation on March 10 next year.

This marks CBH Engineering's fourth data centre-related contract. Last month, the group secured two contracts from private firms in Selangor — one worth RM52.8 million to build an electrical supply system and another valued at RM194.7 million to supply a consumer substation for a proposed data centre.

CBH Engineering said the latest contract is expected to contribute positively to the group's earnings and net assets for the financial year ending June 30, 2026.

Shares in CBH Engineering ended half a sen or 1.5% lower at 36 sen on Monday, giving the ACE Market-listed group — which made its debut in January this year — a market capitalisation of RM677.1 million. The counter has gained more than 28% from its IPO price of 28 sen.

BUSINESSTODAY



Stock Picks: SD Guthrie And CBH Engineering

RHB Investment Bank Bhd (RHB Research) has highlighted SD Guthrie Bhd and CBH Engineering Bhd as stocks showing strong bullish momentum, with both counters poised for potential upside in the near term.

According to the report, SD Guthrie is attempting to extend its bullish trajectory after breaking past the RM5.65 resistance on strong trading volume. The stock printed a third consecutive bullish candlestick, signalling strong momentum.

RHB Research noted that if the upward trend continues, SD Guthrie could move towards RM5.90, followed by RM6.15. Conversely, a fall below the RM5.40 support could trigger a correction.

CBH Engineering is also showing a bullish setup after surpassing the RM0.46 resistance on strong volume. The stock's fresh positive price action suggests it could move towards the next resistance levels at RM0.51 and RM0.56.

However, a decline below RM0.41 would negate the bullish outlook and potentially resume a correction phase.

RHB Research's technical analysis indicates that both counters remain attractive for investors looking to capitalise on short-term bullish trends.

Corporate Information

Board of Directors

Lim Bee Hua

Independent Non-Executive Chairwoman

Cheah Min Heng

Non-Independent Executive Director

Saw Bee Yee

Independent Non-Executive Director

Ir. Cheah Boon Hwa

Managing Director

Chin Sin Peng

Independent Non-Executive Director

Tan Suat Hoon

Independent Non-Executive Director

Cheah Boon Huat

Non-Independent Executive Director

Audit Committee

Chin Sin Peng	Chairperson
Saw Bee Yee	Member
Tan Suat Hoon	Member

Sustainability and Risk Management Committee

Lim Bee Hua	Chairperson
Tan Suat Hoon	Member
Saw Bee Yee	Member
Chin Sin Peng	Member

Remuneration Committee

Saw Bee Yee	Chairperson
Tan Suat Hoon	Member
Chin Sin Peng	Member

Nominating Committee

Tan Suat Hoon	Chairperson
Saw Bee Yee	Member
Chin Sin Peng	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
Fax : 603-7972 8585

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 ("FYE") 31 December	2021	2022	2023	2024	2025
Operating Results (RM'000)					
Revenue	67,575	180,120	207,954	271,692	218,804
Gross Profit ("GP")	12,135	41,494	67,312	73,424	73,382
Profit Before Taxation ("PBT")	5,234	27,734	45,960	54,811	63,571
Profit After Taxation ("PAT")	3,581	20,045	33,048	41,749	48,080
Key Financial Position Data (RM'000)					
Total Assets	76,016	108,712	142,894	159,567	288,773
Total Borrowings	693	2,189	-	100	434
Shareholders' Equity	46,839	64,883	78,431	99,180	228,083
Financial Ratios					
GP Margin (%) ⁽¹⁾	17.96	23.04	32.37	27.02	33.54
PBT Margin (%) ⁽²⁾	7.75	15.40	22.10	20.17	29.05
PAT Margin (%) ⁽³⁾	5.30	11.13	15.89	15.37	21.97
Effective Tax Rate (%) ⁽⁴⁾	31.58	27.72	28.09	23.83	24.37
Basic Earnings Per Share ("EPS") (sen) ⁽⁵⁾	0.19	1.07	1.76	2.22	2.57

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 PBT
- (5) Calculated based on PAT attributable to owners of the Company divided by the weighted average number of ordinary shares in issue of 1,868,649,818 shares in FYE2025.

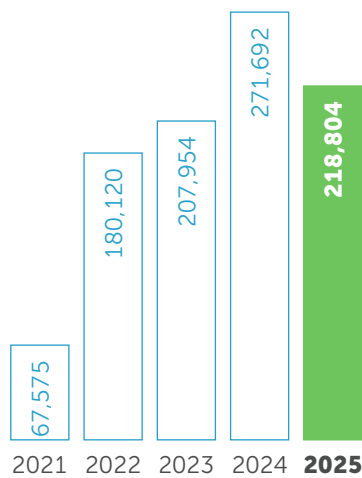
Financial Highlights

Revenue

(RM'000)

RM218,804

RM52,888 (-19.5%) -

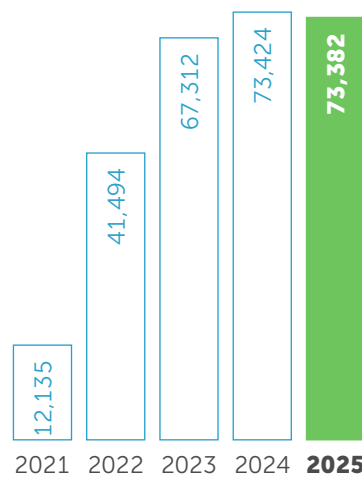


Gross Profit

(RM'000)

RM73,382

RM42 (0.1%) -

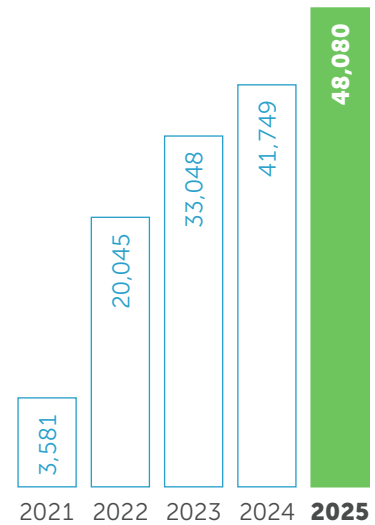


Profit After Tax

(RM'000)

RM48,080

RM6,331 (15.2%) +

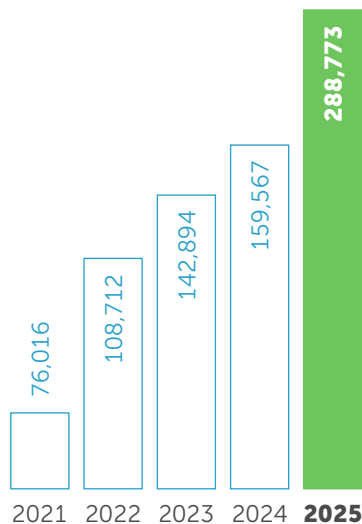


Total Assets

(RM'000)

RM288,773

RM 129,206 (81.0%) +

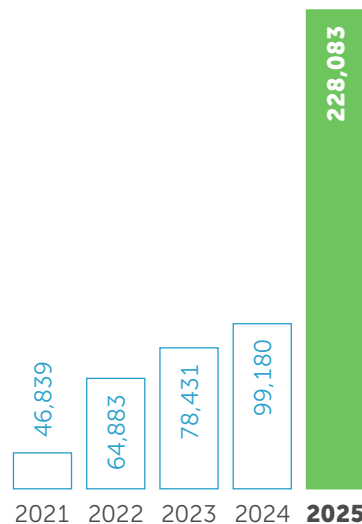


Shareholders' Equity

(RM'000)

RM228,083

RM 128,903 (130.0%) +

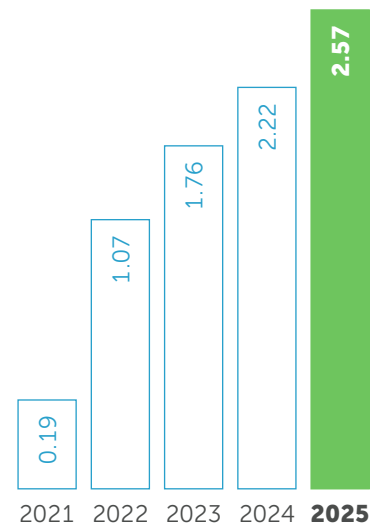


Basic EPS

(sen)

2.57 Sen

0.33 sen (15.8%) +




Profile of Board of Directors



Lim Bee Hua

Independent Non-Executive Chairwoman

Age 52	Gender Female	Nationality Malaysian
Board Meeting Attended 6/6 		

Member of Board Committee

- Sustainability and Risk Management Committee (Chairperson)

Lim Bee Hua, a Malaysian, aged 52, 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 process improvement, automated testing framework, product quality control, business analysis and systems analysis. She continues to hold this position to date.

Profile of Board of Directors



Ir. Cheah Boon Hwa

Managing Director

Age	Gender	Nationality
70	Male	Malaysian
Board Meeting Attended		
6/6		

Member of Board Committee

Nil

Ir. Cheah Boon Hwa, a Malaysian, aged 70, 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 ("Quay Holdings"), the major shareholder of the Company. He is also a Director of Quay Holdings.

Profile of Board of Directors



Cheah Boon Huat

Non-Independent Executive Director

Age 65	Gender Male	Nationality Malaysian
Board Meeting Attended 6/6 		

Member of Board Committee

Nil

Cheah Boon Huat, a Malaysian, aged 65, 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

Age 39	Gender Male	Nationality Malaysian
Board Meeting Attended 5/6		

Member of Board Committee

Nil

Cheah Min Heng, a Malaysian aged 39, 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.

Profile of Board of Directors



Chin Sin Peng

Independent Non-Executive Director

Age 36	Gender Female	Nationality Malaysian
Board Meeting Attended 6/6 		

Member of Board Committee

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

Chin Sin Peng, a Malaysian, aged 36, 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 she ventured into the business sector and was appointed as a director of companies involved in the food and beverage industry, where she oversees back-end operations, including finance, payroll and administrative matters. She subsequently expanded her involvement into construction, general maintenance, and waste management businesses, and continues to hold positions in these sectors.

In 2020, she founded a food and beverage business and remains actively involved in overseeing its operations. In 2025, she further broadened her business interests by acquiring equity interests and assuming directorship roles in additional food and beverage ventures.

She also holds directorships in other private limited companies.

Profile of Board of Directors



Saw Bee Yee

Independent Non-Executive Director

Age 49	Gender Female	Nationality Malaysian
Board Meeting Attended 6/6		

Member of Board Committee

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

Saw Bee Yee, a Malaysian, aged 49, 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.

Profile of Board of Directors



Tan Suat Hoon

Independent Non-Executive Director

Age 57	Gender Female	Nationality Malaysian
Board Meeting Attended 6/6 		

Member of Board Committee

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

Tan Suat Hoon, a Malaysian, aged 57, 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 respectively 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 AmInvestment 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.

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 company.

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

Profile of Board of Directors



NOTES

Family Relationship with Director of the Company

- Ir. 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 Ir. Cheah Boon Hwa and uncle of Cheah Min Heng, our Managing Director and Executive Director respectively.
- Cheah Min Heng is the son of Ir. Cheah Boon Hwa and nephew of Cheah Boon Huat, our 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 its subsidiaries save for the recurrent related party transactions as disclosed in Note 34 to the Audited Financial Statements.

Conviction for Offences

Other than traffic offences, none of the Directors have been convicted of any offences within the past five years and have not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2025.

Attendance of Board Meetings

Details of the Directors' attendance at Board meetings are set out in the Corporate Governance Overview Statement on page 065 of this Annual Report.

Shareholdings

Details of the Directors' interest in the securities of the Company are set out in the Analysis of Shareholdings of this Annual Report.

Profile of Key Senior Management



Tang Wai Hoong
Chief Financial Officer

Age	44
Gender	Male
Nationality	Malaysian

Tang Wai Hoong, a Malaysian, aged 44, 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 left Grant Thornton Malaysia to join Paragrene Land Sdn Bhd (which was subsequently converted to Paragrene Land Berhad) as Financial Controller. During his tenure from 2019 to 2023, he oversaw the company's overall finance and accounting functions. He subsequently joined our Group as Chief Financial Officer.

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

As at 31 March 2026, he has direct interest of 2,356,100 ordinary shares of the Company.

Profile of Key Senior Management



Dr. Soon Fong Piew
Contract Director

Age	49
Gender	Male
Nationality	Malaysian

Dr. Soon Fong Piew, a Malaysian, aged 49, is our Contract Director. He was appointed as Contract Director of our Group on 1st January 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 Engineering Sdn Bhd 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 in 2024, a position that he continues to hold to date.

Currently, he is also the Independent Non-Executive Director of Adnex Group Berhad.

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

As at 31 March 2026, he has direct interest of 11,998,000 ordinary shares of the Company.

Profile of Key Senior Management



Ir. Ling Yang Ming
Project and Engineering
Director

Age	46
Gender	Male
Nationality	Malaysian

Ir. Ling Yang Ming, a Malaysian, aged 46, is our Project and Engineering Director. He was appointed as Project and Engineering Director of our Group on 1st January 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 has been a member of the Institution of Engineers, Malaysia since 2016. He is also recognised as an APEC Engineer and an International Professional Engineer (IntPE), reflecting his compliance with internationally benchmarked standards of engineering competence and professional practice. In 2018, he was conferred the status of ASEAN Chartered Professional Engineer after fulfilling the requirements of the ASEAN Chartered Professional Engineer Coordinating 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

Profile of Key Senior Management

Ir. Ling Yang Ming (Cont'd)

Project and Engineering
Director

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. In 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.



NOTES

Directorship in Public Companies and Listed Issuers

Save as disclosed above, 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, none of the key senior management have 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 2025.

Chairwoman's Statement



| Dear Valued Shareholders,

On behalf of the Board of Directors of CBH Engineering Holding Berhad ("**Company**"), together with its subsidiaries ("**Group**"), I am delighted to present the Annual Report for the financial year ended 31 December 2025 ("**FYE2025**"), marking our first financial year of operations as a public-listed company.

Chairwoman's Statement

Steady Order Book Spurs Group Ahead

During the FYE2025, the Group achieved a record-high amount of contract wins exceeding RM600 million for the year. These contract wins had significantly strengthened the Group's outstanding order book which is expected to provide strong earnings visibility for the Group's upcoming financial year ending 31 December 2026 ("FYE2026"). The Group has been actively participating in tenders to further bolstered our order book. Any additional contract wins is expected to further enhance the Group's financial performance in the FYE2026.

Rewarding our Loyal Shareholders

We are proud to have declared our first single-tier interim dividend of 0.27 sen per ordinary share totalling RM5.08 million in respect of the FYE2025, which was paid to entitled shareholders on 27 February 2026. This maiden dividend as a public-listed company reflects our commitment to delivering sustainable returns to our loyal shareholders who have placed their confidence and trust in us.

Commendable Financial Performance

Inline with the Group's commitment to delivering sustainable returns, we are pleased with our performance in the FYE2025. With the culmination of several key projects executed during the financial year under review, we have delivered a satisfactory performance and achieved our goals set against our internal expectations with the Group recorded revenue of RM218.80 million, with Profit Before Tax of RM63.57 million and Profit After Tax ("PAT") of RM48.08 million in the FYE2025.

Focus on Enhancing Core Competencies and Capabilities

The Group continued to expand its capacity to meet growing demand from sub-sectors such as data centres and renewable energy projects, while remaining true to its core revenue generator of medium to high voltage substation engineering projects. The lion's share of the Group's revenue and profitability continues to be derived from its core business segment, which is to provide electrical, mechanical and electrical ("M&E"), solutions for commercial, industrial and substation buildings. The Group's performance continued to be driven by its established track record, strong project pipeline, and recurring demand within the segments in which it operates.

New Growth Opportunities

In its efforts for capacity building, the Company has established a new 70%-owned subsidiary, CBH Infra Sdn Bhd, in the FYE2025 as a strategic move in solidifying the Group's service offerings in the infrastructure segment. This strategic move, supplements the Group's ability to undertake a broader range of projects while supporting other business units involved in civil, structural, and M&E projects by integrating projects seamlessly, improving operational efficiency and optimising resources utilisation across business units effectively. Through this synergy, the Group's expansion positions it to capture additional opportunities in infrastructure development and further enhances its overall value proposition to clients.

Contract Secured in FYE2025

(RM mil.)



RM600+

First Single-Tier Interim Dividend

(sen)



0.27 sen

Revenue FYE2025

(RM mil.)



RM218.80

Profit Before Tax FYE2025

(RM mil.)



RM63.57

Profit After Tax FYE2025

(RM mil.)



RM48.08

Chairwoman's Statement

New Growth Opportunities (Cont'd)

The Group is also actively expanding into high growth business segments to diversify its revenue streams and enhance long-term resilience, while keeping abreast of the latest industry development to serve new potential markets.

Leveraging on Operational Excellence

On the subject of operational excellence, the Group has implemented several enhancements aimed at improving project execution outcomes, optimising resources utilisation and strengthening contractual management. In line with our commitment to deliver excellence, tighter project monitoring, improved coordination across business units and disciplined budgetary and timeline controls have collectively improved progress billings, accelerated project milestones and led to more timely revenue recognition. Revenue intensity has also improved through the prioritisation of higher-value projects and stronger tender selection processes, which also complement overall project margins.

Robust Industry Trend and Outlook

The Group continues to benefit from sustained demand-driven by industry trends in infrastructure development, industrial expansion and ongoing investments in utilities and building systems. These trends have contributed favourably to the Group's established areas of expertise, proven project delivery track record and sound technical expertise. By leveraging these strengths, the Group continues to pursue projects that align with its core competencies, established client relationships and tender strategy. In addition, the Group's expansion has enabled it to penetrate new market segments and broaden its customer base, positioning it to capitalise on emerging industry opportunities.

This was evident in the past year, where niche sectors such as renewable energy, data centres and specialised industrial facilities presented higher-margin projects requiring customised and specialised engineering solutions. This development has further supported the Group's electrical systems and Engineering, Procurement, Construction, and Commissioning segments, driven by increased industry demand.



Chairwoman's Statement

Growing and Embedding Sustainably in our Business Activities

As the Group progressed in its operations in the FYE2025, sustainability remained a key priority, with continued focus on energy efficiency, responsible project delivery, enhanced Environmental, Safety and Health ("ESH") practices, community engagement and strong Environmental, Social, and Governance ("ESG") practices. The Group reinforced its commitment to sustainable growth through a range of initiatives aimed at achieving its sustainability goals and targets.

Our vision is to foster sustainable business operations that combines profitable growth embedded with ESG best practices. Our focus on operational efficiency, sustainable project delivery, the wellbeing of our people and communities, and strong governance culture ensures long-term resilience and value creation to our shareholders and other stakeholders.

To create this sustainable future, the Group has focused in the FYE2025 on managing project, market and regulatory risks while leveraging opportunities arising from infrastructure growth, the expansion of service offerings and the development of more sustainable engineering solutions. Collectively, these efforts enhance the Group's resilience, support revenue growth and strengthen long-term shareholder value.

Prospects for the FYE2026

The Group's prospects in the FYE2026 remain encouraging in the near-to-medium term, supported by its strong order book, ongoing tender opportunities and growing demand for power and energy infrastructure.

Acknowledgements

Finally, on behalf of the Board of Directors, I would like to express our sincere appreciation to our colleagues across the Group, from the management team to every employee who works diligently to meet our clients' needs and expectations.

We would also like to thank our valued clients, trusted business partners, dedicated suppliers for their invaluable contributions to the Group's success. I would further like to extend our gratitude to our shareholders for their continued trust and confidence in us. The dedication, trust and support of all our valued stakeholders have been key to our Group's success in the FYE2025 and beyond.

Lim Bee Hua

Independent Non-Executive Chairwoman



Management Discussion and Analysis

Dear Loyal Shareholders,

On behalf of the Board of Directors, I am pleased to present the Management Discussion and Analysis ("**MD&A**") of, amongst others, the business, operations and performance of CBH Engineering Holding Berhad ("**CBHB**" or "the "**Company**") and its subsidiaries (the "**Group**") for the financial year ended 31 December 2025 ("**FYE2025**").

The Company completed its first financial year as a Public-Listed Company on the ACE Market of Bursa Malaysia Securities Berhad ("**Bursa Securities**"). Investors to the Group would be familiar with its trademark Engineering Services in the Mechanical and Electrical ("**M&E**").

Management Discussion and Analysis

Pivotal Year of Growth

CBHB capped a solid and resilient year with its steady operational performance, improved profitability and prudent cost management against a challenging operating environment in the construction, infrastructure and property development sectors. From a global perspective, geopolitical uncertainties that impacted various governments and economies sent jitters affecting local markets, raising macroeconomic headwinds that caused undue fluctuations in raw material costs, related upstream services and trade balances.

Despite these transitional pressures, the Group pressed on and continued growing by implementing several strategic adjustments that pivoted and positioned the Group to better align with evolving customers' demand and market conditions. The Group's prioritisation of higher margin and technically-specialised projects brought in a new scope of projects and this dovetailed harmoniously with the Group's strengthening of its project execution capabilities. Additionally, the Group's prudence in enhancing cost efficiency through tighter procurement standards and better resources allocation allowed the Group to rise as one in navigating the challenges during the FYE2025.

The Group's enhanced focus on higher margin projects involved selective tendering and placing greater emphasis on securing projects with faster turnaround cycles and stronger payment profiles. Additionally, the Group leveraged its established track record and technical expertise to grow into new sub-segments within its core areas of specialties. Strategic collaborations broadened both its capabilities and market reach, positioning the Group to remain competitive in a dynamic industry landscape and providing the Group with a keystone to sustainable growth.

These moves boosted the Group's achievements with more than RM600 million worth of projects secured by the end of 2025. Add to that, the Group's unbilled order book value of approximately RM600 million, provided CBHB has a clear revenue stream expected to outpace FYE2025 and beyond.

Sustainable Strategic Direction

In the FYE2025, the Group has set its sights on strengthening its order book, improving project execution efficiency, enhancing cost management and ensuring timely delivery of ongoing projects. Part of the Group's focus has now borne fruit in the improved results achieved in the FYE2025. From an operations standpoint, the Group is placing emphasis on resource optimisation, procurement discipline and maintaining strong client relationships that will position the Group to secure recurring and new contracts.

By securing these projects, the Group will then expand its project portfolio within its core specialties to pursue higher-margin and technically specialised projects that continue building its brand equity and market share through strategic partnerships and selective tenders. Simultaneously, the Group's investments into technology adoption, talent development and progressive process improvements will continue enhancing the Group's competitiveness.

Ultimately, the Group centres its strategy around sustainable growth, diversification of revenue streams and developing resilience across economic cycles. By growing its core, the Group positions itself to explore new market opportunities, strengthen its financial capacities and embedding sustainable business practices into its business model for long-term value creation for its stakeholders.

Management Discussion and Analysis

Sustained Financial Performance Backed by Strong Discipline

In the FYE2025, the Group achieved a total revenue of RM218.80 million, representing a contraction against FYE2024's RM271.69 million. However, thanks to the Group's prudent cost management against operational expenses, the Group turned in a healthy Profit Before Tax ("PBT") of RM63.57 million, an improvement of 15.98% against the previous year's RM54.81 million. This improvement was further supported by higher margins from variation orders in certain M&E projects, contribution from projects nearing completion, and the reversal of expected credit loss allowance on trade receivables. Ultimately, it gave the Group an improved Profit After Tax ("PAT") for the year at RM48.08 million, an improvement of 15.16% on the back of FYE2024's RM41.75 million. With the Group's improved bottomline, the basic and fully diluted earnings per share stands at 2.57 sen per share.

In terms of cash flows, the Group recorded an increase of 2.24 times in net cash from operating activities to RM40.32 million from RM18.01 million in the previous year, mainly due to a better collection of the receivables. Net cash used in investing activities increased to RM7.25 million from RM0.57 million in the previous year mainly due to the placement of short-term investment of RM6.01 million and acquisition of property, plant and equipment of RM2.03 million. During the FYE2025, the Company received gross proceeds of RM80.87 million (net of share issuance expenses) from the IPO which boosted net cash from financing activities to RM82.01 million from net cash used in financing activities of RM21.64 million in the previous year. At the close of the FYE2025, the Group's total cash and cash equivalents of RM142.49 million, an improvement of 5.20 times from RM27.41 million at the end of the previous financial year.

In terms of equity, total equity attributable to the owners of the Company stood at RM228.08 million, an increase of RM128.90 million mainly from increased in share capital by RM80.87 million coupled with improved retained earnings by RM48.04 million. Meanwhile, the Group's gearing ratio of 0.014 times is at a level that is manageable by the Group with ample headroom when the needs arises, for further borrowings to finance its business activities. Consequently, the Group's strong cash position and improved financial position contributes to its higher net assets per share of RM0.12 per share which is double its value from the preceding year.

Rewarding Loyal Shareholders

On the back of improved profitability, in respect of the FYE2025, the Group declared a maiden first single-tier interim dividend of 0.27 sen per ordinary share representing a dividend payout ratio of 10.56%, amounting to RM5.08 million paid out on 27 February 2026, rewarding shareholders for their continued confidence and trust in the Company.



**Dividend Payout Ratio
& Dividend Amount Paid**
(% / RM mil)



10.56%
RM5.08

Management Discussion and Analysis

Forging ahead with commendable Order Book

On the back of the Group's steady financial performance, Management views the Group's revenue stream and earnings sustainability on a positive outlook. This view is supported by the Group's strong order book with more than RM600 million worth of projects secured in FYE2025, disciplined project selection and proven execution capabilities. Meanwhile, its earnings sustainability is reflected in its unbilled order book value of approximately RM600 million, indicating the Group's clear revenue stream ahead by reinforcing its focus on higher-margin and technically specialised projects, stringent cost and risk management and operational efficiency initiatives. The Group's revenue intensity is headed for an upcycle as it monitors project execution, optimises resource allocation and protects profit margins while managing operational and financial downsides.

Capital Structure, Resources and Expenditure

The Group maintains a prudent and balanced capital structure to support its capital and operational requirements and long-term growth strategy.

During the FYE2025, the Group continued to benefit from the utilisation of the gross proceeds of RM83.44 million raised through the issuance of 298,000,000 new ordinary shares in conjunction with the Company's listing on the ACE Market of Bursa Securities on 16 January 2025. The strengthened capital arising from the listing provided the Group with financial flexibility to tender for projects with a higher value to support business expansion.

The Group continued to deploy its financial resources prudently, primarily to support working capital requirements, procurement of materials and services for ongoing projects, payments to subcontractors and strengthening operational capacity. These resources allowed the Group to manage project funding cycles effectively, particularly for performance bonds, procurement requirements and contract execution activities.

During the financial year, the Company entered into a conditional sale and purchase agreement to acquire a piece of freehold land held under Hakmilik No. Geran 99178, Lot 69265, Mukim Klang, District of Klang, State of Selangor Darul Ehsan measuring approximately 3,866 square meters in area together with a single-storey factory annexed with a double-storey office building erected thereon for a total cash consideration of RM14.39 million from a third party. The acquisition, which was completed on 9 April 2026 is intended to consolidate the operations located in several offices for better efficiencies and a bigger storage area to achieve improvement operation management. Other than the acquisition, capital expenditure remained modest and was largely directed towards operational assets and infrastructure that support project delivery and administrative functions which included the acquisition of motor vehicles, office equipment and other operational assets necessary to facilitate the Group's engineering and project management activities.

Overall, the Group's capital resources remain adequate to support its current operations, project pipeline and future growth initiatives while maintaining financial discipline and flexibility.

Unbilled Order Book Value

(RM mil.)



approximately
RM600

Utilisation Gross Proceeds

(RM mil.)



RM83.44



Management Discussion and Analysis



Steady Progress Towards Strategic Goals

Within the Group's first financial year of listing, it has partially deployed its IPO proceeds with a balance of RM11.23 million strategically and utilised most of it for the Group's planned business expansion. This is in tandem with the Group's progress in delivering on its strategic priorities and sets the foundation for its growth trajectory through strengthened corporate governance standards and enhanced operational discipline.

Of particular note is the Group's continued momentum in securing new projects and replenishing its order book, demonstrating sustained market confidence in its technical capabilities and delivery track record. The Group's heightened focus on improving project execution timeliness, strengthening cost management practices, optimising resource allocation have collectively supported its financial performance and margin resilience.

Internally, the Group's efforts in increasing transparency, reinforcing internal controls and elevating its risk management and compliance frameworks in alignment with regulatory expectations are the basis of its strong corporate governance. Financially, the improved balance sheet has also opened doors to capital market resources and positioned the Group to pursue more strategic opportunities and support its long-term business expansion plans. All these corporate milestones coalesce to form the Group's steady first year as a public-listed company and on track to hitting its growth milestones in a sustainable manner.

Expansion of Revenue Stream tapping on new Opportunities

In the year under review, one of the notable expansions to the Group's business is the establishment of the CBH Infra Sdn Bhd ("CBH Infra"), a 70%-owned subsidiary which represents the Group's strategic expansion of its capabilities and functions as a platform for the Group's participation in infrastructure-related projects. This subsidiary marks the Group's foray into strengthening its presence in segments with longer-term visibility and recurring project opportunities to attain scalable growth potential. CBH Infra is poised to attract infrastructure and engineering works that complement the Group's existing core competencies while enabling the Group to bid for a wider range of project scopes that enhances its value chain integration. This means that synergy between CBH Infra and CBH's core Electrical, Mechanical, Civil and Structural Engineering will realise greater value between the disciplines and seamless project integration for more cost-efficient models for clients.

This synergistic growth initiatives also invites multi-disciplinary projects that require seamless integration of the Group's technical expertise and leverages on the Group's established client network and execution track record. The subsidiary is expected to gradually come into its own with its project portfolio and increased market presence.

Management Discussion and Analysis



Integrated Risk & Business Sustainability

The view adopted by the leadership on enmeshing of strategy, risk management and sustainability is that these elements are interconnected and require an integrated approach in managing risks to ensure long-term sustainability of its business. The Group's proactive risk identification and mitigation across key areas involving project execution, cost volatility, supply chain stability, regulatory compliance and prudent financial management are practised at present and is expected to be resilient for long-term planning and mitigation ahead.

The Group's Risk Management framework and activities during the FYE2025 can be found in its Statement on Risk Management and Internal Control ("**SORMIC**") found on pages 081 to 090 of this Annual Report. The Management has identified and managed the material risks in its annual review and they comprise project execution, economic performance, regulatory compliance, human resources, reputation risks, supply chain management, sustainability risks and cybersecurity risks. Project execution risks such as delays, scope variations and unforeseen operational challenges may affect project timelines, cost management and overall project delivery. To mitigate these risks, the Group undertakes effective project planning, continuous monitoring and close coordination with clients, contractors and suppliers to ensure projects are executed efficiently and completed within the agreed timelines. In view of securing new projects that affect the economic performance of the Group, the Management has sufficiently hedged against these risks by selectively tendering for projects with higher margins with better financial payment cycles while simultaneously employing cost management strategies to better manage payment cycles and enhance liquidity of funding for projects undertaken.

The Group operates in a regulated environment and is committed to ensuring compliance with all applicable laws, regulations and industry standards. To mitigate regulatory risks, the Group continuously monitors regulatory developments and strengthens its internal policies, procedures and controls to ensure adherence to statutory and regulatory requirements. Regular compliance reviews and employee awareness initiatives are undertaken to ensure that the Group's operations remain aligned with evolving regulatory expectations.

As the Group's main business activities concerns highly-technical manpower and talent, the loss of such talent can be seen as a business risk to continuing operations. In this respect, the Group has embarked on talent mapping with the Human Resources team and charted its own succession planning and career progression paths for its technical and specialist employees. The succession planning conducted within the FYE2025 will build a stronger and more resilient Group that has capabilities to attract and retain valuable talents to its team.

Management Discussion and Analysis

Integrated Risk & Business Sustainability (Cont'd)

The Group acknowledges that maintaining a strong corporate reputation is vital to sustaining stakeholder confidence and business relationships. Any operational, compliance or ethical lapses may adversely affect the Group's reputation. As such, the Group upholds high standards of corporate governance, ethical conduct and transparency to ensure responsible business practices across its operations.

In the face of ongoing unpredictability in the geopolitical sphere, the Group's vigilance in maintaining a viable supply chain is among one of the ongoing risks managed by its team. The Group's proactive procurement activities have always maintained a diversified network of suppliers and its proud track record is built on the backs of its established and strong business relationship with its existing supplier base. In this respect, the Group has managed to lower this risk significantly.

The Group recognises that sustainability-related risks, including environmental impacts, climate-related developments and evolving stakeholder expectations, may influence its long-term business performance. In line with emerging sustainability disclosure frameworks, the Group continues to integrate sustainability considerations into its risk management and business strategies while promoting responsible resource management and environmentally conscious practices across its operations.

As the Group increasingly relies on digital systems and information technology, cybersecurity threats such as unauthorised access, data breaches and system disruptions may pose operational and reputational risks. To strengthen resilience against cyber threats, the Group has implemented appropriate information technology security controls and monitoring processes, while promoting cybersecurity awareness among employees to safeguard its systems and data.

Progressive Outlook & Industry Prospects

When it comes to the industry outlook, the Group maintains a cautious yet optimistic view of the possibilities for its services and solutions. Key to this is the industry's positive fundamentals, ongoing infrastructure development and sustained demand for engineering and construction services. Based on latest industry data, the Group views continued public and private sector investment flows into infrastructure, utilities and development projects a derived source of project opportunities, even though the operating environment remains competitive and costsensitive.

In the meantime, the Group has also seen steady demand for specialised engineering solutions, which require a high amount of technical expertise, reliable execution capability and adherence to compliance standards. This is where CBHB's strong track record, technical capabilities and strategic tendering approach positions the Group in favour to capture good quality opportunities while maintaining strong margin discipline.

There are certain upsides in the marketplace which will be beneficial to the Group as they are major industry trends that supply new project opportunities that call on the Group's services. These include the recent Data Centre and Renewable Energy ("**RE**") sub-sectors which have seen increased flows into the marketplace recently.

Both Data Centres and RE have begun gaining momentum and are potentially able to sustain industry demand for the mid-term of 3-5 years. These sub-sectors hike off the back of global megatrends in digitalisation, cloud adoption, Artificial Intelligence ("**AI**") infrastructure needs and transitioning to cleaner energy structures.

Where Data Centre developments are concerned, the Group's service offerings include the construction, testing and commissioning of the M&E structures for their clients who are operators and owners of said Data Centres. There is increasing regional demand for high-capacity digital infrastructure which will generate increased opportunities for technical capabilities, project delivery experience and adherence to stringent operational standards, all of which the Group has maintained specialised capabilities, to preclude its participation in such projects requiring high precision and reliability testing.

Management Discussion and Analysis

Progressive Outlook & Industry Prospects (Cont'd)

In the RE segment, although it has been close to a decade since the sub-sector boomed into existence, the increased focus of national and regional sustainability agendas has engendered corporate decarbonisation commitments and these multiplication factors continue ramping up the sector for increased investment in energy transition projects. As the Group has significant experience in related engineering experience, this is potentially a segment where the Group can leverage its expertise in supporting projects related to energy efficiency, power systems and supporting infrastructure for both private and public projects.

While the Group remains focussed in its core specialties, its selective and disciplined project evaluation allows it to pivot into these high-growth sectors that present meaningful opportunities for the Group's expansion of orderbook, targeting its revenue visibility and promoting its long-term growth trajectory.

Dividend Policy

Currently, the Company does not have a formal dividend policy in place. Any declaration or recommendation of dividends will be subject to the discretion of the Board of Directors and will take into consideration various factors, including the Group's financial performance, cash flows requirements, capital expenditure plans, working capital needs and overall financial position.

In respect of the FYE2025, the Board declared a first single-tier interim dividend of 0.27 sen per ordinary share, amounting to approximately RM5.08 million, which was paid on 27 February 2026.

Moving forward, the Board will continue to evaluate the appropriateness of dividend distributions while balancing the Group's growth objectives and the interests of shareholders.

Acknowledgements

In CBHB's journey of growth throughout the FYE2025, we would not have gotten this far without the support and contribution of our esteemed stakeholders. We would like to thank our shareholders and investors for their continued trust, confidence and support in the Group's growth and strategic directions; the Company's Board of Directors for their guidance, oversight and strategic counsel throughout the year; the Management team for their leadership, operational excellence and commitment to execution of the Group's strategy effectively; employees and project teams for their dedication, professionalism and unwavering commitment to delivering projects on time and maintaining quality standards.

To our clients and business partners, we thank you for entrusting the Group with projects and fostering long-term collaborations; to our suppliers and contractors, we thank you for providing reliable support and services, ensuring smooth project execution and finally to the regulators and industry bodies, we are encouraged by your guidance and support in maintaining compliance and industry best practices for our reference.

All in all, as each stakeholder plays a part in the Group's continued success and viability, we are encouraged to continue turning in significant performance in the near future.

Thank You

Yours sincerely

Ir. Cheah Boon Hwa

Group Managing Director

Date 30 March 2026

Sustainability Statement

In view of the proposed regulatory changes towards the adoption of the Securities Commission-mandated National Sustainability Reporting Framework (“**NSRF**”), CBH Engineering Holding Berhad (“**CBHB**” or “**the Company**”), together with its subsidiaries (“**the Group**”), has begun its transition towards full adoption as required by Financial Year Ending 2027 (“**FYE2027**”). In the interim, the Group’s disclosures will be guided by Bursa Malaysia Securities Berhad (“**Bursa Securities**”)’s 3rd Edition Sustainability Reporting Guide (“**SRG**”) 2021 for matters which are deemed material to the Group’s sustainability disclosures.

During the transition, the Group will be moving from the Double Materiality Analysis (“**DMA**”) frequently associated with the application of the Global Reporting Initiative (“**GRI**”) standards into an Investor-based Single Materiality Analysis (“**SMA**”) point of view more frequently associated with the International Financial Reporting Standards (“**IFRS**”) Foundation’s Sustainability Standards. The IFRS Sustainability Standards is developed by the International Sustainability Standards Board (“**ISSB**”) that covers the IFRS S1 (“**General Requirements**”) and IFRS S2 (“**Climate-related Disclosures**”) standards. As part of the IFRS Sustainability standards, the integration of Sustainability Accounting Standards Board (“**SASB**”)’s industry standards and the incorporation of the Task Force on Climate-related Financial Disclosures (“**TCFD**”) into IFRS S2 will enable the transition of the Group into full NSRF adoption by the FYE2027 deadline.



Sustainability Statement

About this Sustainability Statement

This Sustainability Statement ("**Statement**") covers four (4) key areas of disclosure relating to Governance, Strategy, Risk Management, and Metrics and Targets and these will cover the Group's identified Economic, Environmental, Social and Governance ("**EESG**") material matters.

Reporting Period

The reporting period of this Statement is designed to run in tandem with the Audited Financial Statements ("**AFS**") found on pages 092 - 152 of this Annual Report and covers the period of 1 January 2025 to 31 December 2025.

Reporting Scope and Boundaries

This concurrent timeline will also coincide with the disclosures covering the Group's wholly-owned subsidiaries in Malaysia that have actively contributed to the Group's revenue and net income, namely:

- CBH Engineering Sdn Bhd ("**CBH Engineering**")
- CBH Maintenance Sdn Bhd ("**CBH Maintenance**")
- CBH M&E Engineering Sdn Bhd ("**CBH M&E**")

This Statement precludes the Group's newly established subsidiaries that have yet to contribute to the Group's revenue and excludes dormant and inactive subsidiaries of the Group. Furthermore, unless specified, this Statement excludes outsourced, third-party and joint ventures.

Statement of Use

This Statement has been reviewed and approved for use by the Board of Directors ("**the Board**") and provides a comprehensive overview of the Group's sustainability performance, alignment with recognised frameworks and goal-setting best practices.

It is to be read alongside with the Management Discussion and Analysis on pages 030 to 037, Statement on Risk Management and Internal Control on pages 081 to 090, the Corporate Governance Overview Report on pages 057 to 072 of this Annual Report.

Statement of Assurance

While every care has been taken to prepare this Statement in alignment with recognised sustainability frameworks, data resourced internally from respective risk owners have only been verified internally, with heads of divisions and accuracy ensured through an internal validation process. This Statement has not been sent for external assurance barring data which have been disclosed in the Group's AFS.

In view of CBHB's commitment to integrity and excellence, the Group will comply with future requirements of NSRF adoption upon its mandated timelines. In the interim period, the Group has improved its disclosure practices by making available its Performance Data Tables on Bursa Securities' Centralised Sustainability Intelligence ("**CSI**") platform. This enables investors and other stakeholders to have greater access to the Group's sustainability performance data to be used for their investment and/or for other considerations.

Sustainability Statement

Limitations & Forward-Looking Statements

While the Group has made every effort to collect and present accurate, relevant and meaningful qualitative and quantitative data sourced from official company sources and records, we are cognisant of gaps in data availability.

As CBHB is committed to improve, the Group will continue enhancing its data collection, analysis methodologies and research robustness to ensure accuracy, reliability and completeness of information and data which will stand up to the scrutiny of external assurance when mandatorily required by Bursa Securities for this Statement to be externally assured.

In the meantime, this Statement may contain forward-looking statements which the Group has set its sights on, including targets, plans, operations and performance-based KPIs in accordance to our current business trajectory. As the Group's business is subject to risks and unforeseen circumstances, we would like to advise investors and other stakeholders on such statements as actual results may vary from expectations.

Feedback and Comments

This Statement is lodged in conjunction with the Group's Annual Report 2025 available for public use on the **Group's website**: <https://cbh.com.my>.

The Group welcomes stakeholders' feedback and suggestions for further improvement to our disclosures through this dedicated channel: **Email**: info@cbh.com.my

SUSTAINABILITY GOVERNANCE

The Group's sustainability governance has not seen any major changes in the FYE2025, maintaining its structure from the previous year's disclosure. Guided by the Board, which provides strategic oversight of the Group's Sustainability-Related Risks and Opportunities ("SRROs") and Climate-Related Risks and Opportunities ("CRROs"), the Sustainability and Risk Management Committee ("SRMC") provides assistance with their assessment and management of material sustainability-related matters.

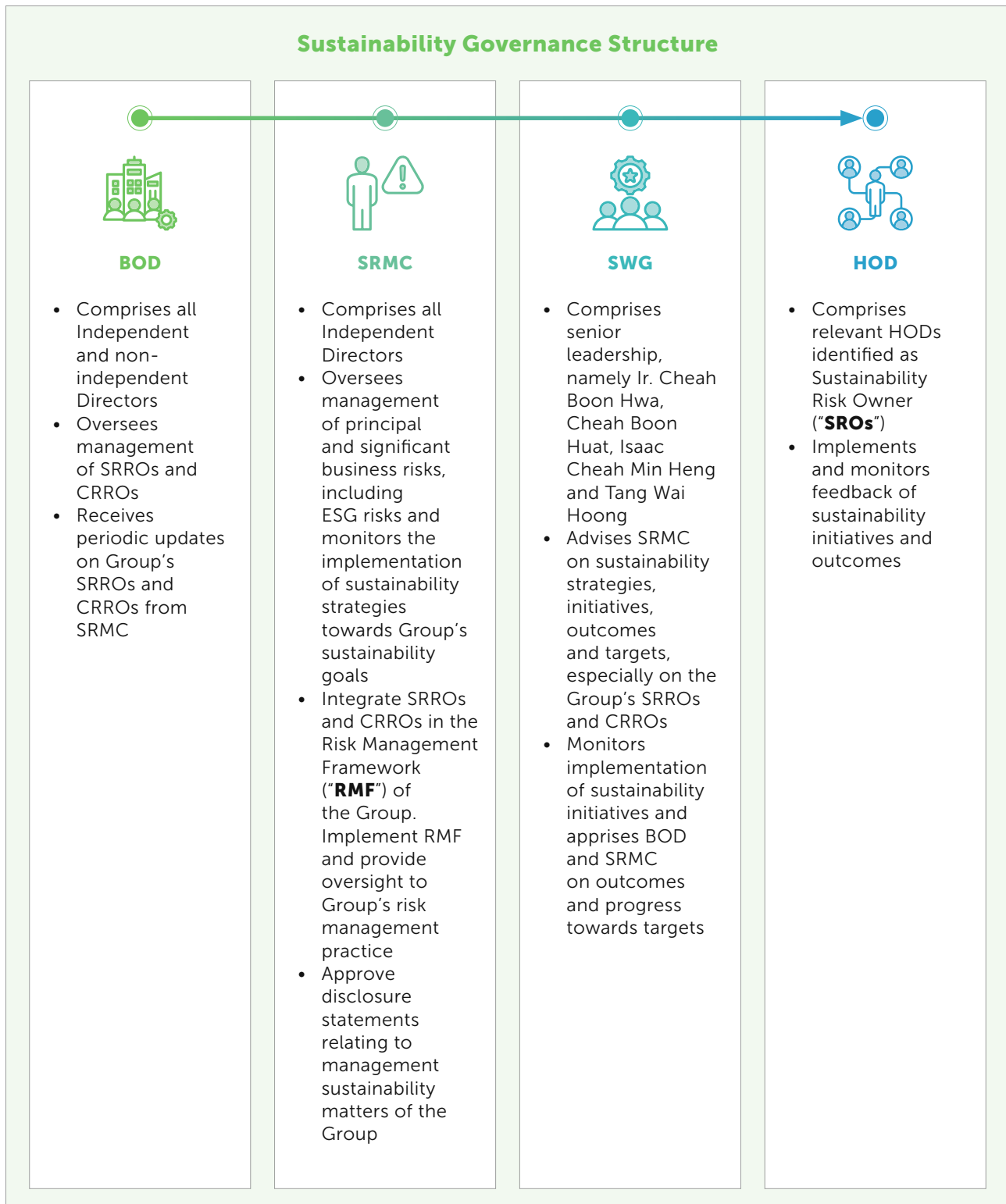
The SRMC also oversees the implementation of the Group's sustainability initiatives, monitoring its effectiveness and charting its progress against its set Sustainability targets. The Group's SRROs and CRROs are then cascaded down to the Sustainability Working Group ("SWG") and thereafter to the respective Heads of Departments ("HODs") who constitute the respective Sustainability Risk Owner to execute, monitor and record feedback for leadership decisions on effectiveness and progress towards Sustainability goals.



Sustainability Statement

SUSTAINABILITY GOVERNANCE (CONT'D)

The Group's Sustainability Governance structure, along with its membership, role and responsibilities can be described in the diagram below:



Sustainability Statement

SUSTAINABILITY STRATEGY (CONT'D)

For FYE2025, the Group's disclosures will continue highlighting present structures of Governance and Risk Management which are relevant to the adoption of IFRS S1 and IFRS S2 disclosures. Disclosures in this Statement will also refer to the ISSB and IFRS Sustainability standards using the Sustainability Accounting Standards Board ("**SASB**")'s industry standards for key metrics disclosure on top of relevant Bursa Malaysia's SRG indicators that are relevant for CRROs that will be discussed in line with IFRS S2 transition.

Further to this, in compliance to Bursa Malaysia's latest launch of the CSI system, the Group will be following recommended best practices for the formation of the Data Performance Tables lodged with Bursa Securities in compliance to ACE Market Listing Requirements of Bursa Securities ("**Listing Requirements**"). The same Data Performance Tables can be found at the Appendix of this Statement on page 056 of this Annual Report.

Group's Approach

In reference to Bursa Securities' recommended phased-in approach for NSRF adoption, the Group has **identified and assessed its operational impacts of CRROs** to embark on IFRS S2 adoption. This allows the Group to use the results of its **internal assessment** to define its framework and set up structures needed to transition into IFRS S2 readiness. In line with this, the Group has pursued a **topline and qualitative disclosure** for key metrics disclosures and where possible, the Group will include quantitative descriptors and outcomes in this benchmark-setting year.

In FYE2025, the Group's internal assessment has informed its **mitigation and adaptation measures** and ensures the Group's Sustainability strategy aligns with material evolving SRROs and CRROs. The **main CRROs** described by the Group fall into two categories, namely **transition risks** from the move to a low-carbon economy, and **physical risks** from experienced climate impacts like extreme weather and rising temperatures at work sites.

Identification & Classification of Risks

During the Group's internal assessment, the HODs were activated to engage its respective stakeholders to identify and assess risks that could potentially affect the Group's operations. These risks were then brought forward for the SWG's and SRMC's review and sufficient adjustments were made during the FYE2025 to ensure the effectiveness of measures and the sufficiency of data collected through the period under review from this process.

This bottom-up approach ensured that key organisational risks were properly identified and managed through suitable systems and controls. Within the year, the transition risks were mapped out for both General and Climate-related Risks and Opportunities, satisfying foundational requirements of IFRS S1 and IFRS S2 standards. The risk matrix and its opportunities are described in the following section on Sustainability Risk Management.

Sustainability Outcomes on Business Model and Group Strategy

The Group's established governance system includes a dedicated board-level committee under the auspices of the SRMC to oversee its SRROs and CRROs have met the required levels of embedding into the Group's strategic planning and has sufficient accountability for outcomes and progress towards goals.

In addition to this, CBHB has endorsed and implemented its Environmental Policy to foster increased awareness among internal stakeholders and established Standard Operating Procedures ("**SOPs**") to identify and manage risks associated with climate change across the Group. The Environmental Policy is accessible at the Company's website at <https://cbh.com.my/>.

Over different time horizons, the Group has considered further progress on integrating Sustainability principles into its practice. In the **short term**, the Group intends to formalise its sustainability governance and reporting framework to align with the NSRF and ISSB standards. This will enhance the Group's transparency and is critical in attracting funding and initial capital from a broader base of investors and financiers who prioritise ESG or Green factors for their investment decision.

Sustainability Statement

SUSTAINABILITY STRATEGY (CONT'D)

Sustainability Outcomes on Business Model and Group Strategy (Cont'd)

In the **medium term**, the Group intends to increase participation in active tenders for public utility projects such as Tenaga Nasional Berhad (“**TNB**”) to help diversify the Group’s revenue streams beyond the data centre sector. This mobilises the Group’s finances to extend beyond single market risks and provides a more diversified, sustainable, recurring income base.

Ultimately, in the **long term**, the Group’s continuous improvement of its sustainability practices will demonstrate its focus on long-term value creation. This aligns with CBHB’s goal to reward shareholders through sustained performance, and potentially a premium valuation relative to peers with lower ESG ratings.

SUSTAINABILITY RISK MANAGEMENT

Referring to the above section of this Statement on ‘Identification & Classification of Risks’, the Group’s robust risk management framework allows it to identify and assess risks to its business and operations. The mechanism adopted to review material SRROs and CRROs ensure that key organisational risks are identified, mitigated and managed through the Group’s RMF. As with other risks, CRROs are evaluated according to their likelihood and impact and all identified risks are incorporated into strategic decisions and operational planning.

During the internal assessment done in respect of the FYE2025, the Group has identified the following Transitional and Physical Risks related to Sustainability and Climate change (SRROs and CRROs, respectively):

Transitional Risks

Description & Impact	Risks	Opportunities
Policy & Legal Changes Impacts of current and emerging regulatory changes to business operations	i) Higher operating costs for carbon-intensive activities from possible introduction of carbon taxes and carbon pricing mechanisms; ii) Potential financial penalties or fines due to non-compliance with environmental regulations	i) Allow the tracking of Greenhouse Gas (“GHGs”) emissions and setting targets and initiatives to reduce emissions. ii) Proactive response to regulatory changes to allow business continuity and sustained investors’ and other stakeholders’ confidence
Technology Transitioning to lower-emission alternatives	Upfront expenses incurred with adoption of low-carbon construction technologies and integration of Renewable Energy (“RE”) solutions	Enhanced operational efficiency and long-term cost savings through: - - Prefabrication of Mechanical and Electrical (“M&E”) components - Adoption of energy-efficient systems
Market Aligning with customers’ needs and investors’ expectations	Evolving market needs for innovative, low-emission M&E solutions in alignment with climate-related requirements	i) Applying design thinking to M&E equipment using low-Volatile Organic Compounds (“VOCs”) ; ii) Enhancing energy-efficient manufacturing processes

Sustainability Statement

SUSTAINABILITY RISK MANAGEMENT (CONT'D)

Physical Risks		
Description & Impact	Risks	Opportunities
Reputational Managing stakeholders' concerns & feedback	Reputational issues and the social license to operate affected if M&E equipment is linked to higher carbon emissions or unsustainable practices.	Regulatory endorsements on Group's environmental and social performance metrics enhances Group's brand reputation and endorses commitment to sustainable business practices.
Acute Exposure to more frequent and severe extreme weather (e.g. floods and storms)	Supply chain disruption, materials shortages impacting M&E production and installation activities.	<ul style="list-style-type: none"> i) Climate-related contingency plans to reduce potential project delays; ii) Diversification of suppliers and service providers and local sourcing for reduction of reliance on vulnerable supply chains and improve project delivery rates.
Chronic Prolonged shifts in climate patterns including rising average temperatures and changes in precipitation patterns	Extended periods of heavy rainfall may disrupt site conditions and increase operational costs related to M&E project execution and equipment maintenance.	Implementation of improved site drainage and weather-resilient construction practices may help minimise disruptions and improve project delivery efficiency.

KEY METRICS & TARGETS

The disclosures in this section will reflect the Group's pivot into using the **SASB's industry standards**, which focus on material sustainability matters which are relevant to the industry of CBHB's main business activities. The approach that the Group has adopted is to balance the requirements for ACE Market listed issuers with a strategic pivot to start adopting IFRS Sustainability standards through SASB industry standards.

Principle of Continuing Disclosure

Following the timeline mandated for NSRF adoption by **FYE2027**, the Group will practice the principle of Continuing Disclosure for material matters previously disclosed to follow mandated Listing Requirements and Bursa's SRG Common and Industry-specific indicators for Environmental, Social and Governance ("ESG") indicators. These may include indicators which go beyond SASB's industry standards but providing investors and other stakeholders with such information will showcase CBHB's commitment to transition into IFRS S2 reporting. Considering the application timeline, this will be a transitional practice and is in step with the dynamic materiality principles to move from present GRI-based Bursa SRG to industry-relevant key metrics within SASB and IFRS Sustainability standards.

As such, the Group will focus its disclosures for the Environmental pillar based on the CRROs which are based on IFRS S2 standards which have material impact on the Group's Sustainability performance and Social and Governance indicators based on Bursa's SRG indicators which are mandatory disclosure. The following metrics and indicators will be disclosed:

Sustainability Statement

Sustainability Framework	Metric & Indicator	Description
Bursa Malaysia SRG	Community Engagement (C2)	Total amount and number of beneficiaries invested in.
	Diversity & Inclusion (D&I) (C3)	Percentage of employees and directors across gender and age group.
	Labour Practices & Standards (C6)	Total training hours, percentage of contractual employees and number of substantiated human rights violations.
	Supply Chain Management (C7)	Proportion of spending on local suppliers.
IFRS S2	GHG Emissions (tCO₂e)	Amount of Scope 1,2 and 3 (limited) GHG emissions.
	Energy Usage (GJ)	Total fuel and electricity consumption.
	Water Usage (m³)	Total water consumption.

Bursa Malaysia SRG Indicators

Within the continuing disclosure principle, CBHB's material sustainability matters cover a mix of ESG matters. Based on the Group's activities, the Common Indicators which are outside SASB's Industry Standard will be covered while all the sector-specific indicators which are relevant to the Group will be discussed in the SASB portion of this Statement.

Community Engagement (C2)

As the Group grows in its journey, the tenets of being a good corporate citizen and increasing its impact in aiding at-risk and marginal groups has grown in tandem. The Group's main contributions are both in time spent in service of these communities and charitable donations to a variety of organisations that represent educational institutions, a variety of fundraisers for worthy causes and religious and social organisations that uplift the quality of life of marginal communities.

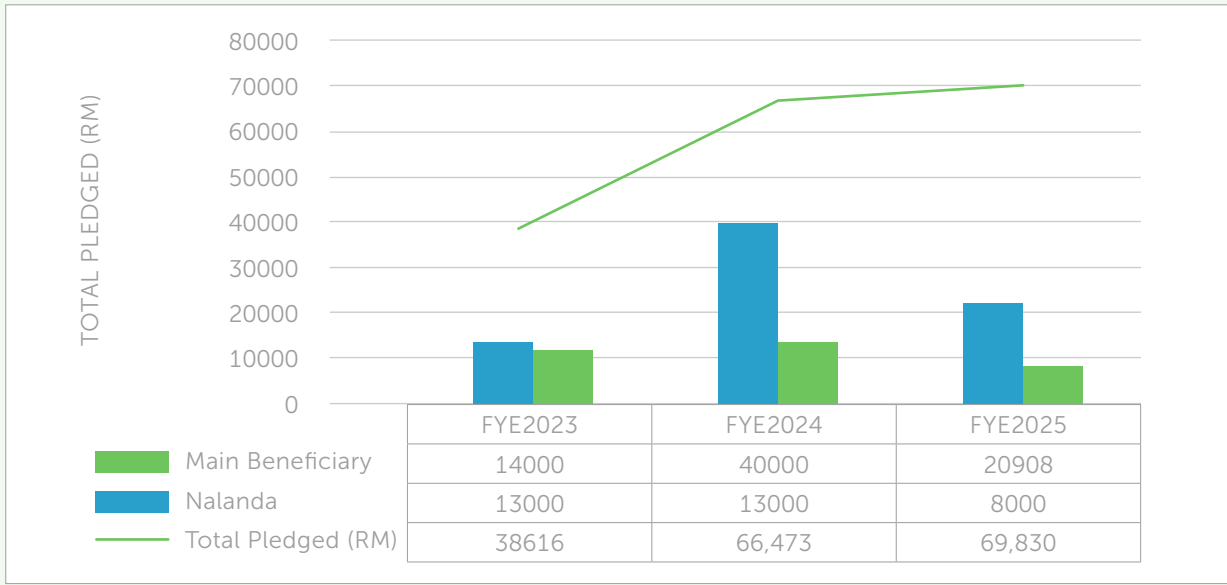
The Group's total amount pledged has increased substantially over the last 3 years as seen in the graph below, with FYE2025 recording the highest contribution at RM69,830. While the number of beneficiaries are innumerable and a bit harder to track through ad hoc charitable donation drives, the Group has a principled approach to community investment by partnering Nalanda, a Buddhist association involved in the uplifting and empowerment of underserved communities. Every year, the Group will then outgive the amount pledged to Nalanda to a larger cause or several causes which touch the lives of the community around the business.

For example, in FYE2023, the Group chose to donate RM14,000 to beneficiary families in areas where it had business presence and spent 3 hours in active service with these families. The following year, the Group chose to bring Renewable Energy through the solarisation of Kampung Kedled, Perak with the solar PV systems worth RM40,000 in total being installed in a day spent with this community.

In FYE2025, Sekolah Rendah Agama Jalan Kebun, which received a total of RM20,908 donation and 56 hours of volunteer work, was selected as the school within the vicinity of the Group's site and offices. The Group has also donated RM10,000 each for a Charity Dinner and Persatuan Penyakit Lisosomal Malaysia, a sizeable donation which aided specific groups with their operations in charity work and fundraising.

Sustainability Statement

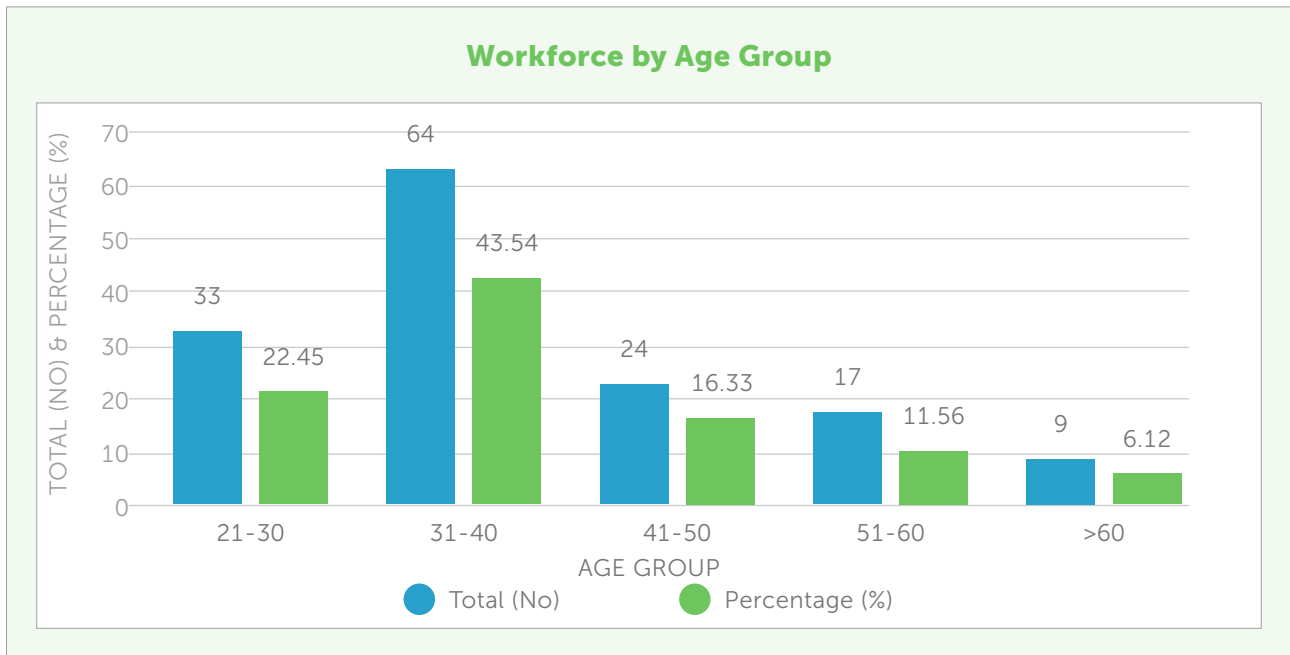
CBH's Community Engagement FYE2023-2025



Diversity & Inclusion (D&I) (C3)

A vibrant workforce is a must for the growth, momentum and sustainability of operations for any company and the Group is well aware of the diversity of thought, experience and frame of reference that each individual contributes to the overall capacity of the Group. As such, the Group emphasizes a good balance of gender at both the operational level as well as at the board.

Diversity of Employees by Gender & Age Group



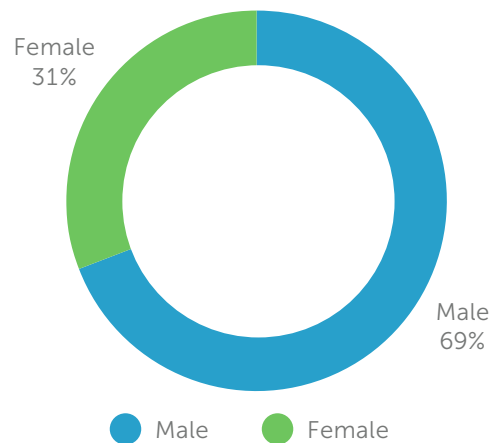
Sustainability Statement

Diversity of Employees by Gender & Age Group (Cont'd)

The Group's total headcount as at FYE2025 stood at 147 pax discounting the 3 Directors which are represented at the Board. Operationally, construction and engineering has been a traditionally male-dominated industry with more female participation in the support services such as HR & Admin, Finance, Contract and Purchasing. This trend is consistent with CBHB's division of labour where the **female-to-male ratio stands at 1:2**. However, even though only a third of the workforce in the Group is female, the rising tide of **women in Science, Technology, Engineering and Mathematics ("STEM")** is one which the Group is proactively preparing for. Among the steps taken by the Group is its succession planning and career development pathways available to its capable employees regardless of gender. This approach encourages meritocracy and ability rather than background and is designed to encourage further levels of women's participation in the sector and industry.

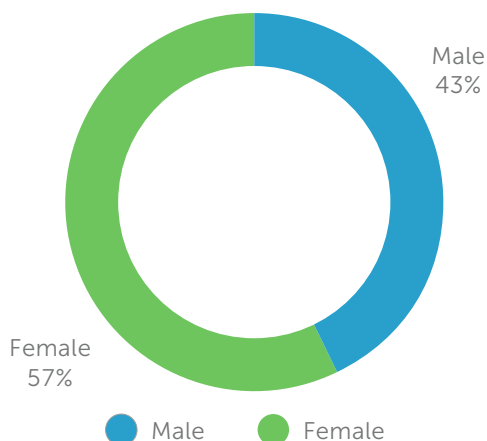
In terms of distribution of age, most of the Group's employees fall into the prime years of **31-40 years** old, **comprising nearly half (43.54%)** of its workforce. This is ideal as the younger 21-30 age bracket has a pool of seniors to mentor them while they learn the skills and tricks of the trade from those in age groups preceding them. Those in the 41-50 and 51-60 age group comprise mainly seniors, Heads of Department and members of the Leadership team. Most in this demographic leave a legacy by contributing in terms of knowledge exchange, leadership examples and succession planning in addition to their highly-sought after skills. Meanwhile, those above 60 show a natural thinning out in the workforce as most of them prepare to retire. However, that said, those in the above 60 age group are also contemporaries of some Directors and this reflects their longevity and sterling standard of service.

Workforce by Gender

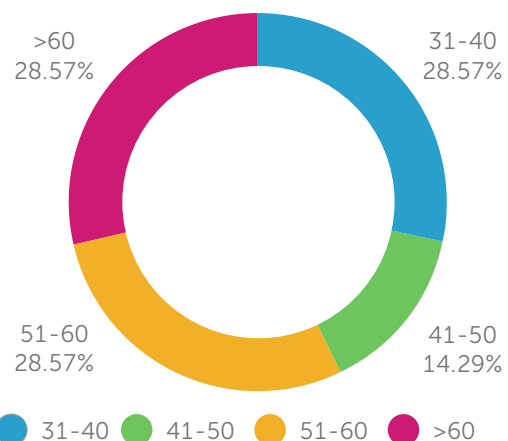


Diversity of Board of Directors by Gender & Age Group

BOD by Gender



BOD by Age Group



Sustainability Statement

Diversity of Board of Directors by Gender & Age Group (Cont'd)

At the Board level, all of the Non-Independent Directors are included and they comprise 3 male Directors, meanwhile all the other members of the 7-person Board of Directors are Independent female Directors, this includes the Independent Chairperson of the Board. In terms of composition, this places CBH in the 30% club with 57% of its Directors being women.

In terms of age group, the Board is balanced with Directors aged 31-40 in the same ratio with the 51-60 and above 60 age groups. With a balance of experience and youth, the Board reflects a good dynamic for succession planning, legacy building and continuity of the brand's excellent track record in providing practical yet innovative Engineering solutions to its customers.

Labour Practices & Standards (C6)

The disclosures within this section takes into consideration the 147 person headcount of the Group with the 3 Non-Independent Directors discounted as their training as Directors would be better detailed in the **Corporate Governance Overview Statement ("CGOS")** found on pages 057 - 072 of this Annual Report. Among the metrics considered by the Group for this indicator include the Group's training hours for its employees, percentage of contractual employees and human rights.

Group Training - Leadership & Development

As the Group prepares for the next generation of talent to assume positions of leadership, it is cognisant of preparing its talent pool for both technical as well as leadership skills. The Group adopts a long-view on this as it has allocated time and resources in training its employee through the years on a variety of in-house and outbound courses. For example, in FYE2023 it only trained one staff on Emergency Response Plan & Preparedness (with Fire-Fighting Practical) but in FYE2025, the types of training for employee had increased in both diversity of topics as well as number of participants and resources allocated for such training.

In FYE2025, other than the Mandatory Accreditation Programme ("**MAP**") training required by Bursa, which was carried out through a 2-day training for all 7 Directors, or a total of 14 days or 112 hours, costing the Group RM22,680, the mainstay of training was conducted for the employees of the Group. This is seen in the diagram where a total of 97 employees attended a total of 1,246 hours of training at the cost of RM107,871. The Group's training areas covered groundbreaking technology use like Artificial Intelligence ("AI") in the workplace, various governance-related matters such as the related ISO standards and Employment Act all the way to the more technical certifications, qualifications for technical skill sets and especially workplace safety training programmes. All in all, the Group has dedicated a good amount of time and resources in upskilling its workforce.

Employees Trained	
FYE2023	34
FYE2024	67
FYE2025	97

Training Hours	
FYE2023	778
FYE2024	723
FYE2025	1,246

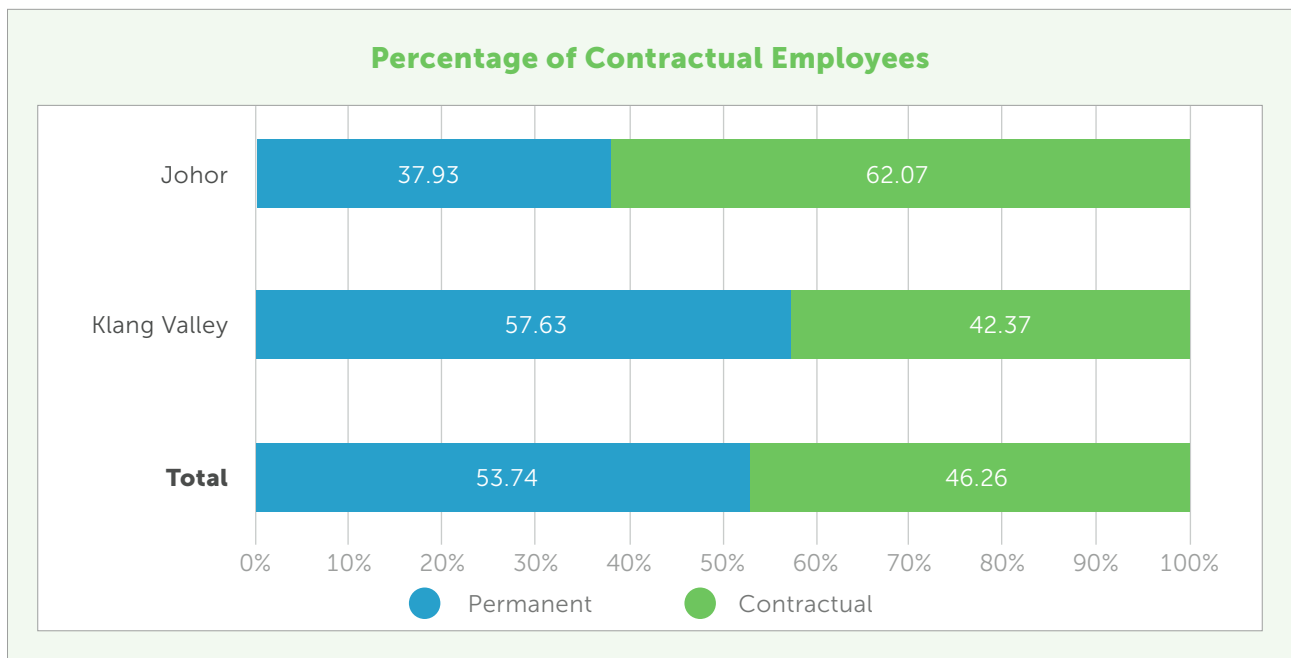
Training Spent	
FYE2023	RM69,086.08
FYE2024	RM94,185.80
FYE2025	RM107,871.20

Sustainability Statement

Contractual Employees

In FYE2025, the percentage of contractual employees comprised **46.26%** of the Group's total headcount of 147 staff, discounting the 3 Non-Independent Directors who are permanent staff. The dispersion of contract employees is reflective of the project-based nature of the Group's sector and industry. This trend can be seen in **Johor's 62.07%** of contract employees, which shows the Group's more active operational sites, while the **Klang Valley's** contractual employees only amounted to **42.37%**, diluted mainly by the support services in the Group's headquarters.

As the industry is highly dependent on contractual employees, the Group's dispersion of labour in this manner is in line with its industry. Furthermore, the project-based and cyclical nature of the industry allows for a good proportion of technicians and tradespeople to ply their trade according to their specialty during the project's lifecycle. In addition, during the planning and design stage of new projects, master Engineers and consultant specialists in different disciplines of Engineering are required and these professionals are normally independent contractors



Upholding Human Rights

The Group has maintained a clean record of not having any substantiated complaints of human rights violations and intends to keep its unblemished track record. Although it doesn't have any employees sent for human rights training at present, the overarching principles are enshrined in various labour and employment acts in force in Malaysia. This is sufficient to keep the Group in proper conduct and able to continue its business activity without any breach of this important principle.

Supply Chain Management (C7)

The Group prioritises a strong, healthy and diverse supply chain to mitigate any supply chain disruptions that may arise in the due course of doing business. Among the Group's considerations are balancing cost to business, origin of supply and related logistics to transfer materials from source to sites. In FYE2025, the Group's percentage of spending on local suppliers stood at 91.17%, which although was a drop from FYE2024's 98.78%, is still above 90%, showcasing the Group's preference for local sourcing which not only costs business lower expenditure, but also lowers the cost to the planet in terms of environmental concerns.

Sustainability Statement

| IFRS S2 Key Metrics

GHG Emissions

The Group's GHG emissions disclosures for FYE2025 will consider monitoring and reporting on Scope 1 (Direct Emissions), Scope 2 (Indirect Emissions) and Scope 3 (All other Indirect Emissions) which the Group has only limited to business travel for the first year of disclosure.

Scope 1 Emissions

Under Direct Emissions, the Group considers its usage of diesel to power its Gen-sets at the work sites as direct emissions related to its main business activity. In the FYE2025, this contributed to a total emissions of **141,062.15tCO₂e**. As this system of energy is a legacy system, there are methods being explored by the Group to lower this amount of GCG emissions.

Scope 2 Emissions

Under Indirect Emissions, the Group's electricity usage for its office premises and staff housing on the work sites are considered as it is supplementary to the Group's main business activities. In the FYE2025, the consumed electricity came from the Feed-in-Tariff ("**FIT**") system provided by Tenaga Nasional Berhad ("**TNB**") and the Group has adopted solarisation on its main office building as an energy offset mechanism.

The amount of Scope 2 emissions for the period under review came up to **107,427.55tCO₂e**. This amount comes after offsetting the Group's renewable energy generated from its rooftop solar of 141.73mW. As the Group embarks on renewable energy solutions in its own premises, it will consider further initiatives to reduce Scope 2 emissions.

Scope 3 Emissions

The Group's Scope 3 emissions are currently covering its employees and fleet's consumption of diesel and petrol which are used for the Company's business travels. This usage of fossil fuels came up to a total of **147,607.80tCO₂e** in FYE2025. Among some of the improvements that the Group may potentially consider is a switch to greener sources of energy such as using electric or hybrid cars in its fleet among other adjustments that can be made to discretionary travel.

Energy Usage

In FYE2025, the Group consumed **510.21GJ** of energy mainly through the usage of electricity powered by the national grid and supplied by national utilities provider, TNB. The Group acknowledges that it is on a journey to replace legacy systems which consume fossil fuels like petrol and diesel whether from its fleet, its sites and offices or its gen-sets to renewable energy sources. CBHB has begun playing its part with the solarisation of its offices, generating **141.73mW** of clean energy for its own usage and offsetting the amount needed from the national grid.

Water Usage

In FYE2025, the Group consumed **585m³** of processed or treated water supplied from the water mains from the local water authorities, namely, Air Selangor, covering all its office premises located in the Klang Valley and Ranhill SAJ, for its sites in Johor.

For context, the Group's premises are not located in high-water stressed areas and usage is only for office and general use purposes. The Group does not have any business activities which require the usage of treated water for industrial scale purposes.

Sustainability Statement

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (“SASB”) INDUSTRY STANDARDS

The Group’s main business activities are classified under the **Infrastructure industry** and the **Engineering & Construction Services sector** of the SASB Industry Standards. Using the SASB standards’ topics leads to a robust discussion on the Key Metrics and Targets being set for such topics.

TOPIC: Environmental Impacts of Project Development

Topic	Results	Targets
Number of incidents with non-compliance to environmental permits, standards and regulations.	In FYE2025, the Group did not have any incidents of non-compliance and is duty-bound to maintain zero incidents of environmental compliance annually.	
Discussion of processes to assess and manage environmental-related risks associated with project design, siting and construction.	Environmental risks are taken seriously by the Group and assessed at the beginning of the project planning and design stages . This is to ensure complete compliance with the Department of Environment (“ DOE ”)’s requirements and in obtaining local authority approvals and meeting customer’s specifications for the project. Adherence to regulations is monitored throughout the construction period. Timely and periodic checks through site inspections and toolbox briefings are included to ensure environmental considerations are met.	The Group will continue integrating environmental-related risk assessment into its project planning, siting and construction processes.

TOPIC: Structural Integrity & Safety

Topic	Results	Targets
Amount of defect- and safety-related rework costs	The Group’s solid track record saw no rework costs in FYE2025 and the Group intends to maintain this perfect record by enforcing quality control and safety management procedures.	
Total amount of monetary losses as a result of legal proceedings associated with defect- and safety-related incidents	Building on its solid track record in FYE2025, the Group aims to maintain zero legal and financial losses arising from defect- or safety-related incidents.	

Sustainability Statement

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (“SASB”) INDUSTRY STANDARDS (CONT’D)

TOPIC: Workforce Health & Safety

Topic	Results	Targets
Total recordable incident rate (“TRIR”)	For FYE2025, the Group continued its unblemished safety track record and maintained a zero TRIR rate.	
Fatality rate for i) Direct Employees ii) Contract Employees	This is the same as the above metric, where the Group recorded a zero-fatality rate for both its Direct and Contract employees in FYE2025.	Site safety and maintaining a strong track record for Workforce Health & Safety is mandated by law in Malaysia following the Occupational Health & Safety Act (“OSHA”) 1994 . For this reason, the Group continues maintaining a TRIR and fatality record of zero incidents. The Group’s continuous safety training, monitoring and compliance with safety procedures has demonstrated a 3-year track record of zero fatalities , major accidents (where employees are on medical leave for above 2 days) and minor accidents (where employees are on medical leave for below 2 days) from FYE2023-FYE2025 .

TOPIC: Climate Impacts on Business Mix

Topic	Results	Targets
Amount of backlog for i) Hydrocarbon-related projects ii) Renewable energy projects	In FYE2025, the Group did not have any backlog for hydrocarbon-related projects nor renewable energy projects.	The Group will continue maintaining no exposure to hydrocarbon-related project backlogs unless it is aligned with regulatory and client requirements. Additionally, it will continue evaluating opportunities to participate in renewable energy or low-carbon projects when commercially viable.
Amount of backlog cancellations associated with hydrocarbon-related projects	As the Group did not book any hydrocarbon-related projects in FYE2025, it also did not record any cancellations to its backlog. The Group will maintain zero hydrocarbon-related backlog cancellations as its baseline.	
Amount of backlog for non-energy projects associated with climate change mitigation	As the Group did not participate in any non-energy projects associated with climate change mitigation in FYE2025, it too has no backlog on these projects.	With the Group’s much sought after expertise, it is possible that the Group may be asked or it may identify opportunities to support non-energy infrastructure projects that contribute to climate resilience or mitigation when opportunities arise in the future.

Sustainability Statement

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (“SASB”) INDUSTRY STANDARDS (CONT’D)

TOPIC: Lifecycle Impacts of Buildings & Infrastructure

Topic	Results	Targets
Number of commissioned projects certified to a third-party multi-attribute sustainability standard	There have been no commissioned projects that have been certified by a third-party multi-attribute sustainability standard for the Group in FYE2025.	N/A
Number of active projects seeking such certification	There have been no active projects that are seeking such certification in FYE2025.	CBHB will continue evaluating opportunities to support sustainability-certified projects as and when it aligns with customers’ expectations . What the Group is prepared to undertake is to increase its readiness in participating in certified or sustainability-focussed projects in future developments by enhancing its internal capabilities .
Discussion of processes to incorporate operational-phase energy and water efficiency considerations into project planning and design.	Energy and water efficiency considerations are already discussed during the project planning and design phase where applicable. These considerations are synced with the customer’s requirements for the project and recommendations are then incorporated as and when the project’s scope and feasibility allows it.	The Group continues enhancing the integration of energy- and water-efficiency considerations during planning and design stages. It continues partnering its customers’ sustainability objectives where applicable.

Sustainability Statement

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (“SASB”) INDUSTRY STANDARDS (CONT’D)

TOPIC: Business Ethics		
Topic	Results	Targets
<p>i) Number of active projects ii) Backlog in countries that have the 20 lowest rankings in Transparency International’s (TI) Corruption Perception Index</p>	<p>As the Group’s main business activities are carried out in Malaysia, which is not ranked among the bottom 20 countries in TI’s Corruption Perception Index, the Group has a limited number of backlog projects, none of which are located in jurisdictions classified as high corruption risk.</p>	<p>The Group maintains its stance against corruption and will not maintain any projects or backlog with countries having a high corruption risk. This matter is of utmost importance to the Group to maintain due diligence and ethical screening for all projects.</p>
<p>Total amount of monetary losses as a result of legal proceedings associated with: i) Bribery and corruption ii) Anti-competitive practices</p>	<p>The Group has had no monetary losses from corruption- or competition-related legal proceedings through its strict compliance with the Company’s policies and applicable laws. In fact, the Group’s clean track record has seen zero cases of corruption and anti-competition through 3 years of reporting from FYE2023 – FYE2025.</p>	
<p>Description of policies and practices for prevention of bribery and corruption</p>	<p>The Group maintains zero cases of bribery and corruption throughout FYE2025 by continuing its enforcement of its Anti-Bribery and Corruption (“ABC”) Policy. This practice is introduced to new joiners through the Employee Handbook and requires all employees to read and sign this policy to meet compliance requirements.</p>	
<p>Description of policies and practices for prevention of anti-competitive behaviour in the project bidding processes</p>	<p>The Group’s track record is clean as a whistle and intends to maintain an incident-free record in anti-competitive behaviour in all bidding and procurement activities. The Group’s participation in tenders and all project bids are ensured to be conducted in a fair, transparent and competitive manner in compliance to all applicable laws and regulations during the tender or bidding process.</p>	

Sustainability Statement

SUSTAINABILITY ACCOUNTING STANDARDS BOARD ("SASB") INDUSTRY STANDARDS (CONT'D)

In addition to the Key Metrics and Targets set by the Group for its material Sustainability matters, the SASB industry standards take into account the Activity Metrics of the Group to monitor its disclosures against the other parts of this Annual Report for cohesion. In the year under review, the Activity Metrics of CBHB are described below:

Activity Metrics	Results
<p>Number of active projects</p> <p>Active projects are defined as buildings and infrastructure projects under development to which the entity was providing services as of the close of the reporting period, which may include both the design and construction stages. Active projects exclude projects commissioned during the reporting period.</p>	16
<p>Number of commissioned projects</p> <p>Commissioned projects are defined as projects completed and deemed ready for service during the reporting period. The scope of commissioned projects shall include only projects to which the entity provided construction services.</p>	7
<p>Total backlog</p> <p>Backlog is defined as the value of projects not completed as of the close of the reporting period (revenue contractually expected in the future but that has not been recognised), or is defined by the entity, consistent with its existing disclosure of backlog. Backlog also may be referenced as revenue backlog or unsatisfied performance obligations. The scope of the disclosure is limited to buildings and infrastructure projects in which the entity provides engineering, construction, architecture, design, installation, planning, consulting, repair or maintenance services, or other similar services.</p>	3

SUSTAINABILITY OPPORTUNITIES & IMPACT PLANNING

The Group's ongoing progress in embedding Sustainability within its practices has been charted through its own roadmap to match different time horizons. Encapsulating the short-, medium- and long-term prospects of addressing different material SRROs and CRROs within these time horizons will see the Group continues to formalise its Sustainability Governance and Reporting frameworks in the immediate future to align with NSRF and IFRS Sustainability Standards. Potentially, as IFRS S1 comes into view, the Group has an upside into building the bridge between IFRS Sustainability and IFRS Accounting Policies disclosure language and narratives.

This also dovetails with the Group's intended participation in tenders for public utility projects such as TNB's to propel the Group into the next level of growth. The Group's attention to developing capabilities in the green sector will also add depth into its service and product offerings, bringing renewable energy projects and a broader subsector of service opportunities to the Group's door.

The Group remains committed to furthering its journey in building greener and helping its customers and partners to pursue different green-rated projects as and when the opportunity arises.

Sustainability Statement

Appendix - Data Performance Tables

Date & Time: 2026-04-22_09:00:40
FYE 31/12/2025CBH ENGINEERING HOLDING BERHAD
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Economic and business	Revenue	RM	218,803,505	—	No assurance
Customer satisfactions	Score	%	70	80	No assurance
Environmental Compliance	Number of incidents	Number of incidents	0	0	No assurance
GHG Emissions	Absolute emissions	Tonnes of Carbon Dioxide Equivalent ("tCO ₂ e")	141,062.15	—	No assurance
Energy Consumption	Absolute electricity	Kilowatt-hours ("kWh")	141,725	—	No assurance
Health and Safety	Number of fatalities	Number of fatalities	0	0	No assurance
Diversity and Inclusion	Number of Employees	Number of Employees	150	—	No assurance
Training and Development	Training Hours	Hours	1246	1500	No assurance
Community Engagement	Amount invested and Number of beneficiaries of the investment in communities.	RM and Number	RM69,830 / 11	—	No assurance
Anti-corruption	Number of bribery or corruption cases	Number	0	0	No assurance
Ethical Conduct	Number of reports	Number	0	0	No assurance
Data Security and Protection	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	No assurance
Health and Safety	Number of employees trained	Number of employees trained on health and safety standards	0	3	No assurance
Supply Chain Management	Proportion of spending on local suppliers	%	80.92	—	No assurance
Environmental Compliance	GHG Emissions	Tonnes of Carbon Dioxide Equivalent ("tCO ₂ e")	141,062.15	—	No assurance
Environmental Compliance	Energy Usage	Gigajoule ("GJ")	570.21	—	No assurance
Environmental Compliance	Water Usage	Cubic Meter ("m ³ ")	585	—	No assurance

Corporate Governance Overview Statement

The Corporate Governance Overview Statement is presented in compliance with Rule 15.25(1) of the ACE Market Listing Requirements ("**Listing Requirements**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") to provide a detailed articulation on the application of the corporate governance practices as prescribed in the Malaysian Code on Corporate Governance ("**MCCG**") and the Listing Requirements by CBH Engineering Holding Berhad (the "**Company**") and its subsidiaries (the "**Group**").

The Board of Directors (the "**Board**") of the Company is committed to ensuring that good corporate governance culture are implemented and practised throughout the Group as a fundamental part of discharging its duties to enhance shareholders' values consistent with the principles and recommendations for best practices as set out in the MCCG and the Listing Requirements.

This Corporate Governance Overview Statement ("**Statement**") gives the shareholders an overview of the corporate governance practices adopted by the Group for the financial year ended 31 December 2025 ("**FYE2025**") and should also be read together with the Company's Corporate Governance Report for the FYE2025 which is available on the Company's website at www.cbh.com.my, as well as Bursa Securities' website at www.bursamalaysia.com.

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

- (i) Principal A: Board leadership and effectiveness;
- (ii) Principal B: Effective audit and risk management; and
- (iii) 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 directions and operational activities, ultimately aiming to enhance shareholders' value.

In discharging their fiduciary duties and responsibilities, the Board is guided by the 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 functions effectively:-

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

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

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

Corporate Governance Overview Statement

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

PART I – BOARD RESPONSIBILITIES (CONT'D)

1.2 The Chairwoman of the Board

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

In adherence to Practice 1.4 of the MCCG, the Chairwoman of the Board does not sit on the AC, NC and RC ensuring the maintenance of checks and balances as well as does not give rise to the risk of self-review and may impair the objectivity of the Chairwoman. This structure also safeguards the independence and objectivity during the Board's and Board Committees' meetings.

1.3 Separation of the Position of the Chairwoman and Managing Director

In line with Practice 1.3 of the MCCG, 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 prevent 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, Ir. Cheah Boon Hwa leads the management of the Group, overseeing operating units, and ensuring the implementation of the Board's policies and decisions.

The duties and responsibilities of the Chairwoman and Managing Director are detailed in the Board Charter which is available on the Company's website at www.cbh.com.my.

1.4 Qualified and Competent Company Secretaries

The Board is supported by two (2) suitably qualified Company Secretaries, namely Teo Soon Mei and Lim Jia Huey, both of whom are qualified to act as Company Secretaries under Section 235(2)(a) of the Companies Act 2016 and they are also registered holders of the Practising Certificate issued by the Companies Commission of Malaysia. 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 FYE2025, 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 FYE2025 and ensuring the meeting procedures are in place including disseminating complete and accurate meeting materials in a timely manner.

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

The roles and responsibilities of the Company Secretaries is detailed in the Board Charter which is available on the Company's website at www.cbh.com.my.

Corporate Governance Overview Statement

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

PART I – BOARD RESPONSIBILITIES (CONT'D)

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 indicative dates of Board and Board Committee meetings, as well as the annual general meeting (“**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 at least 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 scheduled Board meetings, board papers along with Directors’ Written Resolution will be circulated for the Board’s consideration and approval. All Directors’ Written Resolution approved by the Board will be tabled for notation at the next Board meeting.

1.6 Board Charter

The Company has adopted the Board Charter which outlined amongst others, the roles and responsibilities of the Board, Board Committee and individual Directors, Board composition and structure, Board’s procedures, as well as matters reserved for the Board, along with the Board’s 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.

1.7 Code of Conduct and Ethics

The Board has adopted the Code of Conduct and Ethics (“the Code”) of which is to be 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.

The Board adhered strictly to the Code, ensuring effective conduct and 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, always acting in the best interests of the Group and its shareholders.

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

Corporate Governance Overview Statement

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

PART I – BOARD RESPONSIBILITIES (CONT'D)

1.8 Anti-Bribery and Corruption Policy (“ABC Policy”)

To instill a culture of integrity and transparency across all Group’s activities, the Company adopted the ABC Policy, in accordance with the Malaysian Anti-Corruption Commission Act 2009 (“**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 periodically 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.

1.9 Whistle-blowing Policy

The Group upholds the highest standards of integrity, transparency, and accountability in its business conduct. The Company adopted a Whistle-blowing 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 Directors and 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 Whistle-blowing Policy is published on the Company’s website at www.cbh.com.my.

1.10 Fit and Proper Policy

The Board adopted the Fit and Proper Policy that apply to all the Directors and Key Senior Management of the Group in accordance with Rule 15.01A of the Listing Requirements. This policy serves as a guide to the NC and the Board in their review and assessment of potential candidates for appointment to the Company’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.

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 of material Environmental, Social, and Governance (“ESG”) factors embedded as integral component of the Group’s corporate strategy.

Corporate Governance Overview Statement

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

PART I – BOARD RESPONSIBILITIES (CONT'D)

1.11 Sustainability Governance (Cont'd)

The SRMC is established as a Board Committee to assist the Board on sustainability-related risk and opportunities, amongst others, the key roles of SRMC are as follow:

- (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 sustainability risks and opportunities in the risk management framework of the Company;
- (iii) approve disclosure statements relating to management of sustainability matters of the Group; and
- (iv) implement 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.

As fiduciary to the Company's shareholders and other stakeholders, 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 Group's sustainability strategies, priorities, targets, and overall performance, as detailed in the Sustainability Statement of this Annual Report.

The Board also incorporated the assessment of the Board's governance of sustainability issues in the annual performance evaluation of Key Senior Management that are critical to the Group'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 and composition:

- (i) this current Board composition complies with Rule 15.02 of the Listing Requirements, which requires that at least two (2) Directors or one-third (1/3) of the Board, whichever is the higher, are Independent Directors.
- (ii) 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.

Corporate Governance Overview Statement

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

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

2.1 Board Composition (Cont'd)

This Board composition facilitate and enable independent and objective judgement as well as provide an effective check and balance to safeguard the interest of the minority shareholders and other stakeholders, as well as ensuring that 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 the respective Directors are set out in this Annual Report.

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 the tenure of an Independent Director should not exceed a cumulative term of twelve (12) years as prescribed in the Listing Requirements.

The Board has not adopted a policy that limit the tenure of its Independent Directors to a cumulative term of nine (9) years, being a step-up practice. Notwithstanding that, the assessment of the independence of Independent Directors will be conducted annually by the NC via the Annual Evaluation of Independence of Directors to ensure that the Independent Directors 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 FYE2025, none of the Independent Directors of the Company has served on the Board for more than a cumulative term of more than nine (9) years. All Independent Non-Executive Directors have been serving as an Independent Director in the Company for less than three (3) 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 Senior Management are sourced from a diverse pool and recruited based on objective criteria, merit and with due regards 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 the Gender Diversity Policy which provides the framework for the Company to achieve the objectives for gender diversity at the Board and 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 to improve gender diversity not only at the Board level but also at the 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 57.14% of the Board composition, exceeding the recommended minimum of 30% female Directors as recommended by the MCCG. This accomplishment reflects the Board's commitment to fostering an inclusive and balanced governance structure, recognising the value that diverse perspectives bring to decision-making processes. At the senior management level, the Group shall endeavour to achieve its gender diversity objectives even though, gender is generally not regarded as a prerequisite for managerial positions within the Group. Instead, managerial appointments are based on objective criteria such as, track record, competency, qualification and merit, ensuring the most qualified candidates are selected for the designated roles and job requirements.

Corporate Governance Overview Statement

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

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

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.

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

Composition	AC	NC	RC	SRMC
Lim Bee Hua (Independent Non-Executive Chairwoman)	-	-	-	Chairperson
Saw Bee Yee (Independent Non-Executive Director)	Member	Member	Chairperson	Member
Tan Suat Hoon (Independent Non-Executive Director)	Member	Chairperson	Member	Member
Chin Sin Peng (Independent Non-Executive Director)	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, all of them are Independent Non-Executive Director. The composition of NC is in compliance with Rule 15.08(A) of the Listing Requirements. The full composition of the 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.

The activities undertaken by the NC during the 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 Board 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.

Corporate Governance Overview Statement

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

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

2.5 NC

The activities undertaken by the NC during the FYE2025 and up to the date of this Statement were as follows:- (Cont'd)

- 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 the performance of the individual directors and recommended to the Board for consideration, the re-election of retiring Directors at the forthcoming AGM;
- Reviewed the meeting attendance of the Board and Board Committees, as well as the adequacy of time commitment to fulfilling their respective roles and responsibilities during the financial year; and
- Reviewed the training needs and programmes attended by the Directors during the financial year.

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, time commitment, competency, qualification and track record of the proposed candidate 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. During the FYE2025, there was no new appointment of Board member.

In accordance with the Listing Requirements and the Company's Constitution:

- (i) 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 and
- (ii) 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 retiring Directors' eligibility for re-election, the NC considers their competencies, commitment, contribution, performance based on their respective performance evaluation as well as their ability to act in the best interest of the Company. Upon the recommendation of the NC and the Board, Ir. Cheah Boon Hwa and Cheah Boon Huat, who are retiring by rotation pursuant to Clause 84.1 of the Company's Constitution, are subject re-election at the forthcoming 2nd AGM of the Company.

2.7 Annual Evaluation of the Directors, Board and Board Committees

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.

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 2026.

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

Pursuant to Board Charter of the Company, the Board meetings shall be conducted at least on a quarterly basis.

The Board schedules at least four (4) meetings in a financial year with additional meetings to be convened where necessary.

The number of meetings held and attended by each member of the Board and Board Committees during the FYE2025 are as follows:-

Name of Director	Board	No. of Meetings Attended			
		AC	NC	RC	SRMC
Lim Bee Hua <i>(Independent Non-Executive Chairwoman)</i>	6/6	N/A	N/A	N/A	2/2
Ir. Cheah Boon Hwa <i>(Managing Director)</i>	6/6	N/A	N/A	N/A	N/A
Cheah Boon Huat <i>(Non-Independent Executive Director)</i>	6/6	N/A	N/A	N/A	N/A
Cheah Min Heng <i>(No-Independent Executive Director)</i>	5/6	N/A	N/A	N/A	N/A
Saw Bee Yee <i>(Independent Non-Executive Director)</i>	6/6	6/6	1/1	2/2	2/2
Tan Suat Hoon <i>(Independent Non-Executive Director)</i>	6/6	6/6	1/1	2/2	2/2
Chin Sin Peng <i>(Independent Non-Executive Director)</i>	6/6	6/6	1/1	2/2	2/2

2.9 Directors' Training

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 continuously maintaining a skilled and knowledgeable Board.

During the FYE2025, the Directors have attended the following training programmes in compliance with Rule 15.08 of the Listing Requirements:-

Name of Directors	Training / Seminar attended
Lim Bee Hua	Mandatory Accreditation Programme ("MAP") Part II
Ir. Cheah Boon Hwa	MAP Part II
Cheah Boon Huat	MAP Part II
Cheah Min Heng	MAP Part II
Saw Bee Yee	MAP Part II
Tan Suat Hoon	Post-Listing Obligations of a Public Listed Company and the Directors' Roles and Responsibilities of a Public Listed Company and the MCCG MAP Part II
Chin Sin Peng	MAP Part II

Corporate Governance Overview Statement

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

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

2.9 Directors' Training (Cont'd)

All the Directors have attended the requisite MAP Part I and Part II in compliance with Guidance Note 10 of the Listing Requirements.

In addition to the above training programmes, the Directors have continuously kept themselves abreast of the relevant changes and developments in the Listing Requirements, Companies Act 2016, other regulatory requirements, and accounting standards through the periodic updates from the Company Secretaries, as well as briefings by the External Auditors and Management respectively.

PART III – REMUNERATION

3.1 Remuneration Policy and Procedures

The Board had established a formal and transparent Remuneration Policy and Procedures for Directors and Senior Management to attract and retain Directors and Senior Management of the Group. The Remuneration Policy and Procedures for Directors and Senior Management is available on the Company's website at www.cbh.com.my.

The RC assists the Board in implementing its policies and procedures on remuneration, which includes reviewing and recommending the proposed remuneration packages of the Directors and Senior Management of the Group. The RC is also responsible for ensuring that the remuneration packages are commensurate with the expected responsibility and contribution by the Directors and Senior Management of the Group as well as link to the strategic objectives of the Group. The full composition of NC is disclosed under Section 2.4 of this Statement.

The Board will determine the remuneration package of the Managing Director / Executive Director, taking into consideration the recommendations of the RC for the Managing Director / Executive Director. The remuneration packages for the Managing Director / Executive Director are structured in such a way that they link rewards to both corporate and individual performance.

The Independent Non-Executive Directors of the Company will be paid a basic fee as ordinary remuneration based on their responsibilities in Board Committees and the Board, their attendance and/or the special skills and expertise they bring to the Board. The fee shall be fixed in sum and not by a commission on or percentage of profits or turnover. Each Director shall abstain from the deliberation and voting on matters pertaining to their own remuneration.

Corporate Governance Overview Statement

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

PART III – REMUNERATION (CONT'D)

3.2 Remuneration of Directors and Senior Management

The remuneration payable to each of the individual Director of the Company and of the Group for the FYE2025 are as follows:-

(A) The Company

Name of Directors	Fees (RM'000)	Allowance (RM'000)	Salary (RM'000)	Bonus (RM'000)	Benefits -in kind (RM'000)	Other emoluments# (RM'000)	Total (RM'000)
Lim Bee Hua	60	-	-	-	-	-	60
Ir. Cheah Boon Hwa	-	-	-	-	-	-	-
Cheah Boon Huat	-	-	-	-	-	-	-
Cheah Min Heng	-	-	-	-	-	-	-
Saw Bee Yee	60	-	-	-	-	-	60
Tan Suat Hoon	60	-	-	-	-	-	60
Chin Sin Peng	60	-	-	-	-	-	60
Total	240	-	-	-	-	-	240

(B) The Group

Name of Directors	Fees (RM'000)	Allowance (RM'000)	Salary (RM'000)	Bonus (RM'000)	Benefits -in kind (RM'000)	Other emoluments# (RM'000)	Total (RM'000)
Lim Bee Hua	60	-	-	-	-	-	60
Ir. Cheah Boon Hwa	-	-	456	304	9	30	799
Cheah Boon Huat	-	-	318	160	16	19	513
Cheah Boon Kiat	-	-	318	160	13	19	510
Cheah Min Heng	-	-	422	345	24	93	884
Saw Bee Yee	60	-	-	-	-	-	60
Tan Suat Hoon	60	-	-	-	-	-	60
Chin Sin Peng	60	-	-	-	-	-	60
Total	240	-	1,514	969	62	161	2,946

Note:-

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

Corporate Governance Overview Statement

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

PART III – REMUNERATION (CONT'D)

3.2 Remuneration of Directors and Senior Management (Cont'd)

The Board is of the view that the disclosure of the 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 talent retention and poaching issues. The Board opted to disclose the total of the aggregated remuneration of senior management on an unnamed basis in the Corporate Governance Report for FYE2025.

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 full composition of the AC is disclosed under Section 2.4 of this Statement.

The AC is chaired by Chin Sin Peng, an Independent Non-Executive Director who is distinct from the Chairwoman of the Board in compliance with Practice 9.1 of the MCCG. The majority of the members of the AC are financially literate, whilst the Chairperson of the AC is a member of the Malaysian Institute of Accountants in compliance with Rule 15.09 (1)(c) of the Listing Requirements.

The AC comprises three (3) members and all of them are Independent Non-Executive Director and none of them are alternate Directors in compliance with Rules 15.09 and 15.10 of the Listing Requirements and Practice 9.4 of the MCCG whereby all three (3) AC members are Independent Non-Executive Directors.

None of the members of the AC were former audit partners of the Company's External Auditor in compliance with Practice 9.2 of the MCCG and to uphold utmost independence, the Board has no intention to appoint any former key audit partner as a member of the AC or the Board.

The members of the AC are equipped with the requisite skills and knowledge to fulfill their responsibilities outlined in the TOR of the AC published on the Company's website at www.cbh.com.my. They possess a deep understanding of matters falling within the purview of the AC, including the financial reporting process.

It is expected that AC members 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, reporting requirements, and regulations during briefings conducted by the External Auditors, Internal Auditor, company secretaries and the Management.

4.2 External Auditors

The Group maintains a transparent and effective relationship with Messrs. TGS TW PLT, 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.

Corporate Governance Overview Statement

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

PART I: AUDIT COMMITTEE (CONT'D)

4.2 External Auditors (Cont'd)

During the audit engagement for the FYE2025, the External Auditors confirmed their independence to the Board. Following a comprehensive evaluation and review, the AC is satisfied with the performance, suitability, and independence of the External Auditors, Messrs. TGS TW PLT, and has recommended to the Board to approve and table the resolution for the shareholders to consider and approve their re-appointment at the forthcoming 2nd AGM of the Company for the financial year ending 31 December 2026.

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 management system and procedures. The composition of the SRMC comprises all of Independent Non-Executive Directors, as tabled below: -

Name of SRMC 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

The key roles and responsibilities of the SRMC are as disclosed on page 060 Section 1.11 of this Statement in this Annual Report.

The duties and responsibilities of the SRMC are set out in its TOR, which can be accessed on the Company's website at www.cbh.com.my.

In addition, the Company has established a Sustainability Working Group ("SWG"), which is led by Ir. Cheah Boon Hwa, the Managing Director, to support the SRMC. The SWG plays a crucial role in identifying key sustainability related risks and opportunities, as well as implementing corresponding mitigation strategies within their purview. To ensure effective management of sustainability matters, the SWG 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 risk management and internal control system. The Internal Auditors report directly to the AC and internal audit plans are tabled to the AC for review to ensure adequate coverage and thereafter the AC recommend it for approval by the Board.

Corporate Governance Overview Statement

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

PART II – RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

5.1 Risk Management and Internal Control Framework (Cont'd)

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

The Company outsources the internal audit functions and had engaged Vaersa Advisory Sdn Bhd ("VA") to provide internal audit services. The AC determined the scope of internal services and discussed with VA to provide their internal audit plan for review by the AC ensuring that all key risks areas are audited by them. 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 and they have unfettered access to the AC and the Board.

During FYE2025, the Internal Auditors conducted the internal audit reviews in accordance with the internal audit plan approved by the AC. Upon completion of each internal audit review, the Internal Auditors will present the audit findings, along with the relevant root-cause analysis, potential risk and consequences, as well as recommended corrective actions to the AC during the scheduled meeting. The Management will then implement the recommended corrective actions within a specified timeframe. The Internal Auditors will subsequently conduct a follow-up review to ensure the effective implementation of these corrective measures.

Details of the areas audited and activities undertaken by the internal audit team are set out in the Audit Committee Report of this Annual Report.

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 by the Company.

The Board also observes the Corporate Disclosure Guide issued by Bursa Securities which is calibrated in line with the disclosure requirements as stipulated in the Listing Requirements, and setting out the protocols for disclosing material information to shareholders and investing public.

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 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.

Corporate Governance Overview Statement

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

PART I – COMMUNICATION WITH STAKEHOLDERS

6.1 Continuous Communication with Stakeholders

The Company's AGM remains a principal forum used by the Company for interacting and communication with 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 explanatory note of that resolution and its effects to facilitate its understanding and evaluation by the shareholders before voting.

PART II – CONDUCT OF GENERAL MEETING

7.1 Conduct of General Meetings

In line with Practice 13.1 of MCCG, the Notice convening the 2nd AGM of the Company ("**Notice**") is 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 2nd AGM or to appoint proxy(ies) to attend, speak and vote on their behalf.

The Notice, which sets out the businesses to be transacted will be published at the Company's website at www.cbh.com.my and through our Company's announcement published on Bursa Securities' website, as well as published in local widely circulated newspaper. The notes to the Notice provide the necessary explanation for each proposed resolution 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 2nd AGM of the Company to address shareholders' inquiries. Additionally, the Board will be supported by External Auditors, Company Secretaries, Sponsors, and relevant senior management personnel, all of whom will also be present at the 2nd AGM to interact with shareholders and to address any queries raised.

The forthcoming 2nd 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 Board of Directors) at the forthcoming 2nd AGM.

The Company will conduct poll voting on all proposed resolutions at the 2nd AGM and also for all proposed resolution(s) tabled at other general meetings in compliance with the Listing Requirements. The outcome of the voting on all the proposed resolutions at the forthcoming 2nd AGM will be announced to Bursa Securities on the same day of the meeting.

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, External Auditors and Sponsor 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. In line with Practice 13.6 of the MCCG, a summary of the key matters discussed at the 2nd AGM or other general meeting will be published within thirty (30) business days after the said meeting on our Company's website at www.cbh.com.my for the shareholders' information.

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)

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 FYE2025 and up to the date of this Statement. The Company's Corporate Governance Report for FYE2025 outlines the departures from the recommended practice of the MCCG, along with explanations for those non-adoptions.

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 30 March 2026.

Audit Committee Report

In compliance with Rule 15.15 of the ACE Market Listing Requirement ("**Listing Requirement**") of Bursa Malaysia Securities Berhad, the Audit Committee ("**AC**") of CBH Engineering Holding Berhad (the "**Company**") is pleased to present the AC Report for the financial year ended 31 December 2025 ("**FYE2025**").

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 AC 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 Group.

2. COMPOSITION OF AC

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

Name of AC 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

3. COMPLIANCE WITH THE LISTING REQUIREMENTS AND MALAYSIAN CODE ON CORPORATE GOVERNANCE ("MCCG")

The composition of the AC complies with the Listing Requirements and the MCCG as detailed below:

Listing Requirements	Company's AC
Rule 15.10	The Chairperson of the AC, Chin Sin Peng, does not serve as the Chairman of the Board

MCCG Practices	Company's AC
Practice 9.1	The Chairperson of the AC, Chin Sin Peng, does not serve as the Chairman of the Board

In accordance with Rule 15.10 of Listing Requirement and Practice 9.1 of the MCCG, the Chairperson of the AC, Chin Sin Peng, does not serve as the Chairman 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 Listing Requirements, 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. 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 its Terms of Reference which can be accessed from the Company's website at www.cbh.com.my.

Audit Committee Report

4. SUMMARY OF ACTIVITIES UNDERTAKEN BY THE AC

A total of 6 AC meetings were held during the FYE2025. Details of attendance of each AC member are set out in the Corporate Governance Overview Statement on page 065 of this Annual Report.

In accordance with the Terms of Reference, the AC has carried out the following activities during the FYE2025 and up to the date of this report:-

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.
- 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 and approved the Audit Planning Memorandum presented by the External Auditors and deliberated on matters including reporting requirements, audit approach, audit materiality, key audit areas as well as proposed reporting schedules and audit fees prior recommending for the Board's approval.
- Conducted a private session with the External Auditors 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 and assessed 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 and financial year ending 31 December 2026.
- Reviewed the Audit Review Memorandum presented by the External Auditors and deliberated on matters including audit status, potential key audit matters, audit independence as well as compliance with the relevant laws and regulations, prior recommending for the Board's approval.

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.
- Conducted a private session with Internal Auditors to discuss any issues arising from audits without the presence of the Executive Directors and Management, where the Internal Auditors were given the opportunity to raise any issues of concern directly to the AC.
- Reviewed and deliberated on the internal audit reports, covering the audit findings, root-cause analysis, corresponding recommendation and Management's responses for the implementation of the corrective actions with target timelines.

Audit Committee Report

4. SUMMARY OF ACTIVITIES UNDERTAKEN BY THE AC (CONT'D)

Related Parties Transaction ("RPT") and Conflict of Interest ("COI") and/or Potential COI

- Reviewed and assessed the independence, qualifications, resources and overall performance of the Internal Auditors for FYE2025.
- Reviewed the RPT and recurrent related party transactions of a revenue or trading nature ("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.
- 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 quarterly 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 than those disclosed in Note 34 to the Financial Statements of the Company on pages 141 to 142 of this annual report.

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 FYE2025.

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, 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 Terms of Reference 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.

5. INTERNAL AUDIT FUNCTION

The Company outsources the internal audit function and had engaged Vaersa Advisory Sdn Bhd ("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 FYE2025, she was supported by a team of 10 personnel to conduct the internal control review in accordance with the IPPF. The details of the profiles of VA were disclosed in the Corporate Governance Report FYE2025 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.

The internal audit fees incurred during FYE2025 was RM36,000.

Audit Committee Report

6. 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.

7. 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.

8. EVALUATION OF THE PERFORMANCE OF THE AUDITORS

Pursuant to the Terms of Reference 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 Auditors 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 Auditors 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 Auditors and Internal Auditors and may request the Executive Director and Chief Financial Officer to join the assessment.

The annual evaluation form has adopted by the Company to carry out the evaluation of the effectiveness of External Auditors and Internal Auditors for the 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. Audit governance and independence;
- b. Quality of the audit engagement team and the competency of the audit firm;
- c. Quality of communication and interaction of audit team with the AC and Management;
- d. Audit scope and quality processes; and
- e. Audit fee.

Additional Compliance Information

1. Utilisation of proceeds

The Company was listed on ACE Market of Bursa Securities on 16 January 2025 in conjunction with the Initial Public Offering ("IPO"), where the Company raised RM83.44 million gross proceeds from the IPO.

The status of utilisation of proceeds raised from the IPO amounting to RM83.44 million as at 31 March 2026 were as follows:-

Purposes	IPO Proceeds RM'000	Actual Utilisation ⁽¹⁾ RM'000	Reallocation ⁽²⁾	Balance of IPO Proceeds Unutilised ⁽³⁾ RM'000	Time Frame for Utilisation of IPO Proceeds from the Date of Listing
(i) Business expansion					
(a) Procurement of equipment and components for future projects	38,504	41,937	3,433	-	Within 3 years
(b) Payment to subcontractors for future projects	18,480	18,480	-	-	Within 1.5 years
(c) Bank guarantees for future projects	17,300	17,300	-	-	Within 3 years
(d) Recruitment of engineers and other personnel	3,456	23	(3,433)	-	Within 2 years
(ii) Estimated listing expenses	5,700	5,700	-	-	Within 1 month
	83,440	83,440	-	-	

Notes:

- The utilisation of the proceeds as disclosed above should be read in conjunction with the Company's Prospectus dated 20 December 2024 pursuant to its IPO.
- On 21 August 2025, the Board of Directors of the Company resolved to relocate the unutilised IPO proceeds of RM3.43 million, representing 4.11% of the total IPO proceeds to be utilised for the current recruitment of engineers and other personnel as disclosed in item (i)(d) to be utilised for the procurement of equipment and components for future projects as disclosed in item (i)(a) tabulated in the table above.

Additional Compliance Information

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 2025 are as follows:

2025	COMPANY (RM'000)	GROUP (RM'000)
External Audit		
Audit Fee	33,000	125,000
Non-audit fees	5,000	5,000
	38,000	130,000

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

3. Material Contracts

There was no material contract entered into by the Company and/or its subsidiaries involving Directors', chief executives' and/ or major shareholders' interest which were still subsisting as at the end of FYE2025 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 2025 other than those disclosed in Note 34 to the Audited Financial Statements of the Company on pages 141 to 142 of this Annual Report.

The Company is seeking for a shareholders' mandate to allow the Group to enter into RRPTs under the Special Business at the 2nd AGM.

5. List of Material Properties

As at 31 December 2025, the Group does not own any properties.

6. Disclosure of Financial Data for Shariah Screening

Pursuant to Rule 9.25A of the ACE Market Listing Requirements below are the financial data that are relevant for the purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities, and its interest-based financial position.

Additional Compliance Information

6. Disclosure of Financial Data for Shariah Screening (Cont'd)

(a) Group Total Income and Total Assets

	2025 (RM)	Group 2024 (RM)
Total Income		
Revenue	218,803,505	271,692,307
Other income	351,581	4,913,723
Interest income	3,550,413	753,575
Total	222,705,499	277,359,605
Total Assets	288,773,284	159,566,532

(b) Business Activities

Shariah Non-Compliant Activities	Remarks	2025 (RM)	Group 2024 (RM)
Interest income	Conventional banks	825,911	196,607
Other Shariah non-compliant activities	Insurance claims	93,400	28,600
Total		919,311	225,207

(c) Component of Financial Position

(i) Cash Component

Islamic Account/Instruments	2025 (RM)	Group 2024 (RM)
Cash at bank (exclude cash in hand)	35,420,044	20,678,544
Deposits with licensed bank	9,698,393	11,452,514
Cash in hand	55,220	45,220
Money market instruments	6,082,972	-
Total	51,256,629	32,176,278
Conventional Account/Instruments		
Cash at bank (exclude cash in hand)	107,019,182	3,248,938
Deposits with licensed bank	-	3,440,098
Total	107,019,182	6,689,036

Additional Compliance Information

6. Disclosure of Financial Data for Shariah Screening (Cont'd)

(c) Component of Financial Position (Cont'd)

(ii) Debt Component

	Group	
	2025	2024
	(RM)	(RM)
Islamic Financing		
Current		
Banker's acceptances	329,000	100,000
Islamic hire purchase payables	54,844	52,168
Borrowings	104,950	-
Non-Current		
Islamic hire purchase payables	100,929	155,773
Total	589,723	307,941
Conventional Borrowing		
Current		
Hire purchase payables	585,813	461,388
Non-Current		
Hire purchase payables	1,448,275	1,399,789
Total	2,034,088	1,861,177

Statement on Risk Management and Internal Control

INTRODUCTION

The Board of Directors of CBHB ("**Board**") presents herewith, the Statement on Risk Management and Internal Control of the Company and its subsidiaries ("**Group**") which outlines the nature and scope of risk management and the internal control systems of the Group for the financial year ended 31 December 2025 ("**FYE2025**").

This statement is issued in compliance with Rule 15.26(b) of the ACE Market Listing Requirements ("**Listing Requirements**") 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 Companies.

BOARD RESPONSIBILITIES

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

Key responsibilities of the Board include:

- overseeing and assessing the principal business risks faced by the Group and ensuring the implementation of appropriate internal controls and mitigating measures to manage such risks;
- setting the risk appetite within which the Board expects the Management to operate and ensure that there is an appropriate annual review and periodic testing of the Group's internal control and risk management framework.

The Board sanctions the objectives of the risk management and internal control policies, acknowledging its ultimate responsibilities for an effective and adequate enterprise risk management framework. While formulating and reviewing these policies, the Board may seek guidance from the Sustainability and Risk Management Committee ("**SRMC**"), the Group Managing Director ("**Group MD**"), Internal Auditors, External Auditors and other relevant experts.

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

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

ROLE OF THE SRMC

The SRMC assists the Board in overseeing the Group's principal risks and sustainability matters, including the integration of environmental, social and governance ("**ESG**") considerations into the risk management framework and the implementation of sustainability-related policies approved by the Board. The SRMC monitors the execution of risk management practices and sustainability initiatives across the Group and reviews related disclosures for Board approval.

The key responsibilities of the SRMC include:

- (i) To oversee and recommend the Group's risk management strategies, policies and risk tolerance levels for the Board's approval;
- (ii) To ensure the management of sustainability risks and opportunities are integrated into the risk management framework and embedded throughout the Group and function effectively within the parameters established by the Board;

Statement on Risk Management and Internal Control

ROLE OF THE SRMC

The key responsibilities of the SRMC include: (Cont'd)

- (iii) To review and recommend sustainability-related policies and material sustainability matters to the Board for adoption and oversight;
- (iv) To receive periodic updates from SWG on the progress of the Group's sustainability initiatives and sustainability targets;
- (v) To identify and measure potential risks, and to formulate mitigation action plans to manage and monitor the identified risks within the Group's risk appetite, ensuring that corrective measures are taken to address any failings and/or weaknesses;
- (vi) To conduct an annual review and periodic testing of the risk management framework, including reviewing key Risk Registers and the Group's risk dashboard;
- (vii) To ensure that appropriate infrastructure, resources and systems are in place to support effective risk management, including ensuring that staff responsible for implementing risk management systems perform their duties independently of the Group's risk-taking activities;
- (viii) To report the Group's risk management activities including assessing the resources and knowledge of the management and employee involved in the risk management process, and update key Risk Registers and the risk dashboard to the Board on a regular basis, at least annually;
- (ix) To perform risk identification and assessment regarding major asset/business acquisition or divestment, or business diversification or business consolidation and report to the Board for strategic decision making;
- (x) To perform regular reviews, monitoring and assessments of the effectiveness, efficiency and performance of the Group's anti-bribery programme. The reviews may be conducted through internal audits or independent external assessments to enhance the Group's anti-bribery and corruption controls;
- (xi) To review the effectiveness of the Group's risk management systems and recommend, where appropriate, the endorsement of the Statement on Risk Management and Internal Control to be included in the Company's annual report by the Board; and
- (xii) To liaise with the Audit Committee ("**AC**") where appropriate, particularly on matters relating to risk management findings highlighted by internal or external auditors to ensure issues of common concern are addressed effectively.

ROLE OF THE SUSTAINABILITY WORKING GROUP ("SWG")

The Group MD is leading the SWG and they hold a vital role in ensuring the effectiveness of the Group's risk management framework. As a key driver of the Group's governance and operational strategies, the SWG 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 SWG ensures that risk management processes are seamlessly integrated into the Group's operations, supporting the organisation's resilience and long-term sustainability.

Key responsibilities of the SWG 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 SRMC and Board. The SWG also facilitates informed decision-making by highlighting critical risk-related insights.

Statement on Risk Management and Internal Control

ROLE OF THE SUSTAINABILITY WORKING GROUP (“SWG”) (CONT’D)

Key responsibilities of the SWG include: (Cont’d)

- **Implementation of Board Policies:** Leads the Management team in implementing the Board’s policies on risk and control to ensure 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 SWG is tasked to present significant risks to the attention of the SRMC and Board for appropriate consideration and action.
- **Design and Monitoring of Internal Controls:** Develops, operates, and monitors internal control systems in accordance with the Board’s policies to ensure these controls effectively mitigate risks and support the Group’s strategic objectives.

Through these responsibilities, the SWG ensures a proactive and integrated approach to risk management, reinforcing the Group’s operational resilience and long-term sustainability.

ROLE OF HEAD OF DEPARTMENT

The Head of Departments (“**HOD**”) plays a critical role in the Group’s risk management framework, serving as key contributor to 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 HOD not only safeguards the Group’s operations but also contributes to its overall resilience and success.

Key roles and responsibilities of the HOD include:

- **Implementation of Risk Management Framework:** Implement risk management processes and procedures in accordance with the Group’s established framework.
- **Internal Controls Review:** Assess the adequacy and effectiveness of departmental internal control measures and recommend improvements where necessary to ensure robust risk mitigation.
- **Information and Reporting:** Provide accurate and comprehensive information to the SWG to facilitate informed decision-making and reviews.
- **Solutions and Recommendations:** Collaborate with team members to identify and implement solutions to risk management issues and enhance procedures within the department.

The HODs’ role is pivotal in ensuring that risk management is seamlessly embedded into daily operations, driving accountability, and contributing to the Group’s sustainable growth and operational effectiveness.

REPORTING STRUCTURE

The Group’s risk management reporting framework is designed to ensure clear communication, accountability, and effective oversight across all levels of the organisation. The Board retains ultimate responsibility for setting risk parameters, reviewing principal risks, and ensuring the adequacy and effectiveness of the Group’s internal control system.

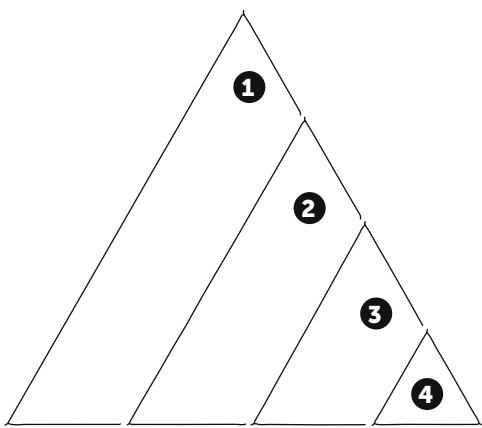
Reporting to the Board, the Group MD oversees the implementation of the risk management framework and provides regular updates and strategic advice on key risk matters. The SRMC acts as the principal oversight committee, reviewing risk assessments and sustainability matters consolidated by the SWG.

At the operational level, the HODs are responsible for executing risk management processes within their respective functions and conducting risk assessments. The SWG consolidates these reports and submits comprehensive updates to the SRMC for review.

This structured reporting framework promotes effective coordination across the Group, aligns risk management efforts with strategic objectives, and supports informed decision-making at Board level.

Statement on Risk Management and Internal Control

REPORTING STRUCTURE (CONT'D)



- 1 Board**
Receives risk recommendations and reports from the SRMC, and strategic feedback from the Group MD
- 2 SRMC**
Reviews information and risk updates from SWG and provides feedback and advice to SWG
- 3 SWG**
Receives risk information, assessments and updates from the HODs. Submits risk recommendations, policies, and updates to the SRMC
- 4 HOD**
Submits risk information, assessments, and updates to the SWG, and implements approved risk policies, frameworks and guidance from the SWG within their respective functions

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 with potential returns to shareholders. The Company’s risk management process is designed in alignment with relevant regulatory guidelines, including the Listing Requirements and the principles outlined in the MCCG. This structured approach enables the Group to identify, evaluate, mitigate, and monitor risks effectively, thereby safeguarding 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 systematically analysed to identify potential risks. Tools such as business process reviews and financial assessments are utilised to determine key risk areas across operations. Identified risks are then subjected to risk analysis and measurement, where their likelihood and impact are assessed 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 contractual arrangements, or mitigation by reducing either the likelihood or impact of the risks. The Group maintains a comprehensive Risk Register to document, prioritise and monitor identified risks.

To ensure the framework remains dynamic and responsive, the Company monitors and reviews the identified risks periodically through regular assessments by the SRMC, with updates reported to the Board. This ensures that any changes in the internal or external environment are addressed promptly, and that necessary control measures are implemented and enhanced where required.

The Group also emphasises effective communication and continuous feedback to ensure that the risk management framework is clearly understood and consistently applied across all levels of the organisation. Continuous training and a robust feedback mechanism support informed decision-making and alignment with strategic goals.

The Group’s risk management framework also incorporates sustainability-related risks, including climate-related risks, in line with emerging global reporting standards such as the International Sustainability Standards Board (“ISSB”) Standards, namely IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information (“IFRS S1”) and IFRS S2 Climate-related Disclosures (“IFRS S2”). The Board oversees the management of these risks through the Group’s enterprise risk management framework, supported by the SRMC. Sustainability-related risks are identified, assessed and monitored as part of the Group’s overall risk management process and are considered in the Group’s strategic and operational planning. Relevant metrics and key performance indicators are monitored to assess the effectiveness of risk mitigation measures.

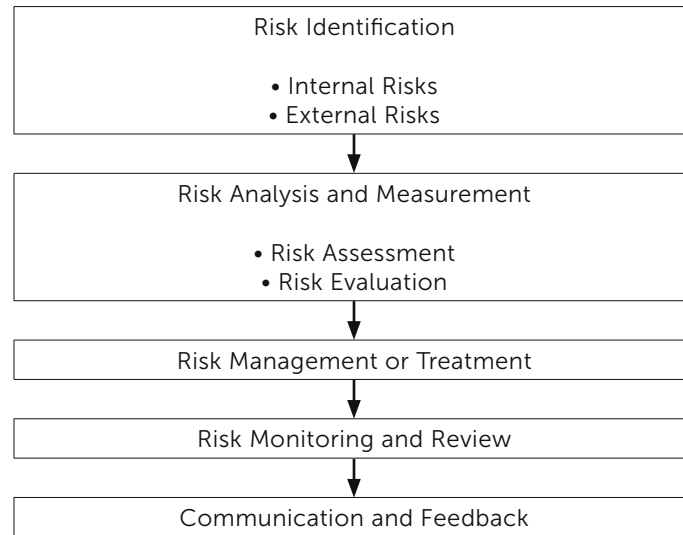
By adhering to these established guidelines, the Company ensures that its risk management framework remains robust, compliant, and supportive of sustainable growth and operational resilience.

Statement on Risk Management and Internal Control

RISK MANAGEMENT PROCESS

The Group adopts a comprehensive risk management framework to proactively identify and address risks throughout its operations. This framework involves ongoing risk assessment, including identifying potential risk, evaluation of their impact, and implementation of appropriate mitigation or transfer strategies. By integrating risk management into strategic decision-making, the Group promotes resilient and sustainable business operations. The Group primarily aims to mitigate unforeseen performance volatility and optimise the inherent value of the organisation, while enhancing the decision-making at both Board and Management levels.

The Company's Risk Management Framework is reflected below:



KEY RISKS AND MITIGATION STRATEGIES

During the FYE2025, 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
Business Operations	<ul style="list-style-type: none"> Reliance on non-recurring projects and challenges in acquiring new ones. Risk of project delays, cancellations, or scope adjustments, leading to idle capacity. 	<ul style="list-style-type: none"> Diversify the customer base by pursuing direct tenders and expanding into new markets.
Project Execution	<ul style="list-style-type: none"> Inability to complete projects on time, potentially incurring liquidated damages and reputational harm. Dependence on subcontractors for specialised tasks, with risks of delays or poor performance. 	<ul style="list-style-type: none"> Implement robust project management systems and maintain strong coordination with subcontractors and suppliers. Prequalify subcontractors based on reliability and establish back-to-back liability clauses in contracts.

Statement on Risk Management and Internal Control

KEY RISKS AND MITIGATION STRATEGIES (CONT'D)

Risk Category	Key Risks	Mitigation Strategies
Economic Performance	<ul style="list-style-type: none"> Cost overruns caused by price fluctuations in materials or unforeseen expenses. Challenges in securing projects. 	<ul style="list-style-type: none"> Align procurement schedules with project timelines and negotiate long-term suppliers' agreements where feasible to mitigate material price volatility. Enhance bidding strategies. Maintain an active project pipeline with overlapping timelines to minimise downtime. Strengthen relationships with existing clients through exceptional service and value engineering solutions.
Regulatory Compliance	<ul style="list-style-type: none"> Dependence on maintaining CIDB and Energy Commission Malaysia certifications for operations. 	<ul style="list-style-type: none"> Ensure compliance with all reporting and renewal requirements for certifications and licenses.
Human Resources	<ul style="list-style-type: none"> Reliance on key personnel and skilled workforce for business continuity. Challenges in attracting and retaining skilled personnel. 	<ul style="list-style-type: none"> Strengthen talent retention programmes through competitive compensation, training, and career development opportunities.
Reputation risks	<ul style="list-style-type: none"> Potential liability for defects during the liability period, affecting financial performance and reputation. 	<ul style="list-style-type: none"> Maintain an ISO 9001:2015 , ISO 14001:2015 and ISO 45001:2015 -certified system to ensure high-quality project delivery and minimise defects.
Supply Chain Management	<ul style="list-style-type: none"> Disruption in the supply chain leading to delays. 	<ul style="list-style-type: none"> Strengthening supplier relationships and identifying alternative suppliers.
Sustainability risks	<ul style="list-style-type: none"> Environmental issues may disrupt operations, increase costs, or lead to regulatory penalties. 	<ul style="list-style-type: none"> Environmental initiatives may improve efficiency and reputation.
Cybersecurity Risks	<ul style="list-style-type: none"> Cyber threats may disrupt operations, compromise sensitive information, or cause financial and reputational damage. 	<ul style="list-style-type: none"> Strengthening cybersecurity may enhance resilience and competitive advantage.

INDUSTRY RISKS

Risk Category	Key Risks	Mitigation Strategies
Industry Competition	<ul style="list-style-type: none"> Intense competition in the Malaysian M&E engineering industry, with the entry of new and foreign players. Competitors offering comparable services at more competitive prices or adapting more swiftly to market changes. 	<ul style="list-style-type: none"> Focus on enhancing service quality and value-added offerings to differentiate from competitors. Invest in technology and training to maintain a competitive edge.
Economic, Regulatory, Political and Social Conditions	<ul style="list-style-type: none"> Exposure to macroeconomic factors such as inflation, interest rate fluctuations, and changes in government policies or regulations. 	<ul style="list-style-type: none"> Continuously monitor and analyse market conditions to proactively adjust strategies.
Electricity Supply Market Dynamics	<ul style="list-style-type: none"> Dependency on public and private investments in electricity supply distribution systems, which are influenced by economic and construction sector trends. 	<ul style="list-style-type: none"> 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 good corporate governance, ensuring a company operates efficiently and safeguards stakeholders' interests, particularly those of shareholders. The Group 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 the Group's Internal Control Framework

The Group'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 and Board	The AC and Board reviews ensure thorough oversight of financial reports, audit findings, and control issues on a quarterly basis.
Policies & Procedures	Comprehensive internal policies guide daily operations, regularly updated to reflect changing business requirements.
ISO 9001:2015 , ISO 14001:2015 and ISO 45001:2015 Certifications	Policies and procedures for critical processes are formalised to meet internationally recognised standards.
External & Internal Review	Independent consultants and Internal Auditors assess and enhance the effectiveness of the Group's control framework.

Internal Control Process

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

1. Well-Defined Organisational Structure:

The Group'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, ISO 14001:2015 and ISO 45001:2015"):

Compliance with ISO 9001:2015, ISO 14001:2015 and ISO 45001:2015 demonstrates the Group's commitment to quality assurance across key operational processes. This not only strengthens internal processes but also enhances stakeholders' 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 the evaluation of risk management and internal controls, the Company has engaged reputable third parties for consulting and audit purposes. During the financial year under review, the internal audit function was outsourced to Vaersa Advisory Sdn. Bhd., which reports directly to the AC on the adequacy and effectiveness of the Group's risk management and internal control systems. This arrangement ensure continued vigilance and improvements in the Group's risk management and internal control practices.

Protecting Shareholders' Interests:

The Group's internal control system is designed to safeguard the best interests of shareholders by ensuring transparency, minimising risks, and promoting sustainable growth. Regular reviews conducted by the AC, together with the assessments by the Internal Auditors and External Auditors, provide independent assurance that the Group's internal controls remain adequate and effective.

The Group's internal controls framework embodies a strong governance structure that emphasises effective decision-making, proactive risk management, and compliance with international best practices. Through continuous enhancement of its control systems and processes, the Group ensures that it operates in the best interests of its shareholders and other stakeholders.

REGULATORY AND COMPLIANCE STRUCTURE

The Group's internal control systems ensure that its operations are aligned with the applicable regulatory and compliance framework, and that the operations comply with relevant national and international standards. This commitment extends beyond minimum legal requirements, fostering responsible and sustainable business practices.

Key Areas of Compliance include:

1. Compliance with statutory and regulatory requirements

- The Group 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

- The Company 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

- The Company prioritises sustainability by integrating ESG considerations into its regulatory and compliance practices.
- Regular reviews ensure compliance with ESG-related regulations, such as those concerning renewable energy adoption, workplace safety, and community engagement.
- The Group aligns its operations with sustainability standards such as Sustainability Reporting guided by Bursa Securities' 3rd Edition Sustainability Reporting Guide in shaping its sustainability reporting approach, while also aligning with the sustainability disclosure framework established by the International Financial Reporting Standards Foundation's Sustainability Standards. These standards are developed by the ISSB and comprise IFRS S1 and IFRS S2.

Statement on Risk Management and Internal Control

REGULATORY AND COMPLIANCE STRUCTURE

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 SWG oversees adherence to compliance standards, ensuring alignment with the Group'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

- The Group 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

The Group's regulatory and compliance structure is dynamic and continuously evolving to address changes in the regulatory landscape and the organisation's operating environment. This proactive approach ensures that 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 its commitment to uphold the highest standards of integrity and accountability in the conduct of its businesses and operations. It is committed to operating ethically and in full compliance with all relevant laws, regulations, and requirements. The Group maintains the highest standards of integrity, transparency, and accountability in all aspects of its operations.

The Board has adopted a zero-tolerance stance on bribery and corruption, in strictly compliance with the Malaysian Anti-Corruption Commission Act 2009, and all other applicable anti-bribery and anti-corruption laws. All Directors, Management and employees are required to comply with this policy without exception.

The Group has also implemented comprehensive governance and ethical policies to guide conduct and support its 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

Pursuant to the Rule 15.23 of the Listing Requirements, the External Auditors, TGS TW PLT have reviewed this statement for inclusion in this Annual Report for the FYE2025. 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 section 7 of the Statement on Risk Management and Internal Control (“SORMIC”): Guidelines for Directors of Listed Companies (“SORMIC Guide 2025”), nor is the SORMIC factually inaccurate.

CONCLUSION

After considering the assurances provided by top management and input from the relevant assurance providers, the Group MD and Chief Financial Officer have provided reasonable assurance to the Board that the risk management and internal control system implemented by the Group is operating adequately and effectively in all material aspects.

The Board also confirms that the Group has an ongoing process to identify, assess, monitor and manage key risks in line with its business and strategic objectives. This process has been in place throughout the financial year and up to the date of this statement for inclusion in the annual report.

This Statement on Risk Management and Internal Control was approved by the Board on 30 March 2026.

Statement of Directors' Responsibility

In Relation to the Financial Statements

The Directors of CBH Engineering Holding Berhad ("**the Company**") is 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 IFRS Accounting Standards ("**IFRSs**"), the relevant provisions of the CA 2016 and the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Listing Requirements**").

In preparing the financial statements for the financial year ended 31 December 2025, the Directors:-

- (i) are responsible for ensuring proper accounting records are kept, which disclose the transactions and financial position of the Company and the Group with reasonable accuracy;
- (ii) have adopted and consistently applied suitable accounting policies;
- (iii) have made judgements and estimates that are prudent and reasonable;
- (iv) have ensured applicable financial reporting standards have been adopted, subject to any material departures disclosed and explained in the financial statements; and
- (v) 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 also ensures that the Group maintains accurate accounting records in compliance with the CA 2016 and other relevant regulations. Additionally, the Directors are 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 is made in compliance with Rule 15.26(a) of the Listing Requirements and was approved by the Board on 30 March 2026.



Financial Statements

Directors' Report	093
Statement by Directors	098
Statutory Declaration	098
Independent Auditors' Report to the Members	099
Statements of Financial Position	103
Statements of Profit or Loss and Other Comprehensive Income	104
Statements of Changes in Equity	105
Statements of Cash Flows	107
Notes to the Financial Statements	110

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 ended 31 December 2025.

Principal activities

The Company is principally engaged in investment holding. The principal activities of its subsidiaries are disclosed in Note 5 to the financial statements.

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

Financial results

	Group RM	Company RM
Profit for the financial year	48,080,003	10,896,874
Attributable to:		
Owners of the Company	48,037,109	10,896,874
Non-controlling interests	42,894	-
	48,080,003	10,896,874

Reserves and provisions

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

Dividends

On 26 January 2026, the Board of Directors declared a single-tier interim dividend of RM0.0027 per ordinary share in respect of the financial year ended 31 December 2025 which was paid on 27 February 2026 to every member who is entitled to receive the dividend on 12 February 2026.

This interim dividend is not reflected in the financial statements for the current financial year and will be accounted for as an appropriation of retained earnings for the financial year ending 31 December 2026.

Issuance of shares and debentures

On 16 January 2025, the Company increased its issued and paid-up share capital from RM57,142,573 to RM138,008,197 by way of issuance of 298,000,000 new ordinary shares in conjunction with the Initial Public Offering of the Company at RM0.28 each for a total consideration of RM80,865,624 after net of share issuance expenses of RM2,574,376.

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

There was no issuance of debentures during the financial year.

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 year.

Directors

The Directors in office during the financial year until the date of this report are:

Cheah Boon Hwa*
Cheah Boon Huat*
Cheah Min Heng*
Chin Sin Peng
Lim Bee Hua
Saw Bee Yee
Tan Suat Hoon

* *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 year up to the date of this report are:

Cheah Boon Kiat
Gan Cheong Gap
Gan Hua Seng
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 year and their beneficial interests in the ordinary shares of the Company and of its related corporations during the financial year ended 31 December 2025 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

	Number of ordinary shares			
	At 1.1.2025	Acquired	Sold	At 31.12.2025
Direct interests				
Cheah Boon Hwa	-	1,100,000	-	1,100,000
Cheah Boon Huat	-	400,000	-	400,000
Cheah Min Heng	-	570,000	-	570,000
Lim Bee Hua	-	200,000	(100,000)	100,000
Saw Bee Yee	-	200,000	-	200,000
Chin Sin Peng	-	200,000	(100,000)	100,000
Tan Suat Hoon	-	200,000	-	200,000

Directors' Report

Directors' interest in shares (Cont'd)

Directors of the Company (Cont'd)

	Number of ordinary shares			
	At 1.1.2025	Acquired	Sold	At 31.12.2025
Indirect interests				
Cheah Boon Hwa [^]	1,556,580,793	4,170,000	(188,089,700)	1,372,661,093
Cheah Boon Huat*#	1,556,580,793	2,050,000	(1,556,580,793)	2,050,000

[^] Deemed interest by virtue of the shareholdings in holding company, Quay Holdings Sdn. Bhd. and through the shareholdings of his spouse and children in the Company.

* Deemed interest by virtue of the shareholdings of his spouse in the Company.

Deemed disposal as he ceased to be a substantial shareholder by virtual of his shareholding in holding company, Quay Holdings Sdn. Bhd..

Directors of the Company's subsidiaries

	Number of ordinary shares			
	At 1.1.2025	Acquired	Sold	At 31.12.2025
Direct interests				
Cheah Boon Kiat	-	2,883,000	-	2,883,000
Soon Fong Piew	-	11,982,200	-	11,982,200
Gan Cheong Gap	-	2,851,000	-	2,851,000

By virtue of Section 8(4) of the Companies Act 2016 in Malaysia, Cheah Boon Hwa is 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 year have any interest in shares in the Company or its related companies during the financial year.

Directors' benefits

Since the end of the previous financial period, 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 29 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, other than any deemed benefit which may arise from transactions as disclosed in Note 34 to the financial statements.

The Directors' remuneration and fees for the Group and for the Company as set out in Note 29 to the financial statements are RM2,946,088 and RM240,000 respectively.

Neither during nor at the end of the financial year, 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 all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company have been written down to an amount which the current assets might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances:
- (i) which would render the amounts written off for 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 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.
- (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 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 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 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 in which this report is made.

Subsidiaries

The details of the subsidiaries are disclosed in Note 5 to the financial statements.

Directors' Report

Holding company

The Directors regard Quay Holdings Sdn. Bhd., a private limited liability company, incorporated and domiciled in Malaysia, as the holding company.

Significant events during the financial year

The significant events during the financial year are disclosed in Note 38 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 25 to the financial statements is RM125,000 and RM33,000 respectively.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 15 April 2026.

CHEAH BOON HWA

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 103 to 152 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 2025 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 15 April 2026.

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 103 to 152 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 15 April)
2026)

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 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company, for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 103 to 152.

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

Basis for opinion

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

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), as applicable to audits of financial statements of public interest entities, 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. 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

Reasonableness of revenue recognition arising from contracts with customers

Consolidated revenue recorded by the Group during the financial year amounted to approximately RM218.80 million.

The Group recognises revenue and cost by reference to the progress towards complete satisfaction of the performance obligations at the end of the reporting period.

We performed the following audit procedures:

- reviewed the contract terms and identifying performance obligations stipulated in the contracts;
- evaluated whether the performance obligations are satisfied at a point in time or over time;
- reviewed the reasonableness of budgeted cost and assessing reason for significant variances to budget;
- evaluated the reasonableness of percentage of completion using the input method; and
- assessed the revenue recognised are in accordance with MFRS 15 *Revenue with Contracts with Customers*.

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 (Cont'd)

Judgement is required to assess the performance obligation and revenue recognition. Judgements impacting the revenue recognition are as follow:

- interpreting of contract terms and conditions;
- assessing and identifying the performance obligations; and
- assessing the computation of revenue recognition.

Impairment on trade receivables and contract assets

Consolidated trade receivables and contract assets recorded by the Group as at reporting date amounted to approximately RM57.37 million and RM62.96 million respectively.

Judgement is required in determining the completeness of the expected credit losses ("ECLs") on trade receivables and contract assets and assessing their adequacy through considering the expected recoverability.

How we addressed the key audit matter (Cont'd)

We performed the following audit procedures:

- evaluated the relevance and accuracy of historical credit loss data used in management's impairment assessment by testing past records;
- reviewed the ageing of trade receivables and testing the integrity of ageing by calculating the due date for a sample of invoices;
- reviewed the ageing of the contract assets in the current financial year;
- assessed and considered the reasonableness of the forward-looking information included in management's assessment; and
- 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.

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.

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)

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

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

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

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

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit 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

LIAN JAT MEANG
03679/08/2026 J
Chartered Accountant

KUALA LUMPUR
15 April 2026

Statements of Financial Position

As at 31 December 2025

	Note	Group		Company	
		31.12.2025 RM	31.12.2024 RM	31.12.2025 RM	31.12.2024 RM
ASSETS					
Non-current assets					
Property, plant and equipment	4	5,249,733	3,567,571	-	-
Investment in subsidiaries	5	-	-	58,742,553	57,142,553
Deferred tax assets	6	2,023,000	2,932,000	-	-
		7,272,733	6,499,571	58,742,553	57,142,553
Current assets					
Trade receivables	7	57,368,183	32,298,155	-	-
Contract assets	8	62,956,748	75,198,166	-	-
Other receivables	9	2,648,299	6,451,428	1,440,000	2,254,428
Amount due from a subsidiary	10	-	-	10,000,000	-
Tax recoverable		251,510	253,898	-	-
Other investment	11	6,082,972	-	6,082,972	-
Fixed deposits with licensed banks	12	9,698,393	14,892,612	-	-
Cash and bank balances	13	142,494,446	23,972,702	69,373,765	85,489
		281,500,551	153,066,961	86,896,737	2,339,917
Asset held-for-sale	14	-	-	-	-
		281,500,551	153,066,961	86,896,737	2,339,917
Total assets		288,773,284	159,566,532	145,639,290	59,482,470
EQUITY AND LIABILITIES					
EQUITY					
Share capital	15(a)	138,008,197	57,142,573	138,008,197	57,142,573
Invested equity	15(b)	-	-	-	-
Merger deficit	16	(55,042,553)	(55,042,553)	-	-
Retained earnings/(Accumulated losses)		145,117,082	97,079,973	7,357,018	(3,539,856)
		228,082,726	99,179,993	145,365,215	53,602,717
Non-controlling interests ("NCI")		342,894	-	-	-
Total equity		228,425,620	99,179,993	145,365,215	53,602,717
LIABILITIES					
Non-current liability					
Lease liabilities	17	1,803,275	1,732,341	-	-
Current liabilities					
Trade payables	18	35,457,614	37,622,577	-	-
Contract liabilities	8	6,903,464	3,409,629	-	-
Other payables	19	13,172,073	16,157,358	62,223	3,214,701
Amount due to a subsidiary	10	-	-	-	2,665,052
Bank borrowings	20	433,950	100,000	-	-
Lease liabilities	17	892,637	683,359	-	-
Tax payable		1,684,651	681,275	211,852	-
		58,544,389	58,654,198	274,075	5,879,753
Total liabilities		60,347,664	60,386,539	274,075	5,879,753
Total equity and liabilities		288,773,284	159,566,532	145,639,290	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 Ended 31 December 2025

	Note	Group		Company	
		1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	18.12.2023 to 31.12.2024 RM
Revenue	21	218,803,505	271,692,307	10,000,000	-
Cost of sales		(145,421,510)	(198,268,148)	-	-
Gross profit		73,381,995	73,424,159	10,000,000	-
Other income	22	351,581	4,913,723	76,474	-
Administrative expenses		(17,862,187)	(20,495,242)	(947,432)	(3,539,856)
Other expenses	23	(11,531)	(11)	-	-
Net gain/(loss) on impairment for financial assets and contract assets		4,252,037	(3,704,193)	-	-
Profit/(Loss) from operations		60,111,895	54,138,436	9,129,042	(3,539,856)
Finance income	24	3,550,413	753,575	2,298,832	-
Finance costs	24	(91,770)	(80,951)	-	-
Profit/(Loss) before tax	25	63,570,538	54,811,060	11,427,874	(3,539,856)
Taxation	26	(15,490,535)	(13,061,768)	(531,000)	-
Profit/(Loss) for the financial year/ period, representing total comprehensive income/ (loss) for the financial year/period		48,080,003	41,749,292	10,896,874	(3,539,856)
Profit/(Loss) for the financial year/period attributable to:					
Owners of the Company		48,037,109	41,749,292	10,896,874	(3,539,856)
NCI		42,894	-	-	-
		48,080,003	41,749,292	10,896,874	(3,539,856)
Total comprehensive income/(loss) for the financial year/period attributable to:					
Owners of the Company		48,037,109	41,749,292	10,896,874	(3,539,856)
NCI		42,894	-	-	-
		48,080,003	41,749,292	10,896,874	(3,539,856)
Earnings per share:					
Basic (sen)	27	2.57	2.64		
Diluted (sen)	27	*	*		

* 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 Ended 31 December 2025

	Attributable to owners of the Company						Total equity RM
	Share capital RM	Non-Distributable Invested equity RM	Merger deficit RM	Retained earnings RM	Total RM	NCI RM	
Group							
At 1 January 2024	10	2,100,000	-	76,330,681	78,430,691	-	78,430,691
Transactions with owners:							
Issuance of shares	10	-	-	-	10	-	10
Effect of restructuring exercise	15(a),15(b)	57,142,553	(2,100,000)	(55,042,553)	-	-	-
Dividends to owners	28	-	-	(21,000,000)	(21,000,000)	-	(21,000,000)
Total transactions with owners		57,142,563	(2,100,000)	(55,042,553)	(20,999,990)	-	(20,999,990)
Profit for the financial year, representing total comprehensive income for the financial year		-	-	-	41,749,292	-	41,749,292
At 31 December 2024	57,142,573	-	(55,042,553)	97,079,973	99,179,993	-	99,179,993
At 1 January 2025	57,142,573	-	(55,042,553)	97,079,973	99,179,993	-	99,179,993
Transactions with owners:							
Issuance of shares	15(a)	83,440,000	-	-	83,440,000	-	83,440,000
Share issuance expenses	15(a)	(2,574,376)	-	-	(2,574,376)	-	(2,574,376)
NCI arising from incorporation of a subsidiary	5	-	-	-	-	300	300
Issuance of additional shares to NCI	5	-	-	-	-	299,700	299,700
Total transactions with owners		80,865,624	-	-	80,865,624	300,000	81,165,624
Profit for the financial year, representing total comprehensive income for the financial year		-	-	-	48,037,109	42,894	48,080,003
At 31 December 2025	138,008,197	-	(55,042,553)	145,117,082	228,082,726	342,894	228,425,620

Statements of Changes in Equity For the Financial Year Ended 31 December 2025

	Note	Share capital RM	(Accumulated losses)/ Retained earnings RM	Total equity RM
Company				
At date of incorporation, 18 December 2023				
		10	-	10
Transactions with owners:				
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
Loss for the financial period, representing total comprehensive loss for the financial period		-	(3,539,856)	(3,539,856)
At 31 December 2024				
		57,142,573	(3,539,856)	53,602,717
At 1 January 2025				
		57,142,573	(3,539,856)	53,602,717
Transactions with owners:				
Issuance of shares	15(a)	83,440,000	-	83,440,000
Share issuance expenses	15(a)	(2,574,376)	-	(2,574,376)
Total transactions with owners		80,865,624	-	80,865,624
Profit for the financial year, representing total comprehensive income for the financial year		-	10,896,874	10,896,874
At 31 December 2025				
		138,008,197	7,357,018	145,365,215

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

Statements of Cash Flows

For the Financial Year Ended 31 December 2025

	Group		Company	
	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024	1.1.2025 to 31.12.2025	18.12.2023 to 31.12.2024
Note	RM	RM	RM	RM
Cash flows from operating activities				
Profit/(Loss) before tax	63,570,538	54,811,060	11,427,874	(3,539,856)
Adjustments for:				
Net allowance/(reversal of) for expected credit losses on:				
- contract assets	5,680,067	(249,505)	-	-
- trade receivables	(9,932,104)	3,953,698	-	-
Depreciation of property, plant and equipment	1,384,241	938,030	-	-
Dividend income	-	(4,384,297)	(10,000,000)	-
Fair value gain on other investment	(76,474)	-	(76,474)	-
Gain on early termination of lease contracts	(8,149)	-	-	-
Gain on disposal of asset held-for-sale	-	(48,525)	-	-
Gain on disposal of property, plant and equipment	(90,121)	(122,497)	-	-
Interest expenses	119,528	87,473	-	-
Interest income	(3,550,413)	(753,575)	(2,298,832)	-
Provision for liquidated and ascertained damages	987,500	-	-	-
Property, plant and equipment written off	11,312	11	-	-
Unrealised loss on foreign exchange	219	-	-	-
Operating profit/(loss) before working capital changes	58,096,144	54,231,873	(947,432)	(3,539,856)
Changes in working capital:				
Receivables	(11,334,795)	3,901,359	814,428	(2,254,428)
Payables	(6,137,748)	2,860,019	(3,152,478)	3,214,701
Net contract balances	10,055,186	(28,314,975)	-	-
Related party	A -	-	-	-
	(7,417,357)	(21,553,597)	(2,338,050)	960,273
Cash generated from/(used in) operations	50,678,787	32,678,276	(3,285,482)	(2,579,583)
Interest received	3,219,899	407,562	2,229,173	-
Tax paid	(13,814,795)	(15,078,879)	(319,148)	-
Tax refunded	239,024	-	-	-
Net cash from/(used in) operating activities	40,322,915	18,006,959	(1,375,457)	(2,579,583)
Cash flows from investing activities				
Acquisition of property, plant and equipment	B (2,032,246)	(1,041,495)	-	-
Dividend received	C -	-	-	-
Placement of other investment	(6,006,498)	-	(6,006,498)	-
Proceeds from issuance of shares in a subsidiary of NCI	300,000	-	-	-
Proceed from disposal of asset held-for-sale	D -	-	-	-
Proceeds from disposal of property, plant and equipment	153,500	122,500	-	-
Incorporation of a subsidiary	-	-	(700)	-
Subscription of additional shares in subsidiaries	-	-	(1,599,300)	-
Interest received	330,514	346,013	6,498	-
Net cash used in investing activities	(7,254,730)	(572,982)	(7,600,000)	-

Statements of Cash Flows For the Financial Year Ended 31 December 2025

	Note	Group		Company	
		1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	18.12.2023 to 31.12.2024 RM
Cash flows from financing activities					
(Repayment to)/Advance from a subsidiary		-	-	(2,665,052)	2,665,052
Repayment from related parties	E	-	-	-	-
Dividend paid		-	(21,000,000)	-	-
Drawdown of term loan		189,134	-	-	-
Drawdown of bankers' acceptance		420,000	250,000	-	-
Interest paid		(119,528)	(87,473)	-	-
Interest received		-	-	63,161	-
Withdrawal/(Placement) of fixed deposits pledged with licensed banks		1,754,121	(174,142)	-	-
Proceeds from issuance of share, net of share issuance expenses		80,865,624	10	80,865,624	10
Repayments of term loans		(84,184)	-	-	-
Repayments of lease liabilities	F	(820,487)	(475,360)	-	-
Repayments of bankers' acceptance		(191,000)	(150,000)	-	-
Net cash from/(used in) financing activities		82,013,680	(21,636,965)	78,263,733	2,665,062
Net increase/(decrease) in cash and cash equivalents		115,081,865	(4,202,988)	69,288,276	85,479
Effect of exchange translation differences on cash and cash equivalents		(219)	-	-	-
Cash and cash equivalents at beginning of the financial year/date of incorporation		27,412,800	31,615,788	85,489	10
Cash and cash equivalents at end of the financial year/period		142,494,446	27,412,800	69,373,765	85,489
Cash and cash equivalents at end of the financial year/ period comprises of:					
Cash and bank balances		142,494,446	23,972,702	69,373,765	85,489
Fixed deposits with licensed banks		9,698,393	14,892,612	-	-
		152,192,839	38,865,314	69,373,765	85,489
Less: Fixed deposits pledged with licenced banks	12	(9,698,393)	(11,452,514)	-	-
		142,494,446	27,412,800	69,373,765	85,489

Statements of Cash Flows

For the Financial Year Ended 31 December 2025

NOTES TO THE STATEMENTS OF CASH FLOWS

	Note	Group		Company	
		1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	18.12.2023 to 31.12.2024 RM
A. Related party					
Net changes during the financial year/period		-	(4,384,297)	-	-
Add: Dividend received	C	-	4,384,297	-	-
Total cash payment		-	-	-	-
B. Acquisition of property, plant and equipment					
Total acquisition of property, plant and equipment		3,333,798	2,339,677	-	-
Less: Acquisition by means of lease liabilities		(1,301,552)	(1,298,182)	-	-
Total cash used in acquisition of property, plant and equipment		2,032,246	1,041,495	-	-
C. Dividend received					
Dividend income		-	4,384,297	-	-
Less: Repayment to a related party	A	-	(4,384,297)	-	-
Total dividend received		-	-	-	-
D. Proceed from disposal of asset held-for-sale					
Total proceed from disposal of asset held-for-sale		-	500,000	-	-
Less: Repayment to related parties	E	-	(500,000)	-	-
Total cash proceeds		-	-	-	-
E. Repayment from related parties					
Net changes during the financial year/period		-	(500,000)	-	-
Add: Proceeds received	D	-	500,000	-	-
Total cash received		-	-	-	-
F. Cash outflows for lease as a lessee					
<u>Included in net cash from/(used in) operating activities:</u>					
Payment relating to short-term leases	25	974,586	1,816,882	46,420	-
Payment relating to low value assets	25	17,730	13,260	-	-
		992,316	1,830,142	46,420	-
<u>Included in net cash from/(used in) financing activities:</u>					
Payment of lease liabilities		820,487	475,360	-	-
Payment on interest of lease liabilities		115,696	85,558	-	-
		936,183	560,918	-	-
		1,928,499	2,391,060	46,420	-

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

Notes to the Financial Statements

As at 31 December 2025

1. Corporate information

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

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 5 to the financial statements.

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

The Directors regard Quay Holdings 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, 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:

Amendments to MFRS 121	Lack of Exchangeability
------------------------	-------------------------

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 <u>beginning on or after</u>
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

Notes to the Financial Statements As at 31 December 2025

2. Basis of preparation (Cont'd)

(a) Statement of compliance (Cont'd)

Standards issued but not yet effective (Cont'd)

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: (Cont'd)

		Effective dates for financial periods <u>beginning on or after</u>
Amendments to MFRS 9 and MFRS 7	Contract 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 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121	Translation to a Hyperinflationary Presentation Currency	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 MFRSs when they become effective.

The initial applications of the above-mentioned 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 Company's functional currency. All financial information is presented in RM and has been rounded to the nearest RM except when otherwise stated.

(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.

Notes to the Financial Statements As at 31 December 2025

2. Basis of preparation (Cont'd)

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

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 As at 31 December 2025

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 and right-of-use ("ROU") assets

The Group regularly reviews the estimated useful lives of property, plant and equipment and ROU assets 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 would increase the recorded depreciation and decrease the value of property, plant and equipment.

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 obligations. 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.

Provision for liquidated and ascertained damages ("LAD")

Provision for LAD is in respect of project undertaken by the Group and is recognised for expected LAD claims based on the terms of the applicable letter of award. Significant judgement is required in determining the amount of provision for LAD to be made. The Group evaluates the amount of provision required based on past experience and the industry norm.

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.

Notes to the Financial Statements As at 31 December 2025

2. Basis of preparation (Cont'd)

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

Key sources of estimation uncertainty (Cont'd)

Deferred tax assets

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

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.

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

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

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

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 Company has control. The Company controls an entity when the Company 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 Company 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 As at 31 December 2025

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 are consolidated using the merger method of accounting as the business combination of these subsidiaries involved entities 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.

(ii) NCI

The Group recognises NCI in the acquiree by acquisition basis. The Group elects to measure the NCI in the acquiree at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

(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 cost 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 As at 31 December 2025

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%
Machinery	10%
Motor vehicles	20%
Office equipment	10% to 33%
Renovation	10%
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 and the Company have elected not to recognised right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group and the Company recognise 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:

Factory	Over the lease term
Hostels	Over the lease term
Motor vehicles	20%
Office	Over the lease term
Shoplots	Over the lease term

Notes to the Financial Statements As at 31 December 2025

3. Material accounting policies (Cont'd)

(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.

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 financial assets at fair value through profit or loss ("FVTPL") and at amortised cost on their statements of financial position. The Group's financial assets at FVTPL includes other investment and 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 FVTPL includes other investment and financial assets at amortised cost include other receivables, amount due from a subsidiary and 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 and bank borrowings. The Company's financial liabilities at amortised cost include other payables and amount due to a subsidiary.

(f) Provisions and contingent liabilities

Provisions are recognised when the Group have a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(g) Revenue recognition

(i) Revenue from contracts with customers

(a) Revenue from construction contracts

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

Revenue 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.

Notes to the Financial Statements

As at 31 December 2025

3. Material accounting policies (Cont'd)

(g) Revenue recognition (Cont'd)

(i) Revenue from contracts with customers (Cont'd)

(a) Revenue from construction contracts (Cont'd)

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.

(b) Revenue from maintenance and miscellaneous works

Revenue from maintenance and miscellaneous works rendered are recognised when the products have been transferred or the services have been rendered to the customers and coincide with the delivery of products and services and acceptance by customers.

(ii) 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.

(iii) Dividend income

Dividend income is recognised when the Group's and the Company's right to receive payment is established.

(iv) Interest income

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

Notes to the Financial Statements As at 31 December 2025

4. Property, plant and equipment

Group Cost	Electrical installation RM	Factory RM	Furniture and fittings RM		Hostels RM	Machinery RM	Motor vehicles RM	Office equipment RM	Renovation RM	Shoplots RM	equipment RM	Tools and equipment RM	Total RM
			RM	RM									
At 1													
January 2024	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 Dec 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
Additions	-	104,004	63,218	120,202	-	942,927	-	462,178	-	429,344	1,211,925	-	3,333,798
Disposal	-	-	-	-	-	(576,041)	-	-	-	-	-	-	(576,041)
Written off	-	-	(33,830)	-	(3,200)	-	-	(98,547)	-	-	-	-	(135,577)
Early termination of lease contracts	-	-	-	(136,034)	-	-	(164,356)	-	-	(36,281)	-	-	(336,671)
At 31 Dec 2025	78,950	104,004	187,695	139,799	35,750	6,216,908	-	1,420,227	519,048	500,657	1,256,925	-	10,459,963

Notes to the Financial Statements As at 31 December 2025

4. Property, plant and equipment (Cont'd)

(a) Included in carrying amount of property, plant and equipment are right-of-use assets as follows:

	Group	
	31.12.2025	31.12.2024
	RM	RM
Factory	52,002	-
Hostels	106,997	119,893
Motor vehicles	2,345,487	2,181,182
Office	-	155,225
Shoplots	336,080	65,604
	2,840,566	2,521,904

(b) Additions to the right-of-use assets are as follows:

	Group	
	31.12.2025	31.12.2024
	RM	RM
Factory	104,004	-
Hostels	120,202	155,631
Motor vehicles	754,080	979,449
Office	-	164,356
Shoplots	429,344	107,594
	1,407,630	1,407,030

(c) Depreciation charge of right-of-use assets are as follows:

	Group	
	1.1.2025	1.1.2024
	to	to
	31.12.2025	31.12.2024
	RM	RM
Factory	52,002	-
Hostels	65,081	35,738
Motor vehicles	589,775	435,053
Office	45,656	9,131
Shoplots	143,750	41,990
	896,264	521,912

(d) The carrying amount of motor vehicles amounted to RM1 and RM850 (31.12.2024: RM1 and RM1,150) 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 As at 31 December 2025

5. Investment in subsidiaries

	Company	
	31.12.2025	31.12.2024
	RM	RM
At cost		
Unquoted share	58,742,553	57,142,553

The details of the subsidiaries are as follows:

Name of company	Place of business/ Country of incorporation	Effective interest		Principal activities
		31.12.2025	31.12.2024	
		%	%	
CBH Engineering Sdn. Bhd. ("CBH Engineering")	Malaysia	100	100	Electrical wiring contractor and supply of electrical items.
CBH Maintenance Sdn. Bhd. ("CBH Maintenance")	Malaysia	100	100	Electrical wiring contractors and supply of electrical items.
CBH M&E Engineering Sdn. Bhd. ("CBH M&E")	Malaysia	100	100	Mechanical and electrical engineering works
CBH Infra Sdn. Bhd. ("CBH Infra")	Malaysia	70	-	Provision of underground utilities and engineering works

Acquisition of subsidiaries

In previous financial period, the Group has been formed pursuant to the completion of the acquisition of its subsidiaries except for CBH Infra by the Company prior to the admission of the Company on the ACE Market of Bursa Malaysia Securities Berhad.

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 these subsidiaries were presented as if the merger has taken effect throughout the current and previous financial years.

Incorporation/Additional subscription of subsidiaries

On 21 July 2025, the Company subscribed for an additional 900,000 new ordinary shares in CBH Maintenance, for a cash consideration of RM900,000, which did not result in changes in equity interest.

On 20 August 2025, the Company incorporated a 70% owned subsidiary, CBH Infra, for a cash consideration of RM700.

Notes to the Financial Statements

As at 31 December 2025

5. Investment in subsidiaries (Cont'd)

Incorporation/Additional subscription of subsidiaries (Cont'd)

On 22 October 2025, the Company subscribed for an additional 699,300 new ordinary shares in CBH Infra, for a cash consideration of RM669,300, which did not result in changes in equity interest.

(a) Material partly-owned subsidiary

Set out below is the Group's subsidiary that have material NCI:

Name of company	Proportion of ownership interest and voting rights held by %	Profit allocated to NCI RM	Accumulated NCI RM
31.12.2025			
CBH Infra	30	42,894	342,894

Summarised financial information for subsidiary that has NCI that are material to the Group is set out below. The summarised financial information below represents amounts before inter-company eliminations.

(i) Summarised statement of financial position

	CBH Infra RM
31.12.2025	
Non-current assets	7,991
Current assets	2,056,437
Current liabilities	(921,447)
Net assets	1,142,981

(ii) Summarised statement of profit or loss and other comprehensive income

	CBH Infra RM
31.12.2025	
Revenue	2,316,964
Profit for the financial period, representing total comprehensive income for the financial period	142,981

Notes to the Financial Statements As at 31 December 2025

5. Investment in subsidiaries (Cont'd)

Acquisition of subsidiaries (Cont'd)

(a) Material partly-owned subsidiary (Cont'd)

(iii) Summarised statement of cash flows

	CBH Infra RM
31.12.2025	
Net cash used in operating activities	(549,295)
Net cash used in investing activity	(8,155)
Net cash from financing activities	991,000
Net increase in cash and cash equivalents	433,550

6. Deferred tax assets

	Group	
	31.12.2025	31.12.2024
	RM	RM
At beginning of the financial year	2,932,000	2,038,000
Recognised in profit or loss	(909,000)	894,000
At end of the financial year	2,023,000	2,932,000

The net deferred tax assets and liabilities shown on the statements of financial position after appropriate offsetting are as follows:

	Group	
	31.12.2025	31.12.2024
	RM	RM
Deferred tax assets	2,225,000	3,066,000
Deferred tax liabilities	(202,000)	(134,000)
	2,023,000	2,932,000

Notes to the Financial Statements

As at 31 December 2025

6. Deferred tax assets (Cont'd)

The components and movements of deferred tax (liabilities)/assets during the financial year are as follows:

	Property, plant and equipment RM	Provisions RM	Unutilised business losses RM	Total RM
Group				
At 1 January 2024	(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
Recognised in profit or loss	(68,000)	(804,000)	(37,000)	(909,000)
At 31 December 2025	(202,000)	2,225,000	-	2,023,000

The expiry of the unutilised business losses is as follows:

	Group	
	31.12.2025 RM	31.12.2024 RM
Year of assessment 2033	-	37,000

7. Trade receivables

	Group	
	31.12.2025 RM	31.12.2024 RM
Third parties	27,093,685	8,930,617
Retention sums	31,763,902	34,827,051
Less: Allowance for expected credit losses ("ECLs")	58,857,587 (1,489,404)	43,757,668 (11,459,513)
	57,368,183	32,298,155

Trade receivables are non-interest bearing and the normal credit term ranged from 30 to 60 (31.12.2024: 30 to 60) days. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Notes to the Financial Statements As at 31 December 2025

7. Trade receivables (Cont'd)

Movements in the allowance for ECLs are as follows:

	Group	
	31.12.2025	31.12.2024
	RM	RM
At beginning of the financial year	11,459,513	7,505,815
Additions	45,300	4,056,203
Reversal	(9,977,404)	(102,505)
Written off	(38,005)	-
At end of the financial year	1,489,404	11,459,513

The following tables provide information about the exposure to credit risk and allowance for ECLs for trade receivables:

	Gross amount	ECLs	Net amount
	RM	RM	RM
Group			
31.12.2025			
Not past due	48,850,852	(57,818)	48,793,034
Past due:			
1 to 30 days	4,340,931	(17,020)	4,323,911
31 to 60 days	475,456	(3,581)	471,875
61 to 90 days	1,706	(14)	1,692
More than 90 days	5,188,642	(1,410,971)	3,777,671
	58,857,587	(1,489,404)	57,368,183
31.12.2024			
Not past due	30,265,015	(5,232,452)	25,032,563
Past due:			
1 to 30 days	619,475	(17,381)	602,094
31 to 60 days	274,646	(3,355)	271,291
61 to 90 days	1,600	(216)	1,384
More than 90 days	12,596,932	(6,206,109)	6,390,823
	43,757,668	(11,459,513)	32,298,155

The foreign currency profile of trade receivables is as follows:

	Group	
	31.12.2025	31.12.2024
	RM	RM
United States Dollar ("USD")	35,086	-

Notes to the Financial Statements

As at 31 December 2025

8. Contract assets/(liabilities)

	Group	
	31.12.2025	31.12.2024
	RM	RM
Project contracts		
At beginning of the financial year	71,788,537	43,224,057
Revenue recognised during the financial year	215,723,868	270,229,339
Less: Progress billings issued during the financial year	(225,779,054)	(241,914,364)
Less: (Allowance for)/Reversal of ECLs during the financial year	(5,680,067)	249,505
At end of the financial year	56,053,284	71,788,537
Presented as:		
Contract assets	62,956,748	75,198,166
Contract liabilities	(6,903,464)	(3,409,629)
	56,053,284	71,788,537

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.

The contract liabilities primarily relate to the advance consideration received from customers for construction contract, which revenue is recognised over time during the progress of construction's activities.

Movements in the allowance for ECLs are as follows:

	Group	
	31.12.2025	31.12.2024
	RM	RM
At beginning of the financial year	1,161,744	1,411,249
Allowance for ECLs during the financial year	6,596,839	-
Reversal of ECLs during the financial year	(916,772)	(249,505)
At end of the financial year	6,841,811	1,161,744

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:

	Gross amount RM	ECLs RM	Net amount RM
Group			
31.12.2025			
Not past due	69,798,559	(6,841,811)	62,956,748
31.12.2024			
Not past due	76,359,910	(1,161,744)	75,198,166

Notes to the Financial Statements As at 31 December 2025

8. Contract assets/(liabilities) (Cont'd)

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:

	Group	
	31.12.2025	31.12.2024
	RM	RM
Project contract works	616,169,837	195,242,746

Revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially satisfied) at the reporting date:

	Group	
	31.12.2025	31.12.2024
	RM	RM
2025 onwards		- 195,242,746
2026 onwards	616,169,837	-

9. Other receivables

	Group		Company	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM	RM	RM	RM
Non-trade receivables	229,695	266,978	-	-
Deposits to suppliers	46,109	3,355,004	-	-
Deposits	2,366,763	549,845	1,440,000	-
Prepayments	5,732	56,113	-	30,940
Prepayments for IPO expenses	-	2,223,488	-	2,223,488
	2,648,299	6,451,428	1,440,000	2,254,428

Included in the deposits of the Group and of the Company is an amount of RM1,439,000 (31.12.2024: RMNil) which is related to the purchase of factory building. This purchase is completed on 9 April 2026.

10. Amount due from/(to) a subsidiary

Amount due from a subsidiary is non-trade in nature, unsecured, bearing interest rate at 2.20% (31.12.2024: Nil) and repayable on demand.

Included in the balance is an amount of RM10,000,000 (31.12.2024: RMNil) relates to dividend receivable and non-interest bearing.

In previous financial period, the amount due to a subsidiary is non-trade in nature, unsecured, non-interest bearing and repayable on demand.

Notes to the Financial Statements

As at 31 December 2025

11. Other investment

	Group and Company	
	31.12.2025	31.12.2024
	RM	RM
At FVTPL		
Level 1		
Money market fund	6,082,972	-

The fair value of the financial assets at FVTPL is classified as at Level 1 fair value item for purpose of fair value hierarchy disclosures which has been determined by reference to the net assets value of the funds as at the reporting date as quoted by the licensed fund management company.

12. Fixed deposits with licensed banks

The effective interest rates for fixed deposits with licensed banks of the Group ranged from 1.30% to 2.15% (31.12.2024: 1.80% to 2.85%) per annum.

The maturity period of the fixed deposits of the Group is 30 (31.12.2024: 30 to 90) days.

Included in the fixed deposits with licensed banks is an amount of RM9,698,393 (31.12.2024: RM11,452,514) pledged to licensed banks as security for banking facilities granted to the Group.

13. Cash and bank balances

In previous financial year, included in the cash and bank balances of the Group are short-term deposits with licensed banks amounting to RM9,150,000 bearing interest rates range from 2.00% to 2.40% per annum. The maturity period of the short-term deposits with licensed banks are between 1 to 12 days.

The foreign currency profile of cash and bank balances is as follows:

	Group	
	31.12.2025	31.12.2024
	RM	RM
USD	52,808	327

Notes to the Financial Statements As at 31 December 2025

14. Asset held-for-sale

	Leasehold condominium RM
Group	
At 1 January 2024	451,475
Disposal	(451,475)
<hr/>	
At 31 December 2024/31 December 2025	-

The Sale and Purchase Agreement for the above had been completed on 30 May 2024.

15. Share capital/Invested equity

(a) Share capital

	Group and Company Number of ordinary shares	
	31.12.2025	31.12.2024
	Units	Units
Issued and fully paid		
At beginning of the financial year/date of incorporation	1,582,896,393	100
Effect of restructuring exercise	-	1,582,896,193
Issuance of shares	298,000,000	100
<hr/>		
At end of the financial year/period	1,880,896,393	1,582,896,393

	Group and Company Amount	
	31.12.2025	31.12.2024
	RM	RM
Issued and fully paid		
At beginning of the financial year/date of incorporation	57,142,573	10
Effect of restructuring exercise	-	57,142,553
Issuance of shares	83,440,000	10
Share issuance expenses	(2,574,376)	-
<hr/>		
At end of the financial year/period	138,008,197	57,142,573

On 18 December 2023, 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 24 May 2024, the Company entered into conditional share sale agreements for the acquisition of CBH Engineering, CBH Maintenance and CBH M&E by way of the issuance of 1,582,896,193 new ordinary shares at an issue price of RM0.0361 per ordinary share for a total consideration of RM57,142,553. The acquisition process was completed on 23 October 2024.

Notes to the Financial Statements As at 31 December 2025

15. Share capital/Invested equity (Cont'd)

(a) Share capital (Cont'd)

In conjunction with the Company's listing on the ACE Market of Bursa Malaysia Securities Berhad on 16 January 2025, the Company issued 298,000,000 new ordinary shares at an issue price of RM0.28 per ordinary share for a total consideration of RM83,440,000.

The new ordinary shares issued during the financial year/period shall rank pari passu in all respect with the existing ordinary 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 general meetings of the Company. All ordinary shares rank equally with regards to the Company's residual assets.

(b) Invested equity

	Group	
	31.12.2025	31.12.2024
	Units	Units
Issued and fully paid		
At beginning of the financial year	-	2,100,000
Effect of restructuring exercise	-	(2,100,000)
At end of the financial year	-	-

	Group	
	31.12.2025	31.12.2024
	RM	RM
Issued and fully paid		
At beginning of the financial year	-	2,100,000
Effect of restructuring exercise	-	(2,100,000)
At end of the financial year	-	-

Invested equity solely comprised the aggregate number and value of issued and paid-up ordinary shares of CBH Engineering, CBH Maintenance and CBH M&E.

16. Merger deficit

The merger deficit arises from the difference between the carrying value of the investment in CBH Engineering, CBH Maintenance and CBH M&E and the nominal value of share capital of the subsidiaries upon consolidation under the merger accounting principle.

Notes to the Financial Statements As at 31 December 2025

17. Lease liabilities

	Group	
	31.12.2025	31.12.2024
	RM	RM
Non-current	1,803,275	1,732,341
Current	892,637	683,359
	2,695,912	2,415,700

The maturity analysis of lease liabilities as at the end of the reporting period:

	Group	
	31.12.2025	31.12.2024
	RM	RM
Within 1 year	995,160	780,887
Between 1 - 5 years	1,914,330	1,854,302
More than 5 years	-	4,500
	2,909,490	2,639,689
Less: Future finance charges	(213,578)	(223,989)
Present value of lease liabilities	2,695,912	2,415,700

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	
	31.12.2025	31.12.2024
	RM	RM
Third parties	30,678,053	32,881,920
Retention sums	4,779,561	4,740,657
	35,457,614	37,622,577

Credit terms of trade payables of the Group ranged from cash term to 90 days (31.12.2024: cash term to 90 days) depending on the terms of the contracts.

Notes to the Financial Statements

As at 31 December 2025

18. Trade payables (Cont'd)

The foreign currency profile of trade payables are as follows:

	Group	
	31.12.2025	31.12.2024
	RM	RM
Chinese Yuan ("CNY")	2,490,907	1,806,727

19. Other payables

	Group		Company	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM	RM	RM	RM
Non-trade payables	337,514	3,370,638	24,223	3,045,451
Accruals	10,897,563	12,786,720	38,000	169,250
Service tax payable	949,496	-	-	-
Provision for LAD	987,500	-	-	-
	13,172,073	16,157,358	62,223	3,214,701

Provision for LAD of construction projects are estimated based on the terms of contracts with customers. Provision are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

20. Bank borrowings

	Group	
	31.12.2025	31.12.2024
	RM	RM
Secured		
Term loan	104,950	-
Bankers' acceptance	329,000	100,000
	433,950	100,000
Current		
Term loan	104,950	-
Bankers' acceptance	329,000	100,000
	433,950	100,000

Notes to the Financial Statements As at 31 December 2025

20. Bank borrowings (Cont'd)

The above credit facilities are secured by the followings:

- (i) Assignment of insurance policy by a person connected to a Director of the Company; and
- (ii) Corporate guarantee by the Company.

The repayment terms of above credit facilities are as follows:

- (i) Term loan is repayable by 8 (31.12.2024: Nil) monthly instalments.
- (ii) Bankers' acceptance are repayable by 113 (31.12.2024: 120) days.

The average effective interest rate per annum are as follows:

	Group	
	31.12.2025	31.12.2024
	%	%
Term loan	7.14 - 7.39	-
Bankers' acceptance	3.44	3.75

21. Revenue

	Group		Company	
	1.1.2025	1.1.2024	1.1.2025	18.12.2023
	to	to	to	to
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM	RM	RM	RM
Revenue from contracts with customers:				
Project contract works	218,457,043	270,984,107	-	-
Maintenance and miscellaneous works	346,462	708,200	-	-
	218,803,505	271,692,307	-	-
Revenue from other source:				
Dividend income from a subsidiary	-	-	10,000,000	-
	218,803,505	271,692,307	10,000,000	-
Timing of revenue recognition:				
Over time	216,338,868	270,229,339	-	-
At a point in time	2,464,637	1,462,968	-	-
	218,803,505	271,692,307	-	-
Geographical market:				
Malaysia	218,803,505	271,692,307	-	-

Notes to the Financial Statements

As at 31 December 2025

22. Other income

	Group		Company	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	18.12.2023 to 31.12.2024 RM
Dividend income	-	4,384,297	-	-
Gain on disposal of asset held-for-sale	-	48,525	-	-
Gain on disposal of property, plant and equipment	90,121	122,497	-	-
Gain on fair value of other investment	76,474	-	76,474	-
Gain on early termination of lease contracts	8,149	-	-	-
Office rental income	-	10,156	-	-
Realised gain on foreign exchange	35,322	779	-	-

23. Other expenses

	Group		Company	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	18.12.2023 to 31.12.2024 RM
Property, plant and equipment written off	11,312	11	-	-
Unrealised loss on foreign exchange	219	-	-	-

24. Finance income/(Finance costs)

	Group		Company	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	18.12.2023 to 31.12.2024 RM
Finance income				
- bank balances	3,219,899	407,562	2,229,173	-
- fixed deposits with licensed banks	324,016	346,013	-	-
- other investment	6,498	-	6,498	-
- subsidiary	-	-	63,161	-
	3,550,413	753,575	2,298,832	-
Finance costs				
Interest expenses:				
- bank overdraft	90	56	-	-
- lease liabilities	90,403	80,895	-	-
- term loans	1,277	-	-	-
	91,770	80,951	-	-

Notes to the Financial Statements As at 31 December 2025

25. Profit/(Loss) before tax

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

	Group		Company	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	18.12.2023 to 31.12.2024 RM
Auditors' remuneration:				
- statutory audit	125,000	120,000	33,000	33,000
- non-audit fee	5,000	5,000	5,000	5,000
Net allowance/(reversal of) for ECLs on:				
- contract assets	5,680,067	(249,505)	-	-
- trade receivables	(9,932,104)	3,953,698	-	-
Depreciation of property, and plant and equipment	1,384,241	938,030	-	-
Interest expenses recognised in cost of sales:				
- bankers' acceptance	2,465	1,859	-	-
- lease liabilities	25,293	4,663	-	-
Provision for LAD	987,500	-	-	-
Short-term leases (a)	974,586	1,816,882	46,420	-
Low value assets (a)	17,730	13,260	-	-

- (a) The Group and the Company leases office equipment, tool and equipment, motor vehicle and number of premises with contract terms of not more than one year or with value not more than RM20,000. These leases are short-term or low value items. The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for these leases.

26. Taxation

	Group		Company	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	18.12.2023 to 31.12.2024 RM
Tax expenses recognised in profit or loss				
Current tax				
- Current year provision	14,628,710	14,225,000	531,000	-
- Over provision in prior financial year	(47,175)	(269,232)	-	-
	14,581,535	13,955,768	531,000	-
Deferred tax				
- Originating and reversal of temporary difference	890,000	(894,000)	-	-
- Under provision in prior financial year	19,000	-	-	-
	909,000	(894,000)	-	-
	15,490,535	13,061,768	531,000	-

Notes to the Financial Statements

As at 31 December 2025

26. Taxation (Cont'd)

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	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	18.12.2023 to 31.12.2024 RM
Profit/(Loss) before tax	63,570,538	54,811,060	11,427,874	(3,539,856)
At Malaysian statutory tax rate of 24% (31.12.2024: 24%)	15,256,929	13,154,654	2,742,690	(849,565)
Change in tax rate for the first tranche of chargeable income	-	(648)	-	-
Expenses not deductible for tax purposes	239,017	1,198,870	188,310	849,565
Income not subject to tax	(1,956)	(1,063,876)	(2,400,000)	-
Movement of deferred tax assets not recognised	24,720	42,000	-	-
Over provision of current tax in prior financial year	(47,175)	(269,232)	-	-
Under provision of deferred tax in prior financial year	19,000	-	-	-
	15,490,535	13,061,768	531,000	-

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	31.12.2025 RM	31.12.2024 RM
Property, plant and equipment	(319,000)	(20,000)
Provisions	45,000	-
Unabsorbed capital allowances	382,000	25,000
Unutilised business losses	540,000	540,000
	648,000	545,000

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"):

	Group	
	31.12.2025 RM	31.12.2024 RM
YA 2034	540,000	540,000

In accordance with the provision of the 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.

Notes to the Financial Statements As at 31 December 2025

26. Taxation (Cont'd)

Unrecognised deferred tax assets (Cont'd)

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.

27. 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:

	Group	
	31.12.2025	31.12.2024
Profit attributable to owners of the Company (RM)	48,037,109	41,749,292
Weighted average number of ordinary shares (unit)	1,868,649,818	1,582,896,393
Basic earnings per ordinary shares (sen)	2.57	2.64

Diluted earnings per share

Diluted earnings per share is equivalent to the basic earnings per share as the Group does not have any dilutive potential ordinary shares outstanding as at the end of the reporting period.

28. Dividends

	Group	
	31.12.2025	31.12.2024
	RM	RM

Dividends recognised as distribution to owners of the Company:

CBH Engineering:

- 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 and 25 May 2024	-	10,000,000

Notes to the Financial Statements

As at 31 December 2025

28. Dividends (Cont'd)

Group
31.12.2025 **31.12.2024**
RM **RM**

Dividends recognised as distribution to owners of the Company: (Cont'd)

CBH Maintenance:

- 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

On 26 January 2026, the Board of Directors declared a single-tier interim dividend of RM0.0027 per ordinary share in respect of the financial year ended 31 December 2025, which was paid on 27 February 2026 to every member who is entitled to receive the dividend on 12 February 2026.

This interim dividend is not reflected in the financial statements for the current financial year and will be accounted for as an appropriation of retained earnings for the financial year ending 31 December 2026.

29. Staff costs

	Group		Company	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	18.12.2023 to 31.12.2024 RM
Salaries, wages and other emoluments	18,659,647	21,371,072	240,000	143,425
Defined contribution plans	2,011,058	2,212,699	-	-
Social security contributions	146,177	125,993	-	-
Other benefits	1,489,318	1,173,043	-	-
	22,306,200	24,882,807	240,000	143,425

Notes to the Financial Statements As at 31 December 2025

29. Staff costs (Cont'd)

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:

	Group		Company	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	18.12.2023 to 31.12.2024 RM
Non-Executive Directors				
Directors' fees	240,000	143,425	240,000	143,425
Executive Directors				
Salaries and other emoluments	2,482,500	3,239,937	-	-
Defined contribution plans	160,620	184,360	-	-
Social security contributions	1,393	1,217	-	-
Estimated money value of benefits-in-kind	61,575	61,575	-	-
	2,706,088	3,487,089	-	-
	2,946,088	3,630,514	240,000	143,425

30. Reconciliation of liabilities arising from financing activities

The table below shows the details of changes in the liabilities of the Group arising from financing activities, including both cash and non-cash changes:

Group	At 1.1.2025 RM	Drawdown RM	Repayment RM	Early termination RM	At 31.12.2025 RM
	Term loan	-	189,134	(84,184)	-
Bankers' acceptance	100,000	420,000	(191,000)	-	329,000
Lease liabilities	2,415,700	1,301,552	(820,487)	(200,853)	2,695,912
	2,515,700	1,910,686	(1,095,671)	(200,853)	3,129,862
Group	At 1.1.2024 RM	Drawdown RM	Repayment RM	Early termination RM	At 31.12.2024 RM
Bankers' acceptance	-	250,000	(150,000)	-	100,000
Lease liabilities	1,592,878	1,298,182	(475,360)	-	2,415,700
	1,592,878	1,548,182	(625,360)	-	2,515,700

Notes to the Financial Statements

As at 31 December 2025

31. Contingent liabilities

The Group has several ongoing projects that have exceeded the contractual completion period stipulated in the respective agreement. The delays were mainly attributable to system upgrades, supply disruptions, changes in project scope and building extensions requested by the contract customers.

The Group has applied for extensions of time from the respective contract customers for the affected projects. However, as at the date of this report, no responses have been received from the customers regarding the requested extensions. Except for the provision for LAD disclosed in Note 19, no additional provision has been recognised in the financial statements.

32. Financial and corporate guarantee

	Group		Company	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM	RM	RM	RM
Financial guarantee				
Financial guarantee extended to contract customers in respect of project contract works	50,564,023	39,846,862	-	-
Corporate guarantee				
Guarantee given to financial institutions for financing facilities granted to subsidiaries	-	-	283,300,000	-

33. Capital commitment

	Group and Company	
	31.12.2025	31.12.2024
	RM	RM
Capital expenditure		
Authorised and contracted for:		
- Factory building	12,951,000	-

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 key 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.

Notes to the Financial Statements As at 31 December 2025

34. Related party disclosures (Cont'd)

(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 and of the Company are as follows:

	Group		Company	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	18.12.2023 to 31.12.2024 RM
Transactions with related parties				
- Project cost charged by	(1,603,211)	-	-	-
- Rental of office charged by	(96,000)	(96,000)	-	-
- Rental of hostel charged by	(19,200)	(10,200)	-	-
Transactions with a subsidiary				
- Loan interest charged to	-	-	63,161	-
Transactions with an Executive Director				
- Rental of office charged by	(102,000)	(102,000)	-	-

(c) Remuneration of key management personnel

The remuneration of the Directors are disclosed in Note 29 to the financial statements. The emoluments of other key management personnel are as follows:

	Group	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM
Salaries, fees and other emoluments	1,701,554	3,162,500
Defined contribution plans	255,276	477,567
Social contribution plans	4,178	3,651
Estimated money value of benefits-in-kind	44,950	39,571
	2,005,958	3,683,289

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.

Notes to the Financial Statements As at 31 December 2025

35. Segment information (Cont'd)

(a) Business segments (Cont'd)

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:

	Group	
	1.1.2025	1.1.2024
	to	to
	31.12.2025	31.12.2024
	RM	RM
Electrical wiring contractors		
Customer A	85,745,385	84,895,745
Customer B	37,216,054	96,478,252
Customer C	-	69,519,301
	122,961,439	250,893,298

36. Financial instruments

(a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or 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:

	Group		Company	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM	RM	RM	RM
At FVTPL				
Financial asset				
Other investment	6,082,972	-	6,082,972	-

Notes to the Financial Statements As at 31 December 2025

36. Financial instruments (Cont'd)

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

	Group		Company	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM	RM	RM	RM
At amortised cost				
Financial assets				
Trade receivables	57,368,183	32,298,155	-	-
Other receivables	2,596,458	816,823	1,440,000	-
Amount due from a subsidiary	-	-	10,000,000	-
Fixed deposits with licensed banks	9,698,393	14,892,612	-	-
Cash and bank balances	142,494,446	23,972,702	69,373,765	85,489
	212,157,480	71,980,292	80,813,765	85,489
	218,240,452	71,980,292	86,896,737	85,489
At amortised cost				
Financial liabilities				
Trade payables	35,457,614	37,622,577	-	-
Other payables	11,235,077	16,157,358	62,223	3,214,701
Amount due to a subsidiary	-	-	-	2,665,052
Bank borrowings	433,950	100,000	-	-
	47,126,641	53,879,935	62,223	5,879,753

(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 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 exposure to credit risk arises principally from trade receivables, other receivables, fixed deposits with licensed banks and cash and bank balances. The Company's exposure to credit risk arises principally from other receivables, amount due from a subsidiary and cash and bank balances. There are no significant changes as compared to the previous financial year.

Notes to the Financial Statements As at 31 December 2025

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 licensed 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 provide secured financial guarantees for performance bond given to third parties. At the end of the reporting period, no events have arisen which may cause the financial guarantees provided by the Group to be called upon or claimed by any counterparty pursuant to the relevant contracts entered by the Group and the Company.

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 3 (31.12.2024: 4) major customers that owed the Group more than 10% each and accounted for approximately 50% (31.12.2024: 81%) 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 funding requirements through internally generated cash flows and minimise liquidity risk by keeping committed credit lines available.

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.

Notes to the Financial Statements As at 31 December 2025

36. Financial instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

Group	On demand Within 1 year RM	1 to 5 years RM	More than 5 years RM	Total contractual cash flows RM	Total carrying amount RM
31.12.2025					
<u>Non-derivative financial liabilities</u>					
Trade payables	35,457,614	-	-	35,457,614	35,457,614
Other payables	11,235,077	-	-	11,235,077	11,235,077
Term loan	107,466	-	-	107,466	104,950
Bankers' acceptance	329,000	-	-	329,000	329,000
Lease liabilities	995,160	1,914,330	-	2,909,490	2,695,912
	48,124,317	1,914,330	-	50,038,647	49,822,553
Financial guarantee*	50,564,023	-	-	50,564,023	-
31.12.2024					
<u>Non-derivative 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
Bankers' acceptance	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	-
Company					
31.12.2025					
<u>Non-derivative financial liabilities</u>					
Other payables	62,223	-	-	62,223	62,223
Financial guarantee*	283,300,000	-	-	283,300,000	-
31.12.2024					
<u>Non-derivative 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 As at 31 December 2025

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 project 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 its contract customers.

The Company provides financial guarantee to banks in respect of credit facilities granted to subsidiaries and monitors on an ongoing basis the performance of the subsidiaries. At end of the financial year, there was no indication that the subsidiaries would default on repayment.

Financial guarantee has not been recognised since the fair value on initial recognition was deemed not material and the probability of the subsidiary defaulting on their credit facilities is remote.

(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 functional currency of the Group. The currencies giving rise to the risk are CNY 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 period are as follows:

	Denominated in CNY RM	USD RM
Group		
31.12.2025		
Trade receivables	-	35,086
Cash and bank balances	-	52,808
Trade payables	(2,490,907)	-
	(2,490,907)	87,894
31.12.2024		
Cash and bank balances	-	327
Trade payables	(1,806,727)	-
	(1,806,727)	327

Notes to the Financial Statements As at 31 December 2025

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)

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 and USD, with all other variables held constant.

		Effect on Profit before tax Group	
		31.12.2025	31.12.2024
Change in currency rate		RM	RM
Group CNY	Strengthened 1% (31.12.2024: 1%)	(24,909)	(18,067)
	Weakened 1% (31.12.2024: 1%)	24,909	18,067
USD	Strengthened 1% (31.12.2024: 1%)	879	3
	Weakened 1% (31.12.2024: 1%)	(879)	(3)

(b) Interest rate risk

The Group's fixed rate deposits placed with licensed banks 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 licensed banks 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 As at 31 December 2025

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:

	Group	
	31.12.2025	31.12.2024
	RM	RM
Fixed rate instruments		
<u>Financial assets</u>		
Fixed deposit with licensed banks	9,698,393	14,892,612
Cash and bank balances	-	9,150,000
	9,698,393	24,042,612
<u>Financial liabilities</u>		
Bankers' acceptance	(329,000)	(100,000)
Lease liabilities	(2,695,912)	(2,415,700)
	(3,024,912)	(2,515,700)
Net financial assets	6,673,481	21,526,912
Floating rate instrument		
<u>Financial liability</u>		
Term loan	104,950	-

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Cash flows sensitivity analysis for the floating rate instrument

A change in 1% interest rate at the end of the reporting period would have increased/ (decreased) the Group's profit before tax by RM1,050 (31.12.2024: RMNil), arising mainly as a result of lower/higher interest expense on floating rate loans. This analysis assumes that all other variables remain constant. The assumed movement in basis points for interest rate sensitivity analysis is based on the current observable market environment.

Notes to the Financial Statements As at 31 December 2025

36. Financial instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(c) Fair value of financial instruments

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

(i) Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

There were no transfers between levels during current and previous financial year/period.

(ii) Level 1 fair value

Level 1 fair value is derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

(iii) Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

(iv) Level 3 fair value

Level 3 fair value for the financial assets and liabilities are estimated using unobservable inputs.

The following table summarises the methods used in determining the fair value of financial asset on a recurring basis at 31 December 2025 and 31 December 2024:

	Group and Company	
	31.12.2025	31.12.2024
	RM	RM
Fair value of financial instrument carried at FVTPL		
Level 1		
Financial asset		
Other investment	6,082,972	-

Notes to the Financial Statements

As at 31 December 2025

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 debts.

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:

	Group		Company	
	31.12.2025 RM	31.12.2024 RM	31.12.2025 RM	31.12.2024 RM
Bank borrowings	433,950	100,000	-	-
Lease liabilities	2,695,912	2,415,700	-	-
Less: Fixed deposits with licensed banks	(9,698,393)	(14,892,612)	-	-
Less: Cash and bank balances	(142,494,446)	(23,972,702)	(69,373,765)	(85,489)
Net cash	(149,062,977)	(36,349,614)	(69,373,765)	(85,489)
Total equity	228,425,620	99,179,993	145,365,215	53,602,717
Gearing ratio	N/A	N/A	N/A	N/A

N/A - The gearing ratio may not provide a meaningful indicator of the risk of borrowings.

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

38. Significant events during the financial year

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 allocated in the following manner:
 - (a) 94,045,000 shares throughout 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 approved by the Ministry of Investment, Trade and Industry of Malaysia ("MITI"); 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 approved by the MITI.

Notes to the Financial Statements As at 31 December 2025

38. Significant events during the financial year (Cont'd)

On 16 January 2025, the listing of and quotation for the Company's entire enlarged issued and paid-up capital of RM138,008,197 (net of share issuance expenses) 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.

39. Comparative information

The Company was incorporated on 18 December 2023 in previous financial period. As such, the comparative information is for the financial period from 18 December 2023 to 31 December 2024, while the current financial year from 1 January 2025 to 31 December 2025. Consequently, the comparative figures in the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and related notes for the Company are not comparable.

40. 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 15 April 2026.

Analysis of Shareholdings As at 31 March 2026

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	8	0.261	150	0.000
100 – 1,000	442	14.425	197,300	0.010
1,001 – 10,000	1,126	36.749	6,459,100	0.343
10,001 – 100,000	1,125	36.716	41,973,400	2.231
100,001 – 94,044,818 *	361	11.781	463,775,350	24.657
94,044,819 and above **	2	0.065	1,368,491,093	72.757
Total	3,064	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.	1,368,491,093	72.757	-	-
CHEAH BOON HWA	1,100,000	0.058	1,373,371,093 ⁽¹⁾⁽²⁾	73.017

Notes:

- Deemed interest via shareholdings in Quay Holdings Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.
- Deemed interest via family members' shareholdings 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	%
LIM BEE HUA	100,000	0.005	-	-
CHEAH BOON HWA *	1,100,000	0.058	1,373,371,093 ⁽¹⁾⁽²⁾	73.017
CHEAH BOON HUAT	500,000	0.027	2,050,000 ⁽²⁾	0.109
CHEAH MIN HENG	770,000	0.041	-	-
CHIN SIN PENG	100,000	0.005	-	-
SAW BEE YEE	200,000	0.011	-	-
TAN SUAT HOON	200,000	0.011	-	-

Notes:

- Deemed interest via shareholdings in Quay Holdings Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.
 - Deemed interest via family members' shareholdings pursuant to Section 59 of the Companies Act 2016.
- (*) Managing Director of the Company.

Analysis of Shareholdings As at 31 March 2026

List of Top Thirty (30) Largest Shareholders

(Without aggregating securities from different securities account(s) belonging to the same registered holder)

No.	Name of Shareholders	No. of Shares Held	%
1	QUAY HOLDINGS SDN BHD	846,403,380	45.000
2	QUAY HOLDINGS SDN BHD	522,087,713	27.757
3	CITIGROUP NOMINEES (TEMPATAN) SDN BHD – EXEMPT AN FOR AIA BHD	68,454,100	3.639
4	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD – KAF CORE INCOME FUND	34,658,400	1.842
5	LEMBAGA TABUNG HAJI	27,000,000	1.435
6	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD – EXEMPT AN FOR KUMPULAN SENTIASA CEMERLANG SDN BHD (TSTAC/CLNT)	15,751,400	0.837
7	MAYBANK NOMINEES (TEMPATAN) SDN BHD – NATIONAL TRUST FUND (IFM KAF) (446190)	14,459,600	0.768
8	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD – DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR HONG LEONG GROWTH FUND	12,300,000	0.653
9	CITIGROUP NOMINEES (ASING) SDN BHD – UBS AG	12,129,900	0.644
10	SOON FONG PIEW	11,990,400	0.637
11	CITIGROUP NOMINEES (ASING) SDN BHD – MERRILL LYNCH INTERNATIONAL	11,565,000	0.614
12	PHILLIP NOMINEES (TEMPATAN) SDN BHD – OCTOWILL TRUSTEES BERHAD FOR PROVEN VENTURE CAPITAL PLT	9,962,100	0.529
13	MAYBANK NOMINEES (TEMPATAN) SDN BHD – MAYBANK TRUSTEES BERHAD FOR KAF ISLAMIC DIVIDEND INCOME FUND (290411)	9,563,300	0.508
14	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD – PLEDGED SECURITIES ACCOUNT FOR NG KOK WENG (MY2166)	7,888,800	0.419
15	TONG KAM YEW	6,050,000	0.321
16	CHEAH LEAN CHUAN	6,014,000	0.319
17	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD – KAF TACTICAL FUND	4,800,000	0.255
18	ULTRA RACING (M) SDN BHD	4,701,500	0.249
19	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD – PLEDGED SECURITIES ACCOUNT FOR PLASMA CAPITAL SDN BHD	4,377,600	0.232
20	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD – CIMB COMMERCE TRUSTEE BERHAD FOR KENANGA GROWTH OPPORTUNITIES FUND (50154 TR01)	4,369,800	0.232
21	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD – DEUTSCHE BANK AG SINGAPORE CLT FOR LEE HAU HIAN (KSC (S) PTELTD)	4,205,000	0.223
22	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD – HONG LEONG ASSET MANAGEMENT BERHAD FOR HLX SDN BHD (ED108)	4,060,200	0.215
23	CIMB ISLAMIC NOMINEES (TEMPATAN) SDN BHD – PMB INVESTMENT BERHAD FOR MAJLIS AMANAH RAKYAT	3,587,700	0.190
24	TING TIN SIANG	3,572,000	0.189
25	CHEAH BOON KIAT	3,333,000	0.177
26	GOH SOO MOU	3,200,000	0.170
27	GAN CHEONG GAP	2,851,000	0.151
28	TASEC NOMINEES (TEMPATAN) SDN BHD – EXEMPT AN FOR TA INVESTMENT MANAGEMENT BERHAD (CLIENTS)	2,717,100	0.144
29	CARTABAN NOMINEES (ASING) SDN BHD – EXEMPT AN FOR BARCLAYS CAPITAL SECURITIES LTD (SBL/PB)	2,597,900	0.138
30	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD – PLEDGED SECURITIES ACCOUNT FOR TAY MOY KOH (SEGAMAT-CL)	2,580,400	0.137
	Total	1,667,231,293	88.640

Notice of Second Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Second Annual General Meeting ("**2nd AGM**") of the Company will be held at Central Walk (1&2), Level 1, DoubleTree by Hilton Shah Alam i-City of Finance Avenue, i-City, 40000 Shah Alam, Selangor ("**Main Venue**") on Wednesday, 24 June 2026 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 2025 together with the Reports of the Directors and Auditors thereon.
2. To approve the payment of Non-Executive Directors' Fees for an aggregate amount of up to RM240,000.00 payable to the Non-Executive Directors on a quarterly basis for the period from 25 June 2026 until the next Annual General Meeting of the Company to be held in year 2027, in such proportions and manner as the Directors may determine as follows: -

[Please refer to Explanatory Note 1]

***[Please refer to Explanatory Note 2]
[Ordinary Resolution 1]***

No	Type of Directorship	Aggregate Amount of Non-Executive Directors' Fees (RM)
1	Chairwoman of the Board	60,000.00
2	Independent Non-Executive Directors	180,000.00
	Total	240,000.00

3. 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: -
 - (i) Ir. Cheah Boon Hwa
 - (ii) Mr. Cheah Boon Huat
4. To re-appoint Messrs. TGS TW PLT as the External Auditors of the Company for the financial year ending 31 December 2026 and to authorise the Directors to fix their remuneration.

[Please refer to Explanatory Note 3]

***[Ordinary Resolution 2]
[Ordinary Resolution 3]***

[Ordinary Resolution 4]

AS SPECIAL BUSINESS

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

5. **ORDINARY RESOLUTION**
- **AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016**

***[Please refer to Explanatory Note 4]
[Ordinary Resolution 5]***

Notice of Second Annual General Meeting

***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 new ordinary shares in the capital of the Company, grant rights to subscribe for new ordinary shares in the Company, convert any securities into new ordinary shares in the Company, or allot new ordinary 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 New 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 New Shares issued during the preceding twelve (12) months does not exceed ten per centum (10%) of the total number of issued ordinary 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 ordinary 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 Bursa Securities for the listing of and quotation for such New Shares on the ACE Market of Bursa Securities;*

***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."*

Notice of Second Annual General Meeting

6. ORDINARY RESOLUTION

- PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

**[Please refer to
Explanatory Note 5]
[Ordinary Resolution 6]**

*"THAT authority be and is hereby given in line with Rule 10.09 of the ACE Market Listing Requirements ("**Listing Requirements**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") to the Company and/or its subsidiaries to enter into any of the transactions falling within the types of the Recurrent Related Party Transactions, particulars of which are set out in Circular to Shareholders dated 28 April 2026, with the Related Parties as described in the said Circular, provided that such transactions are of revenue or trading nature, which are necessary for the day-to-day operations of the Company and/or its subsidiaries within the ordinary course of business of the Company and/or its subsidiaries, made on an arm's length basis and on normal commercial terms which are generally available to the public and are not detrimental to the interest of the minority shareholders of the Company ("**Proposed RRPT Mandate**");*

THAT such authority shall commence immediately upon passing of this Ordinary Resolution and continue to be in force until:-

- a) *the conclusion of the next Annual General Meeting ("**AGM**"), unless the authority is renewed by a resolution passed at the next AGM; or*
- b) *the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but will not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or*
- c) *revoked or varied by resolution passed by the shareholders in a general meeting,*

whichever is the earlier.

***AND THAT** the Board of Directors be and is hereby authorised to do all acts, deeds and things as may be deemed fit, necessary, expedient and/or appropriate in order to implement the Proposed RRPT Mandate with full power to assent to all or any conditions, variations, modifications and/or amendments in any manner as may be required by any relevant authorities or otherwise and to deal with all matters relating thereto and to take all such steps and to execute, sign and deliver for and on behalf of the Company all such documents, agreements, arrangements and/or undertakings, with any party or parties and to carry out any other matters as may be required to implement, finalise and complete, and give full effect to the Proposed RRPT Mandate in the best interest of the Company."*

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: 28 April 2026

Notice of Second Annual General Meeting

Explanatory Notes on Ordinary Business and Special Business: -

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 require a formal approval of the shareholders. As such, this Agenda item is not put forward for voting.

2. Item 2 of the Agenda

Section 230(1) of the Act 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 had, at its First Annual General Meeting ("**1st AGM**") held on 25 June 2025, obtained approval from the shareholders for the payment of Non-Executive Directors' Fees for an aggregate amount of up to RM143,424.72 for the financial year ended 31 December 2024 and an aggregate amount of up to RM240,000.00, for the period from 1 January 2025 until the conclusion of the 2nd AGM of the Company to be held in 2026 ("**the Period**"). The actual fees paid to the Non-Executive Directors for the Period were RM360,000.00 and this amount did not exceed the aggregate amount approved by the shareholders at the 1st AGM.

The Company is seeking the shareholders' approval for the payment of Non-Executive Directors' Fees for an aggregate amount of up to RM240,000.00 payable to the Non-Executive Directors of the Company on a quarterly basis for the period from 25 June 2026 until the next Annual General Meeting of the Company to be held in year 2027 under Ordinary Resolution 1.

The proposed Non-Executive Directors' Fees have been estimated based on the current Board size and the expected number of scheduled Board and Board Committees meetings, and the existing remuneration framework.

The proposed Ordinary Resolution 1 is intended to facilitate the payment of Directors' fees for the financial year 2026/2027 to the Non-Executive Directors on a quarterly basis. In the event that the proposed Non-Executive Directors' Fees payable is 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 2025 are enumerated in the Corporate Governance Report 2025.

3. Item 3 of the Agenda

Ir. Cheah Boon Hwa and Mr. Cheah Boon Huat, the Directors of the Company, are seeking re-election at the 2nd 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 Resolution 2 and Ordinary Resolution 3 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 of Bursa Malaysia Securities Berhad in terms of their quality and integrity.

Notice of Second Annual General Meeting

Based on the results of the above assessments, the NC and Board collectively agreed that the Retiring Directors meet the criteria of character, experience, integrity, competence, and time required to effectively discharge their roles as Directors. The NC and Board have satisfied the Directors' fit and proper assessment criteria.

The Board approved the NC's recommendation that the Retiring Directors who retire in accordance to Clause 84.1 of the Company's Constitution are eligible to stand for re-election and recommend for the shareholders to approve Ordinary Resolution 2 and Ordinary Resolution 3.

Save for the interests of the Retiring Directors as disclosed in the Circular to shareholders in relation to the Proposed RRPT Mandate, the Retiring Directors have confirmed that they do not have any conflict of interest or potential conflict of interest, including any interest in any competing business with the Company and/or its subsidiaries or family interest that could affect the execution of their role as Directors.

4. **Item 5 of the Agenda**

Ordinary Resolution 5 is to seek shareholders' approval for a renewal of the general mandate for allotment and issuance of new ordinary shares by the Company pursuant to the Act. The purpose of this general mandate, if passed, shall give power to the Directors to issue new ordinary shares in the capital of the Company up to an aggregate number not exceeding ten per centum (10%) of the total number of issued ordinary shares of the Company ("**Renewed General Mandate**").

The Renewed 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.

However, pursuant to Section 85(1) of the Act and Clause 53 of the Company's Constitution, the new ordinary 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 5, they are waiving their pre-emptive rights pursuant to Section 85(1) of the Act, which then would allow the Directors to issue new ordinary shares to any person without having to offer the said shares equally to all existing shareholders of the Company prior to the issuance which will result in a dilution to the shareholding percentage of the existing shareholders.

The Board of Directors of the Company is of the view that the Renewed General Mandate is in the best interest of the Company and its shareholders as it will provide flexibility to the Company to issue new ordinary shares without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional costs and time. It will also enable the Directors to take swift action in case of a need to issue and allot new ordinary shares for fund raising activities, including but not limited to further placement of ordinary shares for the purpose of funding the Company's current and/or future investment projects, working capital, acquisitions and/or for issuance of ordinary 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 new ordinary shares, conversion of any securities into new ordinary shares, or allotment of new ordinary 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 new ordinary shares to be allotted and issued must not be more than ten per centum (10%) of the total number of issued ordinary shares of the Company.

As of the date of this Notice, no new ordinary shares in the Company were issued pursuant to the General Mandate granted to the Directors at the last AGM of the Company held on 25 June 2025 and which will lapse at the conclusion of the 2nd AGM.

Notice of Second Annual General Meeting

5. Item 6 of the Agenda

Ordinary Resolution 6, if passed, will allow the Company and/or its subsidiaries ("**Group**") to enter into Recurrent Related Party Transactions of a Revenue or Trading Nature ("**RRPT**") with related parties in the ordinary course of business which are necessary for the Group's day-to-day operations and at arm's length and on normal commercial terms not favourable more to the related parties than those generally available to the public, and are not detrimental to the interest of the minority shareholders of the Company. The procurement of the Proposed RRPT Mandate would reduce substantially administrative time, effort and expenses associated with the convening of separate general meetings to seek shareholders' approval as and when potential RRPT arise. The Proposed RRPT Mandate when approved by the shareholders at the 2nd AGM is subject to renewal on an annual basis.

The authority given for Ordinary Resolution 6 mentioned above unless revoked or varied at a general meeting, will expire at the conclusion at the next AGM.

Further information on these Ordinary Resolution 6 is set out in the Circular to Shareholders of the Company dated 28 April 2026 which is despatched together with the Company's Annual Report 2025.

Notes:

- (1) *The 2nd 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 2nd AGM shall be entitled to appoint not more than two (2) proxies to attend, participate and vote on his/her behalf at the 2nd 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 2nd 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 ordinary 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 Second 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 2nd AGM or at any adjournment thereof**:-

(i) In Hardcopy Form (applicable to all shareholders)

The Form of Proxy shall be deposited at the Company's address at **12, Jalan Anggerik Vanilla AD 31/AD, Kota Kemuning, 40460 Shah Alam, Selangor Darul Ehsan.**

OR

(ii) By Electronic Means (only applicable to Individual Shareholder)

The Form of Proxy shall be electronically submitted via <https://web.vote2u.com>.

You may refer to the Administrative Guide of the 2nd AGM for guidance and further details.

(8) Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this Notice of 2nd 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 2026** (General Meeting Record of Depositors) shall be entitled to participate at the 2nd 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 2nd 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 2nd AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 2nd 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.

Statement Accompanying Notice of Second Annual General Meeting (“2nd AGM”)

(Pursuant to Rule 8.29(2) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad)

1. STATEMENT RELATING TO THE ELECTION OF DIRECTORS (EXCLUDING DIRECTORS STANDING FOR RE-ELECTION)

Other than the Retiring Directors standing for re-election at the 2nd AGM, there is no individual seeking election as a Director at the 2nd AGM.

Please refer to Explanatory Note 3 of the Notice of the 2nd AGM detailing the Directors standing for election or re-appointment in accordance to the Company’s Constitution and their profiles of the Retiring Directors are disclosed in the Company’s Annual Report 2025.

2. STATEMENT RELATING TO THE GENERAL MANDATE FOR ISSUANCE OF SECURITIES

Ordinary Resolution 5 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 2nd AGM set out on page 159.

Second (“2nd”) Annual General Meeting (“AGM”) Administrative Guide

Date	: Wednesday, 24 June 2026
Time	: 10:00 a.m.
Physical Meeting Venue	: Central Walk (1&2), Level 1, DoubleTree by Hilton Shah Alam i-City of Finance Avenue, i-City, 40000 Shah Alam, Selangor.

PROCEDURES TO PARTICIPATE IN THE SECOND ANNUAL GENERAL MEETING

BEFORE AGM DAY

A. REGISTRATION

Individual Shareholder / Corporate Shareholder / Nominees Company

	Description	Procedures
i.	Submit Form of Proxy (hardcopy)	<p>The closing time to submit your hardcopy Form of Proxy is at 10:00 a.m. on 22 June 2026.</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"> o MYKAD (for Malaysian) / Passport (for non-Malaysian) number of the Proxy o Email address of the Proxy <p>b. Submit/Deposit the hardcopy Form of Proxy to the Company Address at 12, Jalan Anggerik Vanilla AD 31/AD, Kota Kemuning, 40460 Shah Alam, Selangor Darul Ehsan</p>
ii.	Electronic Lodgement of Proxy Form (e-proxy form) - For individual Shareholders only	<p>a. Individual shareholders to log in to Vote2U (https://web.vote2u.my) 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 “Register Proxy Now” 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 (“CDS”) 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>

Shareholders who appoint Proxy(ies) to participate in the 2nd 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 2nd 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.

Second ("2nd") Annual General Meeting ("AGM") Administrative Guide

ON AGM DAY

B. REGISTER PROXY

Individual Shareholders

	Description	Procedures
i.	Register yourself at the registration counter to receive e-voting ballots.	<ul style="list-style-type: none"> - Registration will be at the Meeting Venue at Central Walk (1&2), Level 1, DoubleTree by Hilton Shah Alam i-City of Finance Avenue, i-City, 40000 Shah Alam, Selangor. - The registration counter will open from 9:00 a.m. to 10:00 a.m. on 24 June 2026. - Please present your original identity card ("IC") (Malaysian) or passport (Foreigner) during registration for verification purposes. 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. - Once registered, you will be given an e-voting ballot to cast your vote. 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.

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"> - Registration will take place at the Meeting Venue at Central Walk (1&2), Level 1, DoubleTree by Hilton Shah Alam i-City of Finance Avenue, i-City, 40000 Shah Alam, Selangor. - The registration counter will open from 9:00 a.m. to 10:00 a.m. on 24 June 2026. - Please present your original identity card ("IC") with Proxy Form, or corporate representative appointment letter for verification during registration. 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. - Once registered, you will be given an e-voting ballot to cast your vote. 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.

Second ("2nd") Annual General Meeting ("AGM") Administrative Guide

ON AGM DAY

C. VOTING

	Description	Procedures
i.	E-Voting	<p>Once the Chairwoman announces the opening of voting:</p> <ol style="list-style-type: none"> Scan the QR code on the e-voting ballot or visit the support counter for assistance. 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. After scanning the QR code, you will be directed to the 2nd AGM landing page. Please verify your details, then scroll down and click "Confirm Details & Start Voting." To vote, select your voting choice from the options provided. A confirmation screen will appear to show your selected vote. Click "Next" to continue voting for all resolutions. To change your vote, click the "Back" button and select another voting choice. After you have completed voting, a Voting Summary page appears to show all the resolutions with your voting choices. Click "Confirm" to submit your vote. Note: Please note that you are not able to change your voting choices after you have confirmed and submitted your votes <p>The support team will be available to assist you if you encounter any difficulties.</p>
ii.	View voting result	<p>Upon the Chairwoman's announcement of the results:</p> <ol style="list-style-type: none"> Scan the QR code on the e-voting ballot 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. After scanning the QR code, you will be directed to the 2nd AGM landing page. Scroll down and click "View voting". On the voting result page, you are able to see the results details page.

Second ("2nd") Annual General Meeting ("AGM") Administrative Guide

1. ENTITLEMENTS TO ATTEND AND VOTE AT THE 2ND AGM

- Only members whose names appear on the **Record of Depositors of the Company as at 18 June 2026** shall be eligible to attend the 2nd AGM or appoint proxies to attend and vote on their behalf at the 2nd AGM.

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 (2) 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's 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 2nd AGM or any adjournment thereof**. Form 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 Form of Proxy.

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 voting by 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 for participating in the 2nd AGM.

Enquiry

For enquiries relating to the 2nd 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. : 03-76648515
Email address : v2u@agmostudio.com

Notes:

- (1) The 2nd 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 2nd AGM shall be entitled to appoint not more than two (2) proxies to attend, participate and vote on his/her behalf at the 2nd 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 2nd 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 ordinary 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 2nd AGM or at any adjournment thereof**:-
 - (i) In Hardcopy Form (applicable to all shareholders)
The Form of Proxy shall be deposited at Company's address at **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 2nd AGM for guidance and further details.
- (8) Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this Notice of 2nd 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 2026** (General Meeting Record of Depositors) shall be entitled to participate at the 2nd 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 2nd 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 2nd AGM dated 28 April 2026.

Please fold here

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.

Please fold here

Please fold here



**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.



+603-5122 9011 / +603-5122 8055



info@cbh.com.my



www.cbh.com.my